

REVIEW OF SCOTTISH PUBLIC SECTOR PROCUREMENT IN CONSTRUCTION

Guidance on the use of a baseline skillset for
construction procurement

11 October 2017

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1. Introduction

The Scottish Government (SG) announced in May 2014 that it had accepted all of the recommendations made in the Review except the appointment of a Chief Construction Advisor.

Implementation of this particular recommendation is being led by the Scottish Futures Trust (SFT) as part of a core team of SG and SFT officials. The core team reports to the Construction Review Delivery Group, which is responsible to the Public Procurement Reform Board for the delivery of implementation activity.

This toolkit establishes minimum levels of technical competence for each of the two key management roles in the procurement of a construction project. The first is the Project Director (in some organisations this may also be known as the Project Sponsor or the Senior Responsible Officer). The second is the Lead (or most senior) Project Manager.

Procuring Authorities will still need to exercise their normal judgment in appointing people with the appropriate degree of the so-called 'soft' skills – leadership, communications, team-building etc.

2. Extract from the Review of Scottish Public Sector Procurement in Construction

The context for this guidance is found in the following extract from the Review:

7. *Capability and capacity*

7.2 *People and skills*

7.2.1 *Not every organisation lacks construction procurement expertise – on this point we want to be very clear – many public sector organisations in Scotland have tremendous experience and expertise.*

7.2.2 *A problem, however, is that this experience and expertise appears to vary significantly from one organisation to the next. Another problem is that we can only report what appears to be the case from the many stakeholder interviews we have carried out – we cannot populate the spectrum from good to poor practice, because whilst Procurement Capability Assessments (PCAs) are used to evaluate annually how organisations undertake their procurement generally, they are not sufficiently fine-tuned to be able to assess the specifics of construction. Furthermore, not all organisations*

which spend public money on construction currently participate in the PCA process.

- 7.2.3 It is generally accepted that any organisation which is spending public money has an obligation to spend that money well and to seek maximum value for money. In our opinion, this means that any organisation using public funds (in part or in entirety) to procure construction work must deploy appropriately skilled people to do so – with no exceptions.*
- 7.2.4 We recognise though that there is no one-size-fits-all prescription to make sure this happens. It is clearly not reasonable to expect an organisation which is an occasional procurer of relatively straightforward construction work to retain the same in-house capability and capacity as one which is a regular procurer of very complex work. It is also important to recognise that, whilst procuring authorities should in general take a forward looking strategic approach to assessing their in-house capability and capacity, they should also, as part of each individual procurement’s business planning stage, undertake an assessment of the adequacy of their skills and expertise to manage that specific procurement, which may have specialised characteristics which go beyond the team’s capability. The objective of the PCA is to assist organisations to improve their structure, capability, processes and ultimately performance, by attaining a level of performance that is appropriate to the scale and complexity of their business. PCAs assess capability in key areas against common criteria and standards which allows public bodies, locally, at sector level and nationally, to identify where best practice already exists, where there are gaps and where continuous improvements and efficiencies can be implemented.*
- 7.2.5 So, if not retained in-house, that capability must be accessed somehow. Collaboration, sharing of services and using other expert public construction procurers as consultants are some potential options for filling this gap.*
- 7.2.6 Our recommendations in this area suggest a number of steps to improve capability. Some of these are practical in nature, others require more fundamental behavioural changes. Collectively they are intended to start addressing the weakest performers by establishing a minimum level of expected competence. Some organisations will already meet this – that is commendable, but should not be taken as a signal that they can relax their standards; we fully expect the strengthened construction procurement policy function within the Scottish Government to promote an agenda of improving standards.*
- 7.2.7 In any change programme, relationships are key, and we could not help but be struck by the internecine battle that appears at times to be raging between procurement professionals and construction professionals in some parts of the public sector.*

- 7.2.8 *We heard some remarkably candid comments from construction professionals – on both the client and supplier side – about procurement professionals supposedly ‘taking over’ construction.*
- 7.2.9 *Procurement professionals for their part often reported that they had been unable to make the same sorts of inroads into the procurement of construction works in their organisations as they had into the procurement of goods and services, complaining of a lack of ability to influence the procurement strategy.*
- 7.2.10 *Whatever the cause of this mutual distrust, it is manifestly self-defeating and must be brought to an end.*

