

## **File 3**

# **Section 3 Project Brief**

For Information



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## **1.0 INTRODUCTION**

