

## **Medium Term Strategy for the Procurement of Public Works Projects**

The Capital Works Management Framework (CWMF) represents the tools that a public body must use to procure and manage the external resources necessary to deliver a public works project that is to be delivered under the Exchequer-funded element of the National Development Plan.

The performance of a key element of the CWMF; the public works contracts, was reviewed by the Government Contracts Committee for Construction (GCCC) in 2014. The amendments recommended to the conditions of contract arising out of the review have been implemented since 2016, however the review also recommended the development of a strategy to address a range of issues which were impacting on project delivery.

A high level strategy has been developed with the GCCC that will guide the implementation which will be addressed primarily through the progressive refinement and enhancement of the CWMF. The following objectives summarise the strategy:

The CWMF will enable the delivery of sustainable assets under the NDP by:

- Developing procurement and contracting strategies that prioritise quality solutions and support the most efficient means of delivery;
- Embedding appropriate risk management measures within the project development, procurement and construction stages;
- Deploying digital solutions throughout the project delivery stages.

A series of principles have been derived from the objectives under three headings. The principles will provide a framework within which to develop procedures and templates to give effect to the objectives of the next generation of the CWMF.

### **1. Procurement & Contracting Strategy**

- a. determine the optimum procurement and contracting strategy taking into account;
  - i. the quality of the operational asset
  - ii. the available resources (including the budget)
  - iii. risk profile of the project
- b. provide the most efficient means of engaging the necessary resources, whether consultants or contractors, in a manner that is compliant with procurement rules and Government policy;

### **2. Risk**

- a. require risk identification from the earliest stage of the project;
- b. set minimum standards for the information necessary for each stage of a project's development;
- c. determine who is best positioned to manage risk at the different stages of a project's development.

### **3. Performance**

- a. provide the means to measure the performance of a project and its key actors during the course of its delivery and beyond into its operation;

- b. provide the means to review project outcomes to determine whether they have met their objectives and ensure that learnings are captured to inform future deliveries.

*Through its development the next generation of the CWMF will,*

- Facilitate the timely and effective delivery of sustainable public assets
- Foster collaborative working through all stages of an asset's delivery

The Office of Government Procurement has prepared a methodology for extensive structured engagement both with public sector and industry stakeholders to inform the implementation of the strategy. It is proposed to publish a series of position papers<sup>1</sup> on a variety of topics to foster debate and engagement on specific issues such as:

- price variation;
- risk management;
- creating a better quality : price balance in the award of contracts;
- adoption of BIM on public works projects;
- liability, indemnity and insurance requirements;
- performance evaluation;
- encouraging collaborative working.

Upon conclusion of the consultation period for each issue, the GCCC will prepare a recommendation for approval at the appropriate level. It is envisaged that the process of engagement will extend over the next 12 – 18 months, however where the GCCC's recommendations are accepted they may be implemented without waiting for the entire process to conclude providing it is practicable to do so.

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<sup>1</sup> Where necessary and on particularly complex topics, research may be commissioned or working groups will be considered to more comprehensively address the topic.