7.2.11 Recommendation

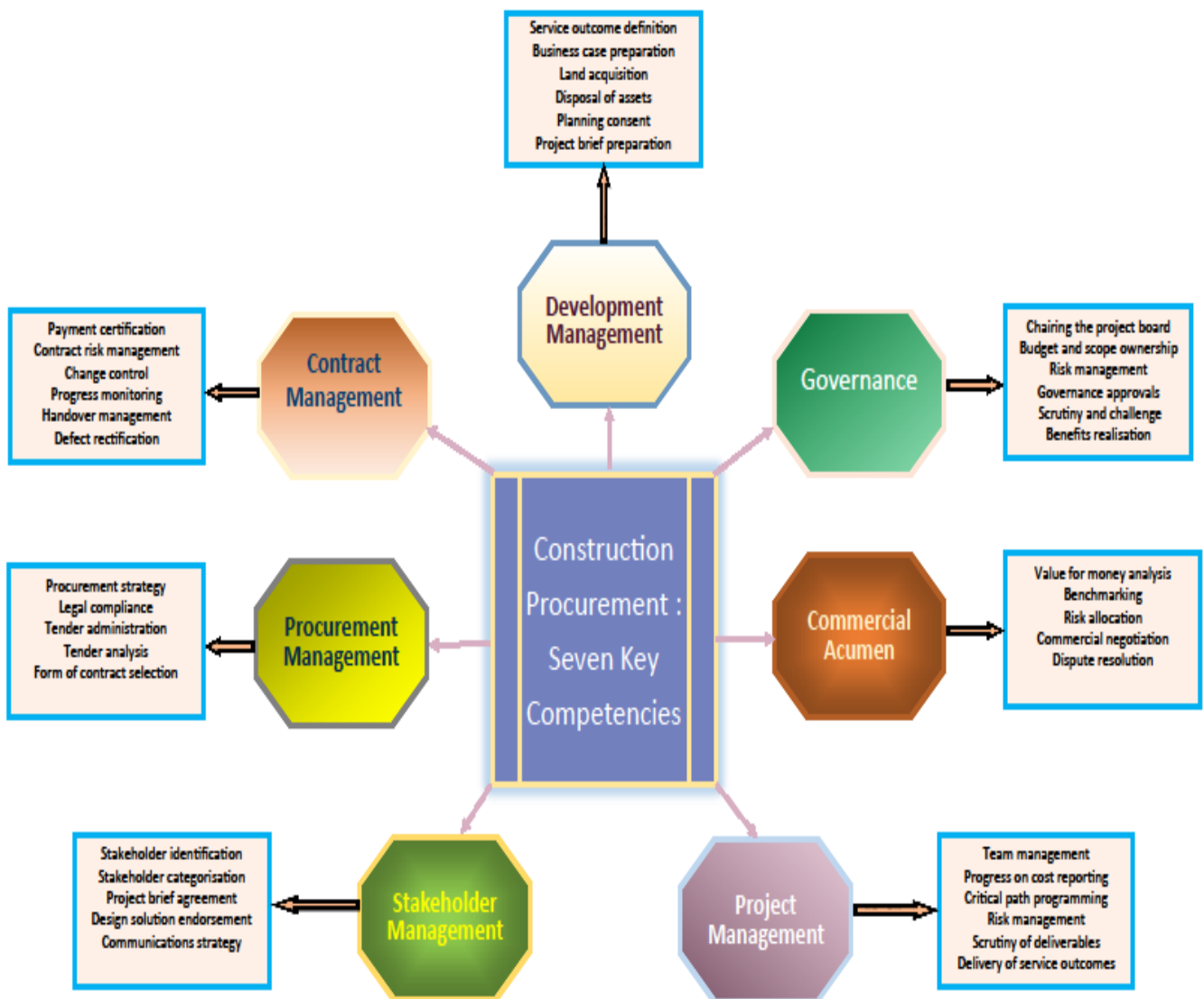
Public sector bodies involved in construction procurement must have access to the right mix of professional procurement and construction expertise to ensure that infrastructure is procured effectively. It may not be appropriate for each organisation to retain this expertise on a permanent basis. It may instead be achieved through collaboration with other bodies – either on a project-by-project, or a longer-term basis.

7.2.12 Recommendation

Guidelines on the necessary blend of required skills should be developed. Procuring authorities should confirm that they have assessed their capability against these guidelines and that they have the capability and capacity to carry out construction procurement or outline the alternative collaborative arrangements through which they plan to achieve this capability.

