RICS launches NRM, and QS and construction standards 'Black Book'

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RICS has released new guidance for quantity surveyors and other members working in the construction sector

The RICS guidance includes an updated version of NRM 1 Order of cost estimating and cost planning for capital building works and the new NRM 2 Detailed measurement for building works alongside two new guidance notes looking at conflict avoidance and dispute resolution and retention which will form part of the RICS QS and construction standards or 'Black Book'.

RICS President See Lian Ong spoke at the launch event for the documents alongside the UK Government’s Chief Construction Adviser, Paul Morrell FRICS. Both welcomed the work that had gone into producing the standards and hoped that they would support a range of initiatives including greater cross industry working, the introduction of Building Information Modelling and effectively analysing the costs of construction projects.

Also speaking at the launch event were Stuart Earl, Director at Gleeds and Chair of the RICS Measurement Initiative and Andrew Smith, Director at Laing O’Rourke and Chair of the Black Book Steering Group. They outlined the benefits of the guidance document and how they can help raise standards and improve process in the construction industry.

The New Rules of Measurement (NRM) provide a standardised approach for measurement and cost analysis within construction projects. The new editions update quantity surveying standards and for the first time cover the full costs of a construction project, including not just the cost of a building’s components but also additional costs such as marketing and fees. The new NRM 2 will also replace SMM7 which will be ‘switched off’ from July 2013.

The construction standards ‘black book’ is a set of guidance notes which set out the standards by which RICS members are supposed to operate. They are designed to ensure consistency of service for clients by ensuring that quantity surveyors are educated and trained to meet specific standards which are then embedded in their work. The guidance covers a range of issues including e-tendering and cash flow forecasting.

The new guidance has been welcomed by representatives of both developers and contractors who were represented at the launch event. From the property development sector Duncan Trench, Head of Delivery at Development Securities has argued that:

‘As a leading developer and investor we welcome and support the RICS’ ongoing commitment towards improving professional services within the property industry. We are at a point in the economic cycle where there are significant demands on all of us to perform with greater efficiency and effect. It is therefore essential to the success of our business that the information we receive is consistent, relevant and transparent. The NRM and Black Book should help us towards this goal and will be a good point of reference for surveyors developing their professional skills.’

The new standards have also been welcomed by contractors working in the construction industry with Sean Smylie, Director of Legal and Contracts at Shepherd Construction and member of the NRM working group stating that:

‘The New Rules of Measurement and the Black Book construction standards demonstrate that RICS is committed to working with others to raise standards in the construction industry. Both sets of documents are the result of a genuinely collaborative cross professional approach drawing in not just RICS members but also contractors’ representatives and other bodies including CIBSE and HVCA. They will provide an important basis for the education and training of RICS members allowing them to provide
the high level of service which are essential for them to effectively work alongside contractors to help deliver projects on time, to quality and on budget.'

Speaking on behalf of the Contractors Legal Group, John Bradley, the organisation’s Director suggested that:

'CLG is pleased to have been involved through its contractor member organisations in the work undertaken by the RICS in producing NRM Part 2: Detailed Measurement for Building Works. This will replace the SMM7 with a more wide ranging document which can be used to more fully assess the costs associated with a construction project. This will help deliver more effective working practices in the construction industry for the benefit of clients, contractors and RICS members.'

RICS will be continuing to promote the NRM and construction standards over the next few months and will be working to ensure they are fully embedded within the construction industry. The organisation will also be working to roll the standards out internationally to help ensure global best practice.

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