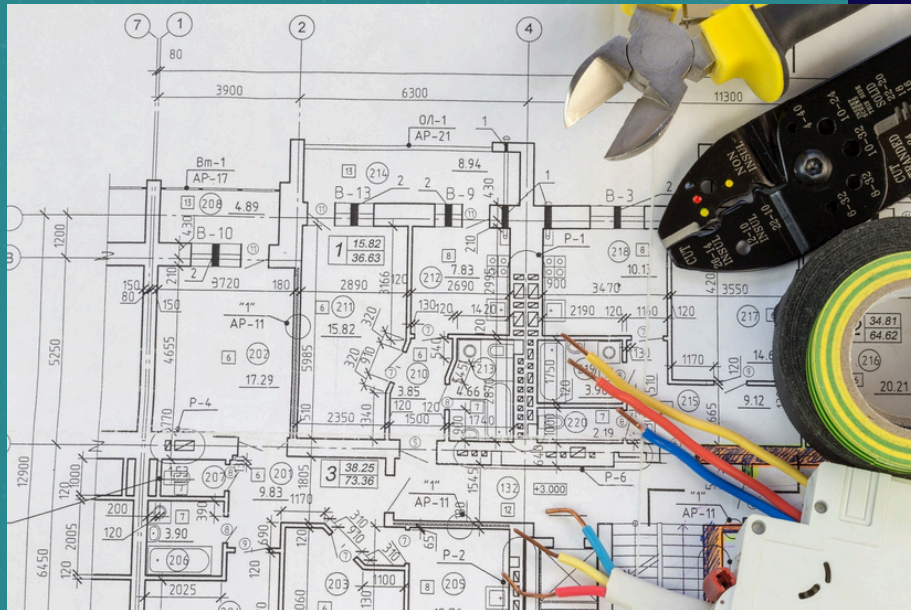


V4 SERVICES LIMITED



# Behind the Scenes

Procurement in a “NEC4 Option A” Construction Project

# Overview and Context

Our local authority client has approved the delivery of a new community leisure centre.

The project will be procured under **NEC4 Engineering and Construction Contract (ECC), Option A** – a lump sum with activity schedule. This approach gives the client cost certainty while incentivising the contractor to deliver efficiently.

While the public sees architects' visualisations and construction work onsite, a large part of the project's success is determined by the procurement activity behind the scenes.

## The Role of V4 Procurement Consultant

The procurement professional is embedded throughout the project lifecycle, acting as the bridge between client aspirations, technical requirements, and market capability. Their role typically includes:

### 1. Pre-Procurement (Shaping the Strategy)

- **Defining objectives:** Working with stakeholders to align project outcomes with corporate goals (e.g. sustainability, social value, whole-life cost).
- **Market engagement:** Testing appetite, understanding supply chain pressures, and validating budget estimates.
- **Risk allocation:** Advising on whether Option A is suitable versus other NEC4 options, ensuring risk transfer is balanced and achievable.
- **Procurement route:** Selecting the right tendering process (e.g. open vs restricted, competitive dialogue if design development is still evolving).

### 2. Tender Development

- **Preparing documentation:** Drafting clear instructions, activity schedules, evaluation criteria, and contract conditions that avoid ambiguity.
- **Embedding value drivers:** Including requirements for carbon reduction, community employment targets, or innovative building methods.
- **Ensuring compliance:** Aligning with public procurement regulations (PCR 2015) and client governance.

### 3. Tender Management & Evaluation

- **Fair competition:** Running a transparent process that gives the client confidence in the market outcome.
- **Balanced evaluation:** Weighing cost against quality, programme certainty, and social value.
- **Commercial assurance:** Stress-testing contractor bids, checking activity schedules are robust, and ensuring pricing is realistic for the agreed scope.

### 4. Contract Award & Mobilisation

- **Negotiation:** Ensuring risk, responsibilities, and programme milestones are clearly locked down in the NEC4 contract.
- **Governance:** Securing internal approvals and preparing cabinet/board reports.
- **Smooth transition:** Supporting project managers and legal in moving from procurement into delivery.

### 5. Post-Contract Support

- **Contract management framework:** Setting up KPIs, payment mechanisms, and early warning processes consistent with NEC4.
- **Change control:** Ensuring variations and compensation events are managed transparently.
- **Supplier relationship:** Maintaining open communication to resolve issues before they escalate.

# The Value Procurement Adds



A strong procurement function adds tangible and intangible value:

- **Cost certainty:** By structuring the activity schedule correctly, the client avoids hidden costs and disputes later.
- **Risk management:** Procurement ensures risk is allocated to the party best able to manage it, avoiding inflated prices.
- **Innovation:** Market engagement can unlock modern methods of construction or low-carbon technologies.
- **Social value:** Procurement embeds commitments such as apprenticeships, local SME participation, or community benefits.
- **Governance & compliance:** The project withstands audit scrutiny, demonstrating probity and value for money.

## Positive Outcome – Leisure Centre New Build

The procurement strategy resulted in the appointment of a contractor with a proven track record in community buildings and sustainable construction.

Key outcomes included:

- The leisure centre was delivered on time and within budget, with early risk warnings preventing disputes.
- A BREEAM Excellent rating was achieved through sustainable design and materials.
- The contractor provided 15 apprenticeships and sourced 40% of subcontracted services locally, directly benefiting the local economy.
- The NEC4 Option A framework provided clarity and transparency in payments, reducing the risk of claims.
- The client reported strong community satisfaction, with the facility opening to wide public acclaim.

## Closing Reflections

*In an **NEC4 Option A project**, procurement professionals may never appear in the ribbon-cutting photos.*

*Yet, their structured planning, market engagement, and careful risk allocation underpin the project's visible success. Without effective procurement, cost overruns, disputes, or community dissatisfaction could have overshadowed the **outcome**.*

***The real measure of success is simple:** when the community walks into the new leisure centre on opening day, procurement's role has already been fulfilled – quietly but decisively.*