3. The Seven Key Competencies

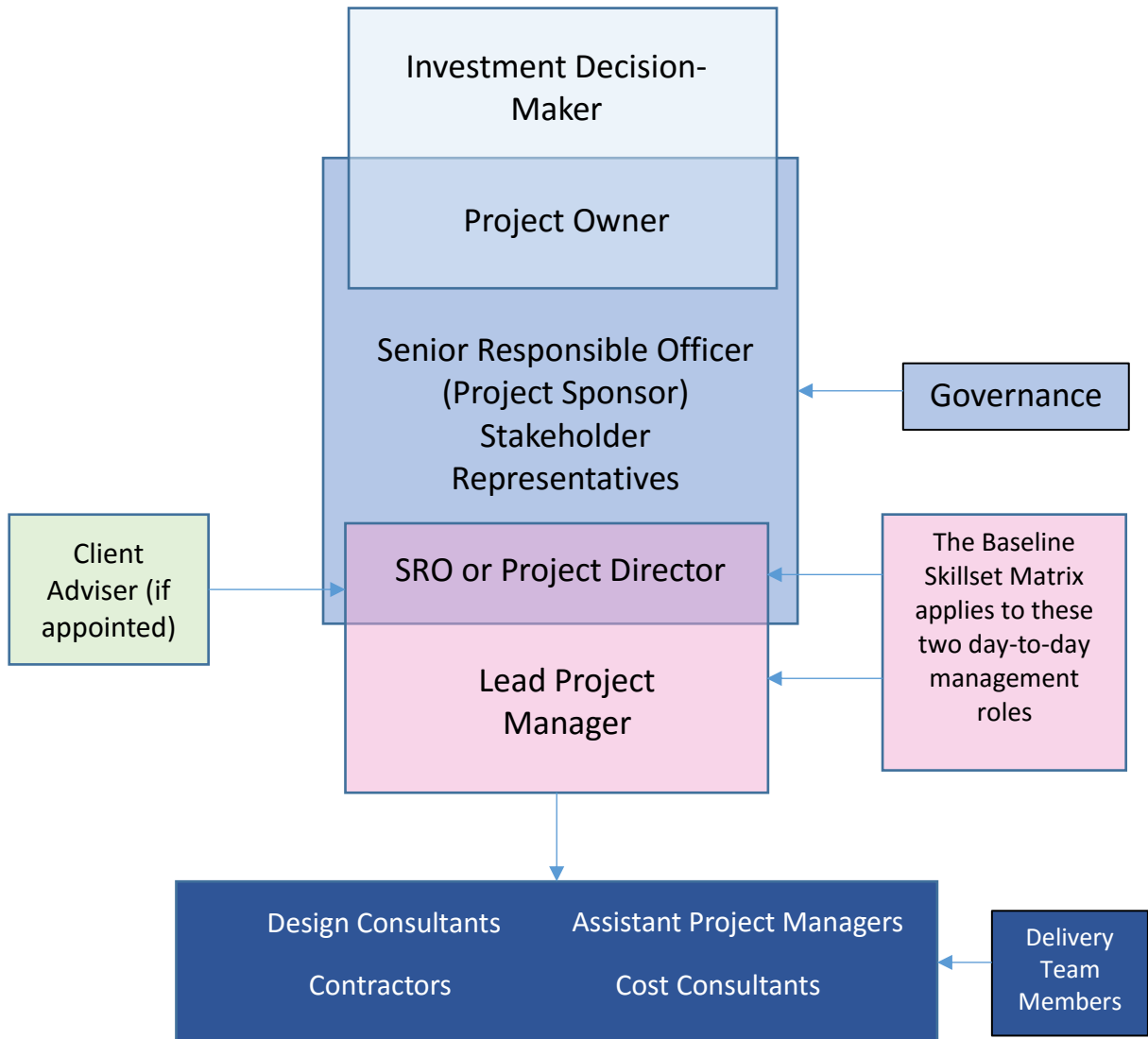
The diagram below illustrates the basis of the toolkit. For the successful delivery of a construction project, the procuring authority must appoint key managers who possess an appropriate level of technical ability in each of the seven key competencies. The toolkit establishes the degree of project complexity (levels 1,2,3 or 4) and then defines the required level of capability for each key competency: 'Expert', 'Experienced', 'Previous Involvement' and 'Good Awareness.'



4. Project Organisation

The chart below displays the organisation of a typical construction procurement project. The notes explain some of the differences in terminology around key roles with which procuring authorities might be familiar.

Typical Project Organisation Chart



Notes:

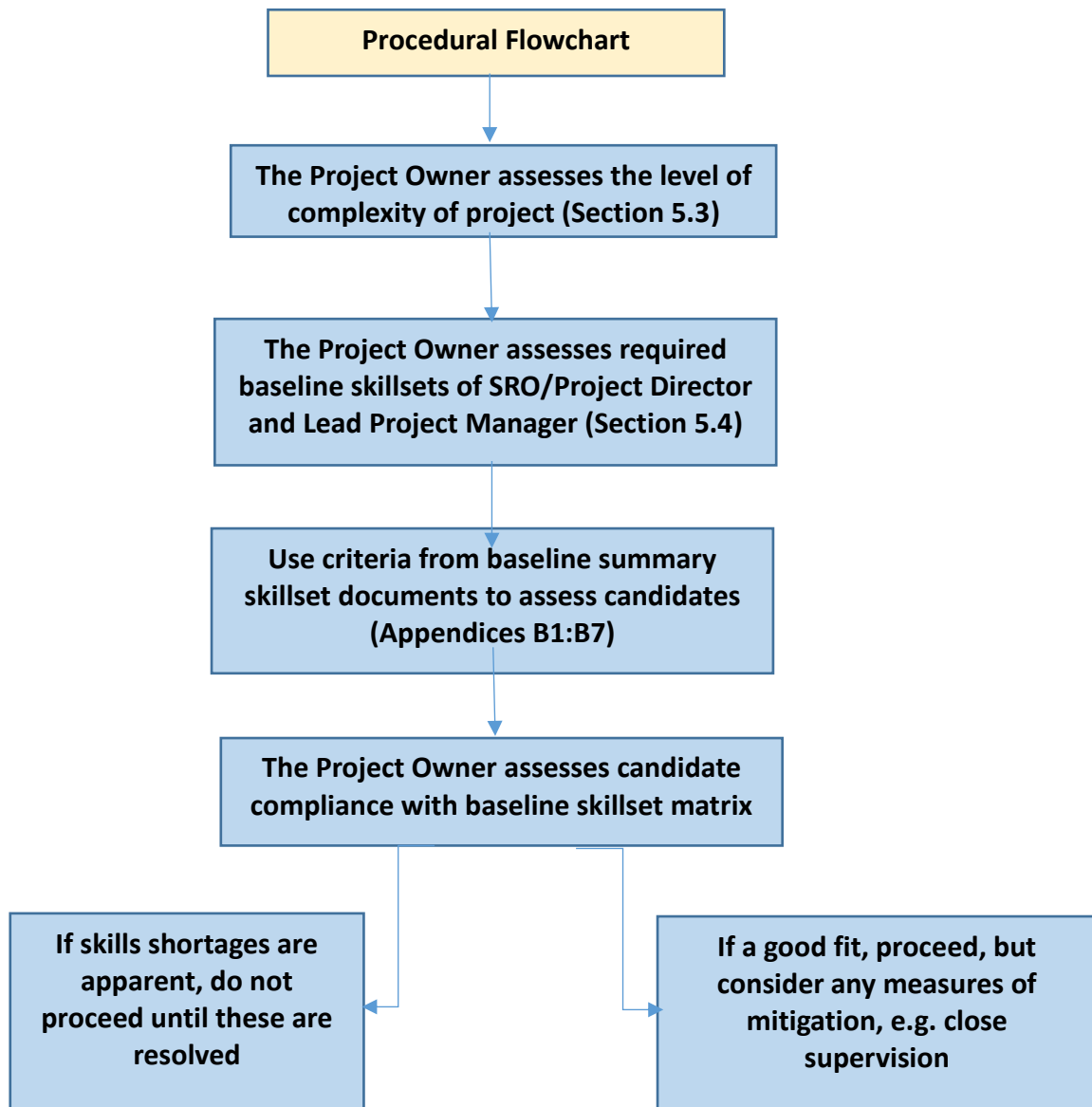
1. The Project Owner must be satisfied that each of the day to day management roles of SRO/Project Director, and Lead Project Manager, are filled by persons with experience complying with the baseline skillset for the project's complexity level.
2. In some procuring authorities the Project Sponsor or SRO may perform the role of Project Director. If so, compliance with the baseline skillset is still required.
3. The Project Director is always the line manager of the Lead (most senior) Project Manager

5. How to Use the Toolkit

5.1 Baseline Skillset Process

Procuring authorities can use the tool to decide whether candidates have the necessary skills and competencies to act as (i) Project Director and (ii) Lead Project Manager for a project. If there are competency shortfalls, the procuring authority must consider how to address these. Examples could be by collaboration with other procuring authorities, by secondment, or by outsourcing.

The flowchart below illustrates the stages in the process:



If the Project Director and/or Lead Project Manager lack the necessary capabilities, a procuring authority should not proceed by substituting an individual appointment with a committee structure containing broadly equivalent competencies.

5.2 Responsibility for Selection of Contractors and Consultants

It is recognised that in some contracting authorities the task of administering the tender process for selecting contractors and consultants for construction projects is performed by a procurement department rather than by the project management team. It must, however, remain the responsibility of the SRO to satisfy themselves that the procurement approach is proportionate and specific to a construction environment. The strategy should follow the best practice guidance for construction procurement set out in the Construction Journey - particularly for the setting of selection criteria and cost:quality ratios, and for the informed assessment of tender responses. It is therefore vital that even if the SRO/Project Director/Lead Project Manager do not directly administer the tender process they still possess the necessary level of construction procurement management competency.

5.3 Baseline Skillset Online Tool

A Project Owner can use an online tool which automates the process. Please see section 5.9 for more information.

5.4 Deciding upon the Complexity of a Project

The first part of the toolkit is a matrix, (named the ***Project Complexity Level Matrix***) to help procuring authorities decide what level of complexity the project represents. There are four levels of complexity. The level is decided by a conducting a simple 'tick-box' exercise. If each of the project complexity criteria in any level is fully met, then that is the level that should be adopted. However, should any of the criteria fall into a higher level, then it is that level that should be adopted. Any project can be defined as level four if, in the opinion of the procuring authority, the overall complexity of it, or risk attached to it, dictates such a rating, for there are no minimum requirements in a level four project. The matrix is shown in the chart overleaf and Appendix A contains a worked example:

