Agenda

- Overview: Government Construction Strategy
- Context: Benchmarking, procurement and soft landings
- Commercial support for BIM
- RICS and BIM
Overview: Government Construction Strategy

- Early Contractor Involvement
- Transparency
- Integration

- Establish common minimum requirements
- Enable consistent challenge across Gov't
- Inform budgeting and CSR

How can the commercial process support these agendas?
Key interfaces for commercial consideration

- Best practice procurement – BS 8534
- Alternative procurement models
  - Cost – led procurement
  - Integrated project insurance
  - Two stage Open Book
- Government Soft Landings
- Government ‘Intelligent client initiative’
- Spend aggregation
- Supply chain development
- CoST and other benchmarking initiatives

Pilot BIM Projects may also be trialling some of these initiatives
## Procurement: Recurring themes and key differentiators

### Recurring Themes
- Very early supplier engagement
- Benchmarking of cost
- Outcome-based specification
- Integrated, collaborative and transparent
- Peer group reviews
- Whole life focus
- Rewarding performance of team
- Informed client skills and behaviours
- Contract ‘agnostic’

### Key Differentiators

| Cost-led | Assumes a framework approach  
|          | Allows the breaking of the framework if the parameters are not met  
|          | Winning bidder recovers cost through the framework |
| Integrated Project Insurance | Backed by a total insurance policy with pain/gain mechanism  
|          | Open book pricing  
|          | Team remuneration at cost plus profit; but this can be incentivised |
| Two-Stage Open Book | Assumes a framework approach but could be used on a single project basis  
|          | Competition on fee and overhead  
|          | Team remuneration is a fixed price against deliverables for stages of work |
Key elements of the commercial process

- PAS 91
- Employer’s Information Requirements
- Appointment documentation
- BIM Protocol
- Levels of Detail Table
- Information Plan
- PAS 1192 and Unified Plan of Work

Commercial documents are a work in progress – the team will benefit from feedback
Drafting Principles for the Commercial Elements

- Leave the commercial process as unchanged as possible – e.g. contractual relationships/insurance
- Avoid bespoke requirements
- Explain requirements as clearly as possible:
  - EIRs
  - BIM Protocol
- Use tools collectively to secure desired outcomes
  - Protocol, Information Manager, PAS 1192
- Ensure that there is a use for the information being collected
- Use the BIM to expand the value-added commercial data set
Key elements

- PAS 91 Standard requirements for PQQ
- Employers Information Requirements – technical, management, commercial
- PAS1192-2 project progress
The Commercial Agenda – next steps

- Pre-qualification and procurement
  - PAS 91
  - Commercial processes for the preferred procurement models

- Specification of commercial data requirements
  - Defining purposes which will add value
  - Agreeing the data drop content
  - Identifying sources of information within the L2 model
  - Defining data structures

- BIM enabled estimating
  - Business case
  - Solution development
  - Work breakdown structures
  - Risk
  - Stakeholder management
RICS initiatives in BIM

- Policy influence: GCS, BIM task group, Trial projects
- Collaborative standard setting: BIM Market Forum, CIC, CPIC, RIBA, APM
- Skills and training: Competencies, pathways and accreditation
- BCIS: Linking data and analysis to BIM
- Education and awareness: Conference and web classes
- FM, Geomatics

A global, whole life and collaborative effort
RICS construction standards and BIM

- New rules of measurement (NRM)
  - NRM1 and 2 published
  - NRM3: 2013
  - Total data set

- Construction standards (Black Book)
  - An evolving set of 50 guidance notes
  - Written for APC candidates and experienced professionals
  - In 2013 will begin to incorporate BIM guidance

Linking the past to the future
Questions