

Overview

This unit is about the establishment of project procurement strategies from inception to implementation by way of procurement methods, their objectives and criteria. Project stakeholders and legal and contractual constraints are considered. You will need to demonstrate how you have brought the procurement strategy forward to implementation. You will need to consider the interests and involvement of project stakeholders in the project. You will procure suppliers and services for the project to comply with project objectives. You will facilitate project team meetings to promote collaborative working arrangements. You will demonstrate the selection and agreement of forms of contract to satisfy the interests of the project.

Performance criteria

Select and agree procurement strategies

You must be able to:

- P1 identify and agree feasible and realistic procurement objectives and criteria
- P2 identify procurement methods which are capable of meeting the procurement objectives and evaluate them against selected criteria
- P3 select and recommend the most effective procurement methods which meet stakeholders' constraints and relevant legal and industry requirements
- P4 agree and record the selected procurement method and appropriate implementation procedures

Establish project team arrangements

You must be able to:

- P5 identify and confirm with the stakeholders, the type of project work and objectives for project team collaboration
- P6 form a selection panel of stakeholders to assess potential suppliers and services and identify selection criteria
- P7 provide information to potential suppliers and services and invite them to submit a statement of their capabilities
- P8 evaluate the potential suppliers and services using the selection criteria and agree a short-list
- P9 interview and hold discussions with the short-listed potential suppliers and services to assess their suitability, capability and commitment to the project and compliance with selection criteria
- P10 select and confirm the project suppliers and services with the stakeholders
- P11 negotiate agreements and contracts with project suppliers and services
- P12 conduct project team meetings to facilitate collaborative working and agree individual and mutual project objectives

Recommend and agree a form of contract

You must be able to:

- P13 identify clearly the stakeholders and the purpose of the contract
- P14 identify with the stakeholders significant criteria for selecting the form of contract
- P15 select and recommend a form of contract which is appropriate to the type of project work
- P16 give clear and accurate information and advice and provide stakeholders with the opportunities to comment and ask for clarification
- P17 agree a form of contract which is capable of being put into effect

Knowledge and understanding

You need to know and understand:

Select and agree procurement strategies

- K1 what to identify as feasible and realistic procurement objectives and criteria (understanding)
- K2 how and why to agree feasible and realistic procurement objectives and criteria (evaluation)
- K3 what to identify as procurement methods which are capable of meeting the procurement objectives (understanding)
- K4 how and why to evaluate procurement methods against selected criteria (evaluation)
- K5 how and why to select the most effective procurement methods which meets stakeholders' constraints and relevant legal and industry requirements (evaluation)
- K6 how and why to recommend the most effective procurement methods which meets stakeholders' constraints and relevant legal and industry requirements (synthesis)
- K7 how and why to agree the selected procurement methods and appropriate implementation procedures (evaluation)
- K8 how to record the selected procurement methods and appropriate implementation procedures (application)

Establish project team arrangements

You need to know and understand:

- K9 what to identify with the stakeholders as the type of project work and objectives for project team collaboration (understanding)
- K10 how to confirm with the stakeholders, the type of project work and objectives for project team collaboration (application)
- K11 how and why to form a selection panel of stakeholders to assess potential suppliers and services and identify selection criteria (synthesis)
- K12 how to provide information to potential suppliers and services and invite them to submit a statement of their capabilities (application)
- K13 how and why to evaluate the potential suppliers and services using the selection criteria (evaluation)
- K14 how and why to agree the short-list of potential suppliers and services (evaluation)
- K15 how and why to interview and hold discussions with the short-listed potential suppliers and services to assess their suitability, capability and commitment to the project and compliance with selection criteria (analysis)
- K16 how and why to select the project suppliers and services with the stakeholders (evaluation)

Knowledge and understanding

- K17 how to confirm the project suppliers and services with the stakeholders (application)
- K18 how and why to negotiate agreements and contracts with project suppliers and services (synthesis)
- K19 how to conduct project team meetings to facilitate collaborative working (application)
- K20 how and why to agree individual and mutual project objectives to facilitate collaborative working (evaluation)

Recommend and agree a form of contract

You need to know and understand:

- K21 what to identify as the stakeholders and the purpose of the contract (understanding)
- K22 what to identify with the stakeholders as the significant criteria for selecting the form of contract (understanding)
- K23 how and why to select a form of contract which is appropriate to the type of project work (evaluation)
- K24 how and why to recommend a form of contract which is appropriate to the type of project work (synthesis)
- K25 how to give clear and accurate information and advice (synthesis)
- K26 how to provide stakeholders with the opportunities to comment and ask for clarification (application)
- K27 how and why to agree a form of contract which is capable of being put into effect (evaluation)