Project Complexity Level Matrix

Complexity Level	Level One	Level Two	Level Three	Level Four
<u>Project complexity criteria</u>				
Value²	Up to OJEU threshold	Less than £10 million	Less than £15 million	Any
Number of procurement authorities involved	1	1-2	1-2	Any
Number of user consultees³	1-5	1-5	1-12	Any
Number of tier one contractors	1	1-2	1-2	Any
Number of design teams	1	1-2	1-2	Any
Degree of technical complexity and/or operational risk⁴	Low	Low or Medium	Low or Medium	Low, Medium or High

1. Instructions for use

For each of the six complexity criteria, users should select the box with the lowest applicable value for the specific project under consideration. The project complexity level is then determined by the highest level of box chosen. For example, a project with two Level 1 boxes, three level 2 boxes and one level 3 box would be classified as Level 3 complexity. See Appendix A for a worked example.

2. OJEU threshold

Threshold currently set at £4,104,394 for all public sector procuring authorities (until 31 December 2017).

3. Definition of 'consultees'

'User consultees' in this context refers to specific groups (rather than individuals) with whom a procuring authority is required to consult on project requirements and outcomes. For example, if a procuring authority requires a new secondary school to be built, then school boards, parents, teachers, architects, councillors, suppliers, pupils and relevant council officers can all be considered as 'consultee groups.'

4. Technical Complexity/Operational Risk

It will be a matter for procuring authorities to assess the level of reputational risk within the criterion of 'Technical Complexity and Operational Risk'. However, it is suggested that any 'mission-critical' project would be classed as 'high risk' (level four). Reputational risk should also be considered a factor.

5.5 Using the Baseline Skillset Matrix

Please refer to the matrix overleaf. The next step in the process is to determine the degree of competency required by both of these key posts for the calculated level of complexity of the project. The level of expertise for the key competencies required by the Project Director and the Lead Project Manager is dependent upon the level of complexity of the project. If the project is at level one, then the expertise and experience required by either post is less than that required for level two, and so on. There are four 'diminishing' levels of expertise: '**expert**', '**experienced**', '**previous involvement**' and '**good awareness.**' Analysis of the matrix overleaf shows that a Project Director for a level three project should be 'experienced' in project management, whilst for a level one project he or she should have had 'previous involvement' of project management.

5.6 Assessing Candidates' Existing Competency Levels

Each candidate for a Project Director or Lead Project Manager role should be assessed (or assess themselves) against each of the *seven key competencies summary documents* (Appendices B1:B7) to establish their capability level against each one – 'Expert', 'Experienced,' 'Previous Involvement' and 'Good Awareness.'

The basis for a capability level is simply that of a degree of previous experience in each competency. Such technical competency does **not** automatically confirm the suitability of an individual for a particular role. The procuring authority must satisfy itself as to the relative success of previous performance, and, most importantly, that the candidate also exhibits the necessary softer skills for the role – for example, leadership, communication and team-building.

5.7 Identifying Skills Shortages

If the candidates for the roles of Project Director or Lead Project Manager have skills shortages in any of the key competencies, then these shortages must be addressed by procuring authorities. It is not sufficient to think that these shortfalls can be made up by a 'mix and match' of skills and competencies from elsewhere in the project team. In this case, the sum of parts is not greater than the whole. The appointed Project Director and Lead Project Manager should possess all the key competencies, together with an appropriate level of the softer skills, before a project commences.

Baseline Skillset Matrix

Senior Responsible Officer/Project Director				
Complexity Level	Level 1	Level 2	Level 3	Level 4
Development Management	Good Awareness	Previous Involvement	Previous Involvement	Experienced
Governance	Experienced	Experienced	Expert	Expert
Commercial Acumen	Experienced	Experienced	Experienced	Expert
Project Management	Previous Involvement	Previous Involvement	Experienced	Experienced
Stakeholder Management	Good Awareness	Previous Involvement	Experienced	Experienced
Procurement Management	Good Awareness	Previous Involvement	Previous Involvement	Previous Involvement
Contract Management	Good Awareness	Previous Involvement	Experienced	Experienced
Guideline minimum resource commitment*	5-15%	10-20%	15-30%	25-75%

Lead Project Manager				
Complexity Level	Level 1	Level 2	Level 3	Level 4
Development Management	Previous Involvement	Experienced	Experienced	Expert
Governance	Good Awareness	Previous Involvement	Previous involvement	Previous involvement
Commercial Acumen	Previous Involvement	Experienced	Experienced	Expert
Project Management	Previous Involvement	Experienced	Experienced	Expert
Stakeholder Management	Previous Involvement	Experienced	Experienced	Expert
Procurement Management	Good Awareness	Previous Involvement	Experienced	Experienced
Contract Management	Good Awareness	Previous Involvement	Experienced	Experienced
Guideline minimum resource commitment*	30-40%	40-70%	70-100%	100%

Please refer to the baseline skillset summary documents in Appendix B for detailed experience level definitions relating to each key competency.

