

# **IMPERIAL COLLEGE LONDON ESTATES OPERATIONS PROCUREMENT STRATEGY**

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**Delivering procurement and commercial expertise to ensure our  
contracts and commercial arrangements provide value for money.**

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## 1. Executive Summary

The mission of Imperial College London is to achieve enduring excellence in research and education in science, engineering, medicine, and business for the benefits of society.

In support of these activities the Procurement function within Imperial College London (ICL) is committed to obtaining value for money (VfM) through the purchase of goods, works and services to ensure that we maximise both the quality and value of every pound spent.

A strategic review of projects identified several issues and concerns on some of our major projects. These included:

1. The lack of accurate information, design drawings, or survey information to inform detailed design
2. Projects have become design-led and lack of appropriate scrutiny has led to over-specified and higher cost solutions
3. The use of a 'one size fits all' contract form regardless of project size and risk
4. The premature commitment to end dates, prior to robust feasibility assessment and costings
5. The commencement of siteworks with significant scope and schedule uncertainties
6. Internal and External project manager roles have added cost but not control of delivery costs
7. Governance arrangements of individual projects has not resolved interdependency issues; nor kept projects costs in check

Looking to the future, the College's current Capital Investment Plan highlights a diverse programme of work, including; multi-million pound new build projects; refurbishments to specialist laboratories, teaching and toilet & communal spaces as well as the replacement of capital plant; upgrades to fire, Building Engineering Management Systems (BEMs) and security systems with work planned across all the campuses.

We have in consequence produced an Estates Operations' Procurement Strategy that puts into place the necessary processes and documents designed to aid in a considered and planned approach to project procurement and delivery, ensuring that the College gets the best supplier to meet its needs. A key element of a flexible procurement approach is having a robust contract type supplier list in place.

This approach will require that additional time and resource be allocated to ensure that we have all the requisite information and processes in place, coupled with the introduction of an e-procurement platform. Time must be given to the cultivation of supplier relationships via mechanisms such as the 'contractors' forum'.

We are a world-leading University and we will look to instigate industry leading standards through the use of *Constructionline* accreditation for supplier selection coupled with a more project specific view of contract terms and conditions that are relevant to the risks of the appointment/ project.

## 2. Procurement Vision

The Vision for Procurement is to deliver the best possible outcomes by adopting and embedding a consistent and high-quality category management approach to all goods, services and works procured from external providers. We will work with our stakeholders to ensure that category management supports and informs their plans, as well as identifying and delivering wider commercial opportunities. Specifically, the Procurement Team will:

- Provide professional advice and insights on markets, suppliers and commercial options to help deliver the Estates Operations vision & mission.
- Act as trusted advisor on the development of procurement plans to identify the best way to procure our suppliers.
- Ensure that our procurement contracts are developed, awarded and managed in line with best practice.
- Maintain templates and knowledge as a Centre of Excellence,
- Maintain relationships, company profiles and contact details to support appropriate tender list compilations/ exercises,
- Look to procure cost-effective approaches that meet or exceed our internal and external customers' expectations.

The Estates Operations Procurement Strategy aims to support the delivery of construction, replacement and minor works projects within budget, on time and to the required standards, whilst being cognisant of wider economic, social and environmental sustainability objectives.

It is intended that each project will have a procurement plan that aligns itself to the project risks and with the ability to be refined during the project should those risks change.

## 3. Estates Operations Procurement Strategy

### Flexibility

We will ensure that Imperial College London procurement allows for sufficient flexibility to select the correct procurement route, the correct consultant and contractor selection and also the appropriate contract to deliver the project.

### Contractor Selection

We will run and manage an Approved Supplier List based upon initial accreditation via *Constructionline*. This will ensure that the College selects consultants and contractors who have the correct skills, knowledge and experience to undertake work on the portfolio of College buildings. If there are capacity issues with consultants or contractors or a need for a specialist skill, we will invite new consultants and contractors from the wider market.

### Innovation

Procurement will actively seek out contractors and consultants that have innovative solutions that may benefit the College in either quality, cost or time.

## Standardisation of Procurement Documentation

Procurement and Estates will create standardised templates for tendering and contracts. This will ensure a level of consistency across the College for both internal stakeholder and consultants and contractors.

## Contractor Capacity

Procurement will ensure that the consultants and contractors have the capacity to undertake projects without exposing the College to delivery risk.

## Performance Measurement

Key Performance Indicators (KPIs) to measure performance will be introduced on contracts over £250k. KPIs are assessed monthly so that objective feedback can be recorded and monitored.

## Training

Training on procurement processes and contracts will be provided across the Estates Operations team, departments and faculty staff to ensure consistency of approach.

## Estates and Procurement Forums

An Estates and Procurement Forum will take place annually to ensure that consultants and contractors are up to date with the College processes and procedures. This will be a platform to inform the supply chain of the College's intentions, lessons learned and any updates from the supply chain.

