



## **SCS GUIDE TO THE PROCUREMENT OF BUILDINGS**

Published by the Quantity Surveyors Division of the SCS

### **Introduction**

A person or company commissioning construction projects will require an end product which will satisfy their needs as to form and quality and which they can take possession of at the agreed time and which they will obtain for a competitive price.

Procurement is the means by which the above situation is brought about. The procurement of a building generally falls into two stages: the first include agreeing the brief, preliminary designs, cost advice and planning application; the second includes the completion of design and the execution of the work on the site.

Procurement options can often seem bewildering and you will need expert advice from a Chartered Quantity Surveyor to help you decide on the best option. The following points are intended as an overall guide to a successful project:-

#### **1. Select an in-house executive.**

A single point of contact within your organisation is a necessary aid to efficiency in the building project and an in-house project executive should be appointed. Organisations which build regularly may already have a nominated project manager/executive. Your project executive must at least be able to answer all incoming questions fully and promptly and have the power to speak on behalf of your organisation and to organise the internal decision-making process for the project.

#### **2. Seek advice.**

If you do not have the right person, or enough time or expertise to carry out the project executive role in-house, an advisor may be hired to act as a clients representative. The quality of this appointment will be crucial to the success of your project, and you should always select someone who clearly understands your business, its aims and priorities. A Chartered Quantity Surveyor is very suitable for this role.

### 3. Define your requirements.

You can only obtain what you want if you know what you want. Thorough planning-preparing a brief for your building project - is essential. Brief making is a searching process: deciding on the specification for a new building or a remodelling scheme can often reveal the potential for increased efficiency in business operations. The brief making process will be formulated by your advisor or project executive and will be discussed and agreed with you design team and Chartered Quantity Surveyor.

### 4. Time and project.

Decide how important speed is to your building project. This must be weighed against cost and other considerations.

### 5. Select you procurement path.

The way your building is realised - its procurement - will depend on your needs as a customer. The purpose of this brochure is to help you select, in conjunction with your Chartered Quantity Surveyor, the most suitable procurement path.

### 6. Choose your construction professionals.

Most projects require a full design team including Chartered Quantity Surveyors, Architects and Engineers. Levels of fees are not the only, or indeed the best guide to selection. Look for ability, quality of service and the right attitude, as establishing rapport with the design team, is very important.

### 7. Choose a site.

Do not commit yourself to a site or building until your team has made an assessment. Unforeseen problems can include ground conditions, structures, servicing, traffic, planning and environmental considerations.

## Choosing your Procurement Path

To get a building built its procurement involves assembling and organising the skills and services of a team of construction professionals. These are many aspects to consider. Outlined here are the basic procurement paths and variations. An early and considered decision on the most suitable type of procurements for you is essential, as it has major implications for the kind of service you can expect.

Some procurement paths are better suited to certain types of building, and you will need to discuss priorities with your in-house project executive and your Chartered Quantity Surveyor before taking a final decision. A great deal will depend on the relative importance of risk. Flexibility, cost control and speed.

The six main procurement paths are as follows:

#### 1. Traditional Tendering

Contractors submit tenders once design is complete, in order to establish a contact sum for the project.

## 2. Negotiated Tendering

A contractor is appointed at an early stage in the design process, through negotiations or competition, in order to provide initial construction advice on the project.

In both of the above methods, cost management is provided by the consultant Chartered Quantity Surveyor and design is carried out by Architects and/or, Engineers as appropriate. Tender prices are sought from contractors for construction, The basis of the tender price can be either a simple lump sum, or a variety of documents known collectively as Bills of Quantities.

## 3. Design and Build

You buy the finished building from a single contractor who is responsible for design and construction.

## 4. Management Contracting

This form of procurement has made advances in recent years. The Managing Contractor manages the whole construction process in return for a fee. He controls and programmes the specialist contractor who actually constructs the building.

## 5. Construction Management

Similar to Management Contracting, except that the manager appointed will be a construction professional e.g. Chartered Quantity Surveyor, rather than a building contractor.

## 6. Cost Reimbursement

The employer pays for the work on the basis of the actual cost incurred.