**Guideline minimum resource commitment is the amount of time typically needed in each role, varying with the level of project complexity. For example, a Project Director might typically need to spend between 10 and 20% of his or her time on a level two project, whereas a Lead Project Manager might need to spend between 40 and 70% of his or her time on the same project.*

5.8 Options to Address Skills Shortages

The Review is quite clear in its recommendations: any skills shortages must be resolved. It suggests that one of the best methods to achieve this is by collaboration with other procuring authorities who have staff possessing the necessary competencies. A procuring authority might also consider outsourcing the role. Exceptionally, if a candidate is a very close fit, say, a level below one of the key competency requirements (e.g. 'experienced', rather than 'expert'), in a maximum of two key competencies, a procuring authority might consider close supervision as a measure of mitigation.

5.9 Using the Online Tool

The tool can be found at: <http://baseskills.sft.scot>

Once a Project Owner has registered with the website he/she can set up a new project and complete the complexity matrix using dropdown menu prompts. The website then prompts the Project Owner to send email invitations to candidates requesting they complete self-assessments of their experience against each of the seven key competencies. Once completed, the Project Owner can view an analysis of each candidate's skillset compared to the project's baseline skillset determined by the project's complexity level.

Appendix A: Worked Example of using the Complexity Level Matrix

Complexity Level	Level One	Level Two	Level Three	Level Four
<u>Project complexity criteria</u>				
Value ²	Up to OJEU threshold	Less than £10 million	Less than £15 million	Any
Number of procurement authorities involved	1	1-2	1-2	Any
Number of user group consultees ³	1-5	1-5	1-12	Any
Number of tier one contractors	1	1-2	1-2	Any
Number of design teams	1	1-2	1-2	Any
Degree of technical complexity and/or operational risk ⁴	Low	Low or Medium	Low or Medium	Low, Medium or High

5. Instructions for use

For each of the six complexity criteria, users should select the box with the lowest applicable value for the specific project under consideration. The project complexity level is then determined by the highest level of box chosen. In this example, a project has two Level 1 boxes, two level 2 boxes and two level 3 boxes. It would therefore be classified as Level 3 complexity.

6. OJEU threshold

Threshold currently set at £4,104,394 for all public sector procuring authorities (until 31 December 2017).

7. Definition of 'consultees'

'User consultees' in this context refers to specific groups (rather than individuals) with whom a procuring authority is required to consult on project requirements and outcomes. For example, if a procuring authority requires a new secondary school to be built, then school boards, parents, teachers, architects, councillors, suppliers, pupils and relevant council officers can all be considered as 'consultee groups.' In this example there are 7 user group consultees.

8. Technical Complexity/Operational Risk

It will be a matter for procuring authorities to assess the level of reputational risk within the criterion of 'Technical Complexity and Operational Risk'. However, it is suggested that any 'mission-critical' project would be classed as 'high risk' (level four). Reputational risk should also be considered a factor. In this example the degree of technical complexity or operational risk was assessed as Medium

Appendices B1-B7 Baseline Skillset Summary Documents

Appendix B1: Development Management

BASELINE SKILLSET SUMMARY DOCUMENT

KEY COMPETENCY

DEVELOPMENT MANAGEMENT

Definition

Development management includes the following activities:

- The definition of service outcomes
- The preparation of initial and outline business cases
- Site selection
- Land acquisition and surveys
- Disposal of assets
- Governance structures
- Strategic planning
- Preparation of the project brief
- Management of the scrutiny and subsequent approval of design options presented by consultants and contractors.

Capability Levels

Expert

- Has had direct experience of leading development management for a minimum of two similar projects.
- Has had direct experience of leading the land assembly and site selection function for one or more similar projects.
- Has been the lead manager in the preparation of business cases and project briefs for a minimum of two similar projects.
- Has previously managed the performance of relevant consultants and approved their deliverables in one or more similar projects.

Experienced

- Has had direct experience of being the lead in development management, and has been responsible for delivering the majority of its functions, for one or more projects.
- Has had experience of land assembly and site selection for one or more projects.
- Has been responsible for the management of the input of consultants for one or more projects.
- Has been responsible for the preparation of a business case for one or more similar projects.
- Has been involved in the preparation of a project brief for one or more projects.

Previous Involvement

- Has had experience of assisting the lead manager responsible for development management on one or more projects.
- Has acted as a project manager, undertaking some of the functions of the manager responsible for development management for one or more projects.
- Has been involved in, and is familiar with, business case preparation for one or more projects.

Good Awareness

- Has previously been involved in a project and witnessed a development management function;
- and/or has studied development management through formal education or a formal training programme.

