Thoughts on Procurement and Building Safety

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Department for Levelling Up, Housing & Communities

Guidance on Collaborative Procurement for Design and Construction to Support Building Safety: <u>An Overview</u>



Professor David Mosey of King's College London Centre of Construction Law and Russell Poynter-Brown of On-Pole Limited working in collaboration with the Procurement Advisory Group

- Guidance commissioned by DLUHC.
- Is focussed on Construction
- Is incredibly useful for anyone looking to commission a new 18m+ building
- Also covers refurbishment works
- Has some useful insights for general procurement in the new building safety world. Insight that's badly needed on longer term contracts.



Quotes Hackitt's Report

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- A key issue underpinning system failure is 'Indifference' where 'the primary motivation is to do things as quickly and cheaply as possible rather than to deliver quality homes which are safe for people to live in.' (Foreword, page 5)
- 'Improving the procurement process will play a large part in setting the tone for any construction project. This is where the drive for quality and good outcomes, rather than lowest costs must start.' (Foreword, page 8)
- The procurement process kickstarts the behaviours that we then see throughout design, construction, occupation and maintenance.' (Section 9.1, page 108)



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- Selection by value that avoids a race to the bottom (Section 5)
- Early supply chain involvement that improves safety and reduces risks (Section 6)
- Collaborative relationships that improve commitments and involve residents (Section 7)
- A golden thread of information that integrates design, construction and operation (Section 8).



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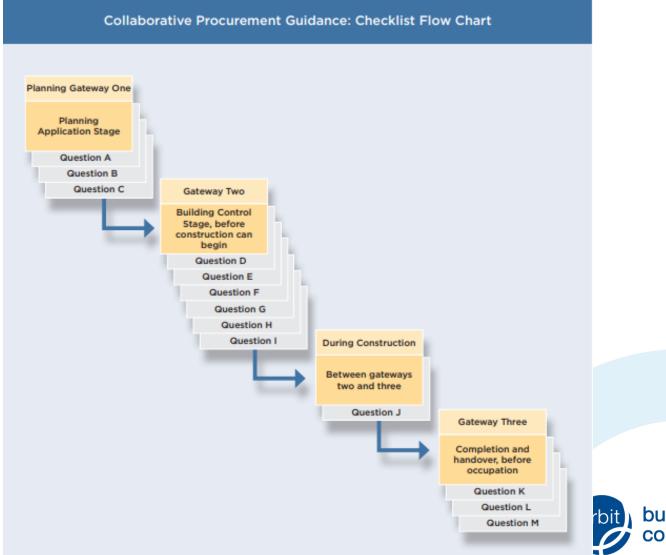
- The guidance has a Checklist of Questions
- The Questions are designed for each of the three newbuild gateways, but can apply to many procurements:
- e.g.

Question A: Have the Client's processes for identifying the person drafting the 'Fire Statement', and for other professionals who are involved in preparing the planning application, demonstrated a balanced approach to value and evidence of suitable competencies? [Guidance Section 5]



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The 13 Questions



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Avoiding Race to the Bottom

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- Avoid a single-stage, fixed price procurement process, especially if there is a risk that the Client may be provided with inaccurate fixed prices based on incomplete or inaccurate information
- Use a two-stage procurement process
- Assess competencies carefully against a recognised set of criteria to ensure that dutyholders and other team members can fulfil their commitments and obligations



Avoiding Race to the Bottom

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- Ensure that evaluation criteria are detailed, measurable, weighted and accurately reflect the Client's brief and the principles of value based procurement (5.4)
- Demonstrate a robust balance between safety, cost and quality, using evaluation processes that demonstrate value and provide evidence of suitable competencies and insurances (5.5)
- For public sector Clients, use the provisions of current Public Contracts Regulations that enable a balanced approach to assessing the most economically advantageous tenders (5.6)



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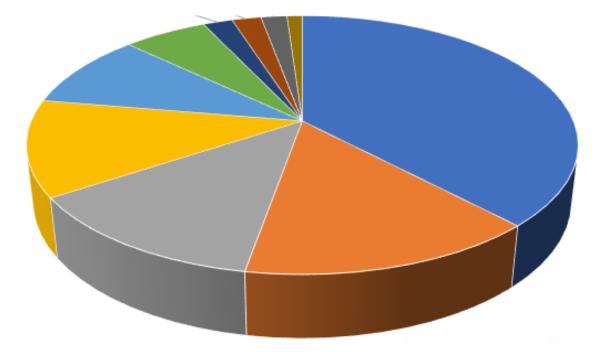


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- Looked at our last 11 major safety procurments (from FRAs to EICRs to cladding etc.)
- Identified ten distinct categories of Questions that we asked in the tenders
- Question types included things like:
- Cost,
- Customer Satisfaction
- Contract Management
- Safety



Points available per Category

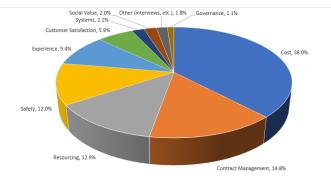






- They found similar results.
- So...we trialled a three stage procurement for our new BIM contractor
- Stage 1 Written Tender
- Stage 2 Case Studies/mobilisation plan
- Stage 3 Interviews
- We split the scoring 35% cost, 30% safety, 30% quality, 5% on the mobilisation plan
- Ended with most expensive contractor, but the delivery is now ahead of schedule and beyond what we expected – an amazing result.
- This is now the way we are procuring all our safety contracts







Questions?

