

PROCUREMENT THEME GROUP 2019

TERMS OF REFERENCE

1. PURPOSE

A community of interest to share ideas and learning.

An influencer through thought leadership.

A source of guidance and advice to other CE members and wider stakeholders.

2. SCOPE

Agenda:

- Promote New Models of Construction Procurement (NMCP 3 models)
- How do we procure for whole life value not lowest capital price?
- Support CLC Procuring for Value
- Procuring for social value

Key focus on implementation

- Address mis-match between knowledge and action
- What are the barriers and blockers and how do we get rid of them?

3. WORKING METHODS

Half-day meetings, part 'conference' with guest speakers, part workshop to develop outputs.

Guest speakers from eg other industries, professional bodies (eg CIPS, RICS), government (eg IPA, BSI).

Subgroups as desired.

Online meetings, social media.

3.1. Kick-off meeting

Recap of work to date, then workshop on blockers and barriers.

4. TARGETED OUTPUTS

- Specific guidance on
 - Procuring for value
 - Social value
- Evidence base, eg NMCP case studies, guidance and training material
- Thought leadership events, eg roundtables.
- Thought leadership blogs.

5. MEMBERS

Chair

Ann Bentley, RLB and Construction Leadership Council

Secretary

Alison Nicholl/Don Ward, CE.

Participants

All paid-up national members of CE entitled to nominate a representative.

All bodies with representatives on the New Models of Construction Procurement (formerly IPA) entitled to nominate a representative.

Other co-optees as agreed by the chair

6. FREQUENCY OF MEETINGS

Conference-style meeting twice a year.

Working group meeting say every 2 months.

Location TBC (London gets much better attendance) at offices of members.

7. OTHER RESOURCES

- CE national members
- CE web – dedicated portal to include signposting, blog, forum etc
- CE staff team for eg events, web, social media
- Other CE theme groups, eg Digital, Offsite, etc
- CE regional network

8. REPORTING

CE Members Steering Group (Chair of group is automatically co-opted if not already on this) – three times per year.

Meetings of Chairs of CE Theme Groups – convened as required, typically once per year.

9. OTHER CE WORK AND LINKS

Collaborative Working Champions looked at procurement regularly – eg “Business case for lowest price tendering?”, compliant OJEU notices that facilitate collaborative working

Some CE regions have looked at this theme, eg CE Wales “No turning back” report, CESW

Cabinet Office new procurement methods and trial projects – CE led monitoring and reporting on the trials and chaired Working Group 2017-18. Now proposed to merge with CE group.

CLC and CIC work on Procuring for Value.

IPA ‘Project Initiation Toolkit’ (formerly ‘IUK’s Procurement Routemap’).

Good links either through membership or liaison with most major government departments and many local authorities.

A number of CE members are on the BSI committee CB/500 on construction procurement. DW is its secretary. Through this, also good links to the ISO standard on procurement and to the international CoST initiative on transparency (anti fraud).

WHAT (Blockers)

- Priced Based Procurement
- Appropriate Procurement Route
- English Law
- True Cost Transparency
- Digitisation & Standardisation
- Focus on Whole Life Performance
- Early Engagement of Client & Key Players

WHAT (Solutions)

- Key players involved at the start.
- Re-open client advisor role.
- Strategic Brief Priorities
- Value Based Procurement (Behaviours) – Removing cost as a main driver.
- Adversarial to Collaboration (Alliance Environment)
- Stage between the strategic brief stage and project stage.
- Programmes & Projects
- Aggregation – Not all about conscious collaboration – Stealth Collaboration
- Enforcement of Regulations/Statutory Enforcement (Singapore Model)
- Giving industry, momentum, voice and backing.
- Robust Metrics in a Standardised Framework

WHO (Actions)

- BSI
- Centralised Government
- CIPS/RICS
- Advisors
- Someone whose job it is
- Branded National Movement

The items in BOLD were the items the group thought to be the most important in relation to the solutions to the blockers discussed.