BASELINE SKILLSET SUMMARY DOCUMENT

KEY COMPETENCY

GOVERNANCE

Definition

Governance includes the following activities:

- Agreeing service outcomes
- Agreeing the project brief
- Chairing the project board (or similar)
- Securing the procuring authority approval of project budget and scope
- Understanding land acquisition, site selection and disposal of assets
- Ensuring a strong risk management and risk mitigation culture
- Authorising a scheme of delegated powers
- Securing procuring authority approval to overall design solutions and contract awards
- Ensuring the proper scrutiny of cost management and whole-life costing
- Providing the role of arbiter in disputes between stakeholders
- Scrutinising business cases prior to their recommendation for procuring authority approval
- Challenging those people tasked with day to day management of the project
- Ensuring a focus on benefits realisation

Capability Levels

Expert

- Has chaired a project board or equivalent for similar projects a minimum of three times.
- Has secured procuring authority approval of project budget and scope for a minimum of two similar projects.
- Has secured procuring authority approval for design solutions and the award of contracts for a minimum of two similar projects.

Experienced

- Has chaired a project board or equivalent at least once.
- Has assisted in securing procuring authority approval for project budget and scope for a minimum of two similar projects.
- Has assisted in securing procuring authority approval for design solutions and the award of contracts for one or more projects.

Previous Involvement

- Has supported the chair of a project board in one or more projects.
- Has created papers and reports for approval by a project board for one or more projects.
- Has led on risk management for one or more projects.
- Has been involved in preparing business cases for one or more projects.

Good Awareness

- Has been involved in some aspects of governance at a junior level;
- and/or has studied governance through formal education or training.

BASELINE SKILLSET SUMMARY DOCUMENT

KEY COMPETENCY

COMMERCIAL ACUMEN

Definition

Demonstrable commercial acumen is needed in the project team to ensure risk management and value-for-money are optimised. Appropriate capability levels include:

- Understanding the difference between cost and price
- Understanding the principles of whole-life costing
- Being familiar with benchmarking
- Leading on risk management
- Optimising risk allocation
- Being skilled in negotiation and challenging
- Having a good awareness of forms of contract and competitive negotiations
- Maintaining and exploiting competitive tension
- Instructing and managing construction contract lawyers
- Making recommendations on alternative courses of action when faced with disputes or contractual claims.

Capability Levels

Expert

- Has had experience of a lead commercial or equivalent business management role for a minimum of three broadly similar projects.
- Has proven experience of the identification and monitoring of project risk in a minimum of three broadly similar projects.
- Has dealt satisfactorily with a minimum of two previous contractual disputes or claims.

Experienced

- Has had experience of a support role in commercial or equivalent business management for a minimum of two projects.
- Has had experience of managing the identification and monitoring of project risk for a minimum of two projects.
- Has assisted in the satisfactory conclusion of a contractual dispute or claim in a minimum of two projects.

Previous Involvement

- Has been involved at an operational level in commercial or business management activities for one or more projects over the past three years.
- Has a good awareness of, and fully understands, organisational, commercial and business processes and has experience of using them.
- Has supported leaders in risk management in one or more projects.

Good Awareness

- Has been involved in some aspects of commercial or business management activity at a junior or peripheral level, supporting key members of project teams;
- and/or has studied project commercial or business management activities through formal education or training.

BASELINE SKILLSET SUMMARY DOCUMENT

KEY COMPETENCY

PROJECT MANAGEMENT

Definition

Project management includes the following activities:

- The application of processes
- The management of resources
- The delivery of the service outcomes defined in the project brief
- Setting up a Project Execution Plan (PEP) or similar
- The management of future project activities
- The reporting of progress
- The identification of mitigation measures for barriers to progress
- Critical path programming
- The use of float (risk allowance)
- The balancing of scope, project capital cost, whole-life cost, budget, time and risks
- Risk management
- Preparing papers and reports for project board (or similar) approval
- Checking that documents prepared by others contain the specified level of detail and coordination

Capability Levels

Expert

- Has had experience as a project manager for a minimum of two broadly similar projects.
- Has identified and assessed risks, using quantitative techniques, for a minimum of two broadly similar projects.
- Has demonstrable experience in critical path programming relating to a minimum of two broadly similar projects.
- Has established an effective project review system for minimum of two broadly similar projects.

Experienced

- Has worked in project or programme management for at least two years.
- Has executed and controlled project management plans and changes, and has reported on project performance, for a minimum of two projects.
- Has demonstrable experience in assisting in critical path programming for min of two projects.
- Has demonstrable experience in modifying a project plan and updating a risk log for a minimum of two projects.
- Has a clear and demonstrable understanding of what constitutes 'good performance' by the project team.

Previous Involvement

- Has been involved in project management in one or more projects.
- Has a good awareness of, and fully understands, project management processes and plans.
- Has assisted in project planning, critical path programming, risk analysis and reporting for one or more projects.

Good Awareness

- Has been involved in some aspects of project management at a junior or peripheral level, occasionally supporting members of the project team;
- and/or has studied project management through formal education or training.

BASELINE SKILLSET SUMMARY DOCUMENT

KEY COMPETENCY

STAKEHOLDER MANAGEMENT

Definition

Stakeholder management includes the following activities:

- Identifying all internal and external stakeholders
- Differentiating between those to be 'consulted' and those to be 'informed.' (Consultees will be involved in defining service outcomes)
- Securing agreement of the project brief
- Securing endorsement of the proposed design solution
- Developing a communications strategy

Capability Levels

Expert

- Has performed as the lead person responsible for stakeholder management for a minimum of two broadly similar projects.
- Has had direct experience in the identification of stakeholders and analysis of their potential impact on projects for a minimum of two broadly similar projects.
- Has had direct experience of creating stakeholder management strategies for a minimum of two broadly similar projects.
- Has had experience of creating and delivering a comprehensive communications plan, encompassing all stakeholders in a project, for a minimum of two broadly similar projects over the last three years.

Experienced

- Has had direct experience of leading stakeholder management for one or more projects.
- Has had direct experience in creating stakeholder management strategies for one or more projects.
- Has had direct experience of creating a comprehensive project stakeholder communications plan for a minimum of two projects.

Previous Involvement

- Has previously been involved in stakeholder management in one or more projects.
- Has been involved in consulting with stakeholders and monitoring, evaluating and documenting their responses and feedback for one or more projects.

Good Awareness

- Understands how to identify and characterise stakeholders.
- Understands how to create a comprehensive stakeholder communications plan;
- Displays good communications skills;
- and/or has studied stakeholder management through formal education or training.

BASELINE SKILLSET SUMMARY DOCUMENT

KEY COMPETENCY

PROCUREMENT MANAGEMENT

Definition

Procurement Management includes the following activities:

- Analysing options culminating in the recommendation of a procurement strategy
- Ensuring compliance with public procurement regulations
- Controlling the process of supplier selection from contract advertisement through pre-qualification, tender and contract award
- Fully understanding all relevant forms of contract for both consultants and contractors
- Understanding procedures for the procurement of consultants
- Setting questions and managing the process of scoring and weighting answers for the quality aspect of tender evaluation
- Ensuring that questions will lead to good differentiation between scores
- Conducting supplier interviews
- Identifying best value choices rather than that of lowest cost
- The determination of the levels of insurance, retention, limits of liability, liquidated damages and performance bonds

Capability Levels

Expert

- Has led on procurement management with respect to a minimum of three similar projects.
- Has been the lead manager in the choice and execution of procurement procedure – whether open, restricted, negotiated or competitive dialogue under EU rules, for a minimum of three broadly similar projects.
- Has had direct experience of having overseen and approved supplier de-briefing procedures in accordance with the Regulations for a minimum of three broadly similar projects.

Experienced

- Has led on procurement management for one or more projects.
- Has drawn up tender evaluation criteria and weighting and scoring mechanisms for a minimum of two projects.
- Has controlled the process of supplier selection, from contract advertisement through pre-qualification, tender and contract award for a minimum of two projects.

Previous Involvement

- Has had direct experience of assisting the procurement manager in one or more projects.
- Has prepared Notices in the Official Journal of the European Union and other publications, as appropriate, for a minimum of one over-the-EU-threshold project.
- Has been involved in a support role in tendering and contract award procedures for one or more projects.

Good Awareness

- Has previously been involved in a construction procurement project and has engaged with the procurement management function;
- and/or has studied procurement management requirements by way of formal education or a formal training programme.

BASELINE SKILLSET SUMMARY DOCUMENT

KEY COMPETENCY

CONSTRUCTION CONTRACT MANAGEMENT

Definition

Construction contract management includes the following activities:

- Administering those aspects of a construction procurement project not delegated to consultants
 - Change control
 - Quality inspections
 - Monitoring progress
 - Approval of submissions for designs, method statements etc.
 - The administration of progress meetings
 - The exercise of client prerogatives
 - Handover and completion inspections
 - Defect rectification
 - The issuing of contract certificates
- Even if such delegation has been made, it is important that the client team thoroughly understands the mechanisms for:**
- Payment
 - Managing and determining the effect of risk events

Capability Levels

Expert

- Has had direct responsibility for managing or administering a construction contract for a minimum of two broadly similar projects.
- Has led negotiations to resolve contractual issues
- Has taken a lead role in the defect rectification process for a minimum of two similar projects.
- Has managed and improved supplier relationships through appropriate and structured supplier and contract management processes for a minimum of two broadly similar projects.

Experienced

- Has had direct responsibility for managing or administering a construction contract for one or more projects.
- Has a demonstrable understanding of the terms and conditions of a construction contract and has led negotiations to resolve contractual issues for one or more projects.
- Has led negotiations to resolve contractual issues and has taken a lead role in the defect rectification process for one or more projects.

Previous Involvement

- Has had experience of assisting in the development of contract management processes for one or more projects.
- Has assisted the project lead in risk identification and management in one or more projects.
- Has assisted in the resolution of contractual disputes and changes in one or more projects.

Good Awareness

- Has been involved in several aspects of construction contract management at a junior level;
- and/or has studied construction contract management through formal education or training.