## Standards, Codes of Practices (CoPs) and Building Engineering Services Particular Requirements (BESPR)

The relevant College standards, CoPs and BESPR will be incorporated in all tenders and contracts to ensure compliance with College requirements, some of which can be found at the link below. <https://www.imperial.ac.uk/estates-projects/resources/college-standards/>

## Health and Safety – Constructionline

All consultants and contractors will be registered on *Constructionline* with a minimum requirement of Associate / Bronze standard. The aspiration is that all Contractors working at the College will be Gold *Constructionline* accredited.

In exceptional circumstance, if for whatever reason a consultant or contractor carrying out proprietary work for which there is no alternative does not have *Constructionline* accreditation, Estates Operations' Health and Safety team will carry out the necessary checks to ensure that correct systems, processes and procedures are in place.

## Purchasing Strategy

The Estates procurement strategy is aligned with the overarching College purchasing strategy:

<https://www.imperial.ac.uk/finance/purchasing/regulations/the-purchasing-strategy/>

## 4. Procurement Controls

To aid the successful delivery of projects and to address the main issues within College construction procurement over recent years, significant enhancement has been made to existing procurement controls. The aim of the controls is to:

- Drive consistency across process and procedure
- Ensure resilience by checking consultant and contractor capacity
- To allow due diligence to take place at the beginning of the procurement process
- To allow the relevant stakeholders to be part of the procurement process.
- Enable probity and assurance.

Below is a summary of the controls, illustrated in Appendix 1 by a flowchart that describes when each control is to be implemented:

### Procurement Plan

To describe and agree the procurement and commercial mechanism, e.g. design and build, tradition, turnkey, etc. It is a document to record the process and assist in the monitoring of the supply chain. It will consist of 2 sides of A4. It is the responsibility of the Project Manager and can be produced by the Project Manager, Category Manager or Consultant. For Construction work this is can be produced by the Quantity Surveyor or Cost Consultant. This document is to be approved and signed by the Head of Projects and Category Manager, Construction.

### Tender List

This will be a list of the suppliers to be invited to tender. It is the responsibility of the Project Manager, to produce this list in collaboration with the Category Manager Construction and other members of Estates where appropriate. It will be signed off by the Director of Estates Operations, Head of Projects and/ or the Head of Building Operations.

### Tender Document Approval Form

This document is a checklist to confirm all the relevant tender documents are issued. It is the responsibility of the Project Manager. For Consultant tenders, it is to be produced by the Project Manager. For Construction tenders, this is to be produced by the Quantity Surveyor or Cost Consultant. This document is to be approved and signed by Project Manager and the Category Manager, Construction.

### Tender Evaluation Report

This document is a summary of the tender and a recommendation of a consultant or contractor. This is to be produced by the Project Manager or Quantity Surveyor/Cost Consultant.

## Contract Approval Form






This document is a checklist to confirm all the relevant contractual documents are issued. This is the responsibility of the Project Manager. It may also be produced by the Project Manager or Quantity Surveyor/ Cost Consultant. This document is to be signed Head of Projects or Head of Building Operations and Category Manager, Construction.

## In-Tend

In-Tend (an electronic procurement system that issues and receives tenders) has been introduced.

## 5. Alignment to Imperial Expectations:

The approach to procurement set out in this Strategy is aligned to the Imperial Expectations as follows:

IMPERIAL EXPECTATION	PROCUREMENT ALIGNMENT
<p><i>Champion a positive approach to change and opportunity</i></p>	<p>We will support Estates by assisting the successful implementation of change, e.g. an electronic procurement system, template creation, procurement processes, to ensure a smooth and positive transition.</p>
	<p>We will promote early engagement exercises to ensure that potential providers have a deeper understanding of our organisation and our objectives.</p>
<p><i>Encourage inclusive participation and eliminate discrimination</i></p>	<p>We will embed sound ethical, social and environmental policies within our procurement function to ensure compliance.</p>
	<p>We will work closely with stakeholders and openly communicate. This is achievable by sitting with the team, regular meetings and correspondence.</p>
<p><i>Communicate regularly and effectively within, and across, teams</i></p>	<p>We will listen to the stakeholder and provide guidance on procurement methods/ models to suit the needs and requirements.</p>
	<p>We will ensure the procurement approach is suited to the objectives and timelines of each internal client.</p>
<p><i>Consider the thoughts and expectations of others</i></p>	<p>We will promote the delivery of value for money through good procurement practice and the optimal use of procurement collaboration opportunities to ensure continued value, managed performance, and minimal managed risk.</p>
	
<p><i>Deliver positive outcomes</i></p>	



*Develop and grow skills and expertise*



We will work with the Estates team and provide procurement advice and guidance.

We will collaborate with Estates to understand their needs and requirements.

We will engage with external providers to ensure we are at the forefront of best practice.

We will continuously learn and develop to ensure we are progressive in our procurement.

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*Work in a planned and managed way*



We will work to ensure the correct templates, documents and processes are in place. This will encourage standardisation – both internally and the supply chain

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## 6. Summary

The procurement team will assist with the successful delivery of projects. Working in collaboration with the Estates team and external providers, we will aim to achieve best value and best practice for the College.

## Appendix 1 – Example of Tender Process

