Appendix C. Building procurement options

Lump-sum/traditional contracts require full design to be carried out, including the preparation of pricing documents, before tenders are sought from contractors. This approach is considered particularly suitable for smaller-scale works, and work to existing buildings. It can achieve the most competitive pricing, however more risks remain with the client. The time taken before construction can start tends to be longer on medium and larger projects.

Design & Build contracts enable earlier tendering by contractors, because less design work is carried out by the consultants. The liability for detailed design as well as construction is taken on by the contractor, who may employ the original consultants or others to complete the detailed design work. This approach provides less control of the building detail for the client, but transfers some of the risks over time and cost to the contractor. Client changes, or design development, tend to be costly and need to be avoided. This makes D&B most suitable for simpler projects where the requirements can be fully agreed and specified at an early stage.

Partnering contracts have proven particularly successful in Sutton for medium and larger projects, and those with complexities of brief, user requirements or phasing of works. This approach is more collaborative, involving the contractor from an early stage, and with a shared commitment of all the parties to achieve the project within time, cost and quality criteria. Value for money is achieved by the tendering of Main contractor preliminaries, overheads and profit prior to their appointment (currently from the Sutton Contractors' Framework) and the competitive tendering of all the works packages (ie sub-contracts).

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