Scope/range

Select and agree procurement strategies

- 1 Procurement objectives and criteria:
 - 1.1 type and form of contract
 - 1.2 definition and coverage of required project services
 - 1.3 alignment of interests and benefits
 - 1.4 early participation of key suppliers
 - 1.5 risk allocation
 - 1.6 integrated project insurance
 - 1.7 Building Information Modelling protocols
 - 1.8 economic, political and social context
 - 1.9 funding sources
 - 1.10 degree of commercial and financial risk
 - 1.11 agreed payment procedures
 - 1.12 whole life principles
 - 1.13 best overall value
 - 1.14 timescales/sequencing
 - 1.15 environmental benefits and sustainability
 - 1.16 community benefits
- 2 Procurement methods:
 - 2.1 managed forms of construction
 - 2.2 design and build
 - 2.3 traditional
 - 2.4 Public, Private Partnership
 - 2.5 prime contracting
 - 2.6 partnering
 - 2.7 advisory
 - 2.8 sole source/single negotiations
 - 2.9 competitive tendering
 - 2.10 early contractor involvement
 - 2.11 service level agreement
- 3 Legal and industry requirements:
 - 3.1 common law
 - 3.2 contract law

Scope/range

- 3.3 EU directives on procurement
- 3.4 codes of practice and procedures
- 4 Implementation procedures:
 - 4.1 tendering process
 - 4.2 tender evaluation
 - 4.3 award recommendation
 - 4.4 contract award
- Establish project team arrangements
- 5 Stakeholders:
 - 5.1 the client
 - 5.2 the client's financial advisers
 - 5.3 CDM coordinator (or recognised body under the CDM code of practice)
 - 5.4 design consultants
 - 5.5 potential contractors
 - 5.6 potential subcontractors and suppliers
 - 5.7 facilities/asset managers
 - 5.8 potential investors funding
 - 5.9 agencies independent
 - 5.10 client adviser
 - 5.11 user groups
- 6 Type of project work:
 - 6.1 design
 - 6.2 construction
 - 6.3 services
 - 6.4 supply
 - 6.5 operate and maintain
 - 6.6 management
 - 6.7 decommissioning
- 7 Objectives:
 - 7.1 business case for integration
 - 7.2 commitment to multi-discipline partnering (whole supply chain)
 - 7.3 minimum on-site construction period

Scope/range

- 7.4 certainty of completion
- 7.5 minimum whole life cost
- 7.6 sustainable solution
- 7.7 agreed maximum cost
- 7.8 zero defects
- 7.9 respect for people (including health, safety, welfare and the environment)
- 7.10 agree quality working to
- 7.11 budget effective work
- 7.12 scheduling
- 7.13 Building Information Modelling
- 7.14 adoption of industry guidance and benchmarking
- 7.15 sharing knowledge and information
- 8 Selection criteria:
 - 8.1 cost
 - 8.2 quality
 - 8.3 time
 - 8.4 organisational experience
 - 8.5 performance measurement
 - 8.6 health, safety and welfare record
 - 8.7 environmental record
 - 8.8 staff competence and development
 - 8.9 commitment to integration/partnering
 - 8.10 commitment to Building Information Modelling
 - 8.11 social inclusivity record
- 9 Information:
 - 9.1 administration details
 - 9.2 scope of work
 - 9.3 budget
 - 9.4 information required from partners
 - 9.5 selection criteria and weightings
- 10 Capability:
 - 10.1 information modelling
 - 10.2 organisational experience

Scope/range

- 10.3 performance measurement
- 10.4 health, safety and welfare record
- 10.5 environmental record
- 10.6 staff competence and development
- 10.7 commitment to integration/partnering
- 10.8 commitment to BIM capability
- 10.9 availability of appropriate resources

Recommend and agree a form of contract

- 11 Stakeholders:
 - 11.1 the client
 - 11.2 the client's financial advisers
 - 11.3 CDM coordinator (or recognised body under CDM code of practice)
 - 11.4 design consultants
 - 11.5 potential contractors
 - 11.6 potential subcontractors and suppliers
 - 11.7 facilities/asset managers
 - 11.8 potential investors funding
 - 11.9 agencies independent
 - 11.10 client adviser
 - 11.11 user groups
- 12 Criteria for selecting:
 - 12.1 client's needs and requirements
 - 12.2 form of procurement
 - 12.3 degree of risk
 - 12.4 technical complexity
 - 12.5 project partnering
 - 12.6 sector practice
- 13 Form of contract:
 - 13.1 standard
 - 13.2 non standard
- 14 Type of project work:
 - 14.1 design

Scope/range

- 14.2 construction
- 14.3 services
- 14.4 management
- 14.5 operate and maintenance
- 14.6 decommissioning

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Establish project procurement arrangements in
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