

Expert Suggests Ideal Policies, Financial Discipline as Solutions to Rising Cost of Projects Delivery

Builders have to imbibe the ethics of team work; know something about architecture and pricing so that they can deliver projects that are optimal and of good quality to their clients, a Chartered Builder, Bldr. Solomon Oba, has advised.

Two things, he said, measure the success in building projects and these include the satisfaction of the client with the quality of the project and the satisfaction of the client with money spent. Builders have to balance the two, he added.

Speaking on Friday, March 17, 2017, at the Town and Gown seminar of the Department of Building Technology, Covenant University, where he delivered a lecture titled, 'Rising Cost of Building Projects Delivery in Nigeria: Causes, Effects and Remedies', Bldr. Oba said that the behavioural pattern of stakeholders at construction or execution stage of a project determines whether a project would be delivered optimally.



Builder Solomon Oba, Guest Speaker at the Department of Building Technology's Town and Gown Seminar, speaking on the Topic "Rising Cost of Building Projects Delivery in Nigeria: Causes, Effects and Remedies".

The Guest Speaker said that things done by stakeholders that escalate cost include Engineering design issues, which entail faulty design basis and assumptions and over-design for safety reasons by Consulting Engineers; Estimate and pricing issues like faulty estimate on cost and schedule and knowledge gap of project peculiarities in terms of environmental awareness by Quantity Surveyors; and Funding issues like the lack of regard for project funding plan.

"When funding is delayed in a volatile inflationary environment like in Nigeria, the value of funds eventually released is less than intended by the contract," he explained.

Other causes of rising cost of building projects delivery in the country, he said, are Scope Growth, where a client decides to tinker with the project design; Misappropriation and Misapplication of funds, which engender delayed completion of projects as well as poor quality work and poor safety practices.

Highlighting the effects of rising cost of building projects delivery in Nigeria, Bldr. Oba mentioned macroeconomic factors like high cost of materials and services; dearth of building construction projects, leading to infrastructural deficit and decay; housing deficit, which today stands at between 16 and 17 million in the country; and massive unemployment.

Other effects, according to him, are not getting a comparative value for money invested, resultant poor judgment and design leading to rework, delayed completion due to lack of funds, additional funding requirement in the form of variation orders among others.

Bldr. Oba, who is vastly experienced in the building construction and the oil and gas industries, said that the Federal Government and the Central Bank of Nigeria should come up with fit for purpose fiscal and monetary policies as a remedy to the rising cost of building projects delivery in the country.

Other remedies, as enumerated by him, include builders or contractors advising their clients sufficiently on financial consequences of their choices; the clients respecting project funding plan; contractors avoiding misappropriation and

misapplication of funds and adhering strictly to project standards and specifications; and ensuring safety work environment by having a functional safety department.

In his comments, a senior faculty member of the Building Technology Department, Professor Timothy Mosaku, appreciated the guest speaker for the educative lecture, which he said had given the students a good perception of what they will face when they eventually go out to practice. He implored the students to be circumspect in their decision making so that they don't jeopardise their interest by being careless.

Earlier, before the lecture was delivered, the Head, Department of Building Technology, Dr. James Owolabi, said the topic was germane in present day Nigeria and assured the students that the lecture will enrich their knowledge.

Also at the seminar were Professor Olabosipo Fagbenle, Dr. Ayodeji Ogunde and Dr. Patience Tunji-Olayeni among other faculty members and staff of the Building Technology Department.

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