CONSTRUCTION PROJECT MANAGEMENT

CIVIL ENGINEERING PROJECT MANAGEMENT AND ENVIRONMENTAL ASSESSMENT

1 TENDERING PROCESS

Review

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THE BUILDING LIFE CYCLE (Glenigan)

https://www.youtube.com/watch?v=zx9ZkFrhPuE

How a company access work:

Negotiate work

Finding land and speculative construction

Tendering

Tendering process

National Joint Consultative Committee (NJCC) Codes of Procedure for tendering

At present it does not exist, but these procedures are still used

Marketing approach

Tendering costs money and time
For medium and large-sized companies
Development of formalised marketing approach

- Contract leads developed strategically
- Identify potential opportunities and selection of tenders

Tendering process

Public sector projects

Advertised in the OJEC (Official Journal of the European Communities)

- Tendering opportunities over £300,000
- Motorways, hospitals, community buildings, etc.

www.ojec.com

Due to complexity and extensive numbers of advertisements (and language difficulty), it is common use to contract the services of the local Euro Information Centre or another kind of consultancy.

Tendering process

Public sector projects

List of information included:

- Awarding authority
- Award procedure and contract type
- Site location and design information available
- Completion deadline
- Legal arrangements for joint venture or consortia bidders
- Deadline, address and language for submitting tender list applications
- Final date for dispatch of tender invitations
- Deposits, bonds or guarantees required
- Financing and payment (e.g. monthly payment against invoice)
- Qualifications such as past experience, technical expertise and financial stability
- Award criteria (e.g. price, technical merit, quality, value for money)
- Variants, which would include permissibility of tender qualifications or alternative bids
- Other information about the project in hand
- Various official dates and notices

Tendering process

Private sector projects

Contract leads may also be obtained from other sources:

Local authority planning applications
Planning committee meetings
Minutes of local authority meetings
Public press announcements
Trade journals and magazines
Trades representatives
Keeping your eyes and ears open

An average contract lead can take about 10 months to track from initial application to inclusion on the tender list.

Tendering process

Tender pre-qualification

Formal process for tendering

- Answer a standard questionnaire
- Attend a formal interview
- Make a presentation

Important considering:

Construction (Design and Management) Regulations 2015

- H&S record
- H&S training
- Qualification and experience of staff
- Appropiate procedures to comply with this regulation
- Resources needed

Financial standing

- Scrutiny of the contractor's accounts (profitability, solvency, liquidity, references from previous clients, bankers, etc.)

Tendering process

Tender pre-qualification

Examples of issues considered:

General details

- Company details
- Completed contract record
- Technical expertise
- Plant and resources
- Financial accounts
- References

Resources

- Provision for health and safety
- Plant and equipment
- Technical support
- Trained personnel
- Adequate time

Competence

- Past experience
- Response to pre-construction health and safety information
- Organisation
- Safety advice
- Training provision
- Management procedures
- Accident statistics and prosecutions
- Vetting and control of subcontractors
- Safety management system

Tendering process

EXERCISE 1

Read the article given and explain the difference between an open tender, a selective tender and a negotiated tender.

Tendering process

EXERCISE 2

This is a list of stages to cover when tendering. Describe what happens in every one of them:

1. Decision to tender
2. Pre-tender arrangements
3. Site visit and report
4. Enquiries to subcontractors and suppliers
5. Tender method statement
6. Build-up of the estimate
7. Pre-tender programme
8. Build-up of contract preliminaries
9. Adjudication of estimate
10. Analysis of tender performance

Pre-contract Planning

Once we have been selected in a tendering process

Stages

1. The pre-contract report and meeting
2. Pre-contract check list
3. Placing of subcontracts – suppliers and subcontractors
4. Site layout planning
5. Schedules of requirements
6. Preparation of master programme
7. Arrangements for commencing works
8. Preparation of contract budgets

Contract Planning

Stages

1. Six-weekly and monthly planning review
2. Weekly or short term planning
3. Daily planning
4. Monthly and weekly reports of progress
5. Updating of progress and comparison of budget with performance