



Putting a price on your pond creation project and working with contractors

Pond Creation Toolkit Supplement 2

An important part of managing any project is keeping the costs under control. If you've never been involved with a pond creation project before, the information below can help you with some of these practicalities. See also the *Pond Creation Toolkit Sheets 6 and 7* that provide further details and discuss any issues you might have with your Million Ponds Project Officer.

We're keen to get the maximum number of ponds for our pounds!

Please try and obtain the best price you can for your pond creation project. The more cost effective it is, the more ponds we'll be able to create for BAP species. This doesn't necessarily mean that we expect you to accept the cheapest quote as we don't want to compromise on quality. The Million Ponds Project staff are on hand to advice on all aspects of the pond creation process, the aim being to ensure that each project is a quality job.

To find the best price for your job may mean:

- Ringing round for a few extra prices.
- Some lateral thinking about whether jobs could be linked in with others to help economise on cost. For example, is one of your colleagues planning any ditching or footpath work? Are they likely to be hiring any machinery that you could both use while it's on site so that you could share the transport costs?
- Asking some follow up questions to check contractors prices, for example to make sure you know what's been included within an estimate.
- Be prepared to go to another contractor if you don't think you're getting the best price for the job.

Before asking for a quote

- Before speaking with a contractor about your project, be clear in your own mind about what you'll be asking the contractor to do. Think carefully about exactly how you're going to tackle a job and prepare a clear specification for the work (See the *Pond Creation Toolkit Sheet 6, Section 4: Planning the Construction Phase*).

Who should I ask for a quote?

- Always ask around to try and find the most appropriate contractor for the job – word of mouth is the best form of recommendation. Always get at least two quotes (preferably three) unless you're absolutely sure that you've found the best contractor for the best price.
- Small contractors (for example one man and a machine) can be good to work with as you have some assurance over who the machine driver will be which can make a big difference to the quality of the job. They may also be more flexible than bigger contractors.
- Agricultural contractors are well worth contacting as they've often done this sort of work before. Many agricultural contractors work all over the country, so if you're in an urban area don't assume that they won't be interested in quoting for your job.

Should I ask a contractor to work for a fixed price or on a daily rate basis?

Working with contractors on a daily rate basis can be substantially better value for money than those created for a fixed price - sometimes the difference is 50-100%, sometimes more. However, it may be better to negotiate a fixed price for some pond creation schemes e.g. when there are uncertainties about (i) how long the ponds will take to dig or (ii) the digger driver's experience.

Working with a contractor on a daily rate basis

Working on a daily rate basis gives more flexibility to adapt your plans as the ponds develop. For example if a site looks like it may not hold water you can ask the machine driver to move elsewhere without the complication of having to negotiate another price. You'll only pay for the work done and if there are any unforeseen problems the contractors extra time will still be covered.

How long should it take to create a pond?

Of course this varies as it depends on many things, such as the size and depth of the finished pond. However, if all goes well and as long as the spoil can be spread adjacent to the pond it shouldn't take more than 2-3 hours to create a water body which is 10x10m and 90cm deep at its deepest point. It should be possible to create at least two such ponds in a day and if the digging is straightforward (for example if the digging is easy and the ponds are fairly close together), three or four ponds are achievable.

Providing a brief for a contractor

When asking for a quote for work on a **daily rate basis** your brief should include:

- An estimate of how long this work will take. This is only an estimate and isn't binding on either party, however we'll need to have some idea of what the total cost for the job is likely to be.
- The sort of machine you want a cost for. Most contractors are happy to advice on this, but a 13 ton excavator is a good choice for most jobs. See the *Pond Creation Toolkit Sheet 7, Section 2* for further advice on the choice of machinery.
- The daily and hourly rate for the machine and its driver. Confirm when the day starts and finishes. If you're paying for an 8 hour day this should cover the time from when the machine starts up until it's closed down for the night.
- Whether you also need to hire a dumper to help move the spoil to where you need it to go. Unless the job is a very small one it's normally most economical to have a driver for each machine.
- The transport cost for the machine to be delivered to the site. The cost will include the time taken for the transporter from leaving its depot to returning there after having delivered the machine. Clearly, local contractors will normally have smaller transport costs.

When asking for a **fixed price** quote your brief should include:

- Where the ponds will be located and how they will be marked out on site.
- Specifications for the finished pond. Stress the importance of shallow gradients and irregular shapes; refer to the *Pond Creation Toolkit, Sheet 4: Pond Design* and give them a summary of the relevant information.
- What is to be done with spoil – where should it go, how high can it be piled and how steep should the finished gradients be? Try and get the spoil to blend in with the landscape and use some of it to create hibernacula if possible. See also the *Pond Creation Toolkit, Sheet 6, Section 4* on dealing with spoil.
- Where the machine will be delivered, what route must be used to move around the site and which areas should be avoided. Make it clear which areas are out of bounds, for example ecologically sensitive areas, amenity grassland areas or any other features you want to protect from damage.

Also:

- Ask the contractor to give a breakdown of costs, in particular by itemising their costs for transport and a dumper (if required).
- Provisional items: sometimes it's impossible to predict everything that a contractor will need to do on the day and sometimes you may need to ask for work not included in your original brief. To be prepared for this, ask the contractor for their hourly and daily rates, then if you need to ask them to do any extra work everyone knows what the charges will be.
- Try to keep the brief as simple as possible and don't include any unnecessary information.

What sort of price should I be expected to pay?

A variety of local factors will affect the cost of pond creation on your site. Transport costs can be variable, but our experience has shown a surprising consistency between the cost of pond creation across the country.

As a general indication we have found:

- The cost of hiring a 13 ton excavator with driver is fairly consistent and is approximately £200-£250/day (+VAT).
- The cost of hiring a dumper and driver is approximately £150-£200/ day (+VAT).
- The cost of transporting machinery to and from can be very variable and you'll need to confirm this cost separately for each job. Costs often vary between £50 and £200 each way (+VAT), depending on distance.
- The costs of taking spoil off site are very high and this should not be considered unless essential. If you feel that there is no alternative, please contact the Million Ponds Project staff for further advice.

N.B. Some agricultural contractors are able to transport their excavator using a tractor and trailer. This can be done for a fraction of the cost of hiring a low loader and allows the excavator to be delivered much closer to where it is required.

Final Points

- Have a think about the time of year that the pond creation work will take place. Late August – early October is generally a good time as ground conditions should be relatively dry. (For further information see the *Pond Creation Toolkit Sheet 6, Section 4: Planning the Construction Phase*.)
- Don't forget to include VAT in your cost estimate! The Million Ponds Project will cover VAT, but only if you include this figure in your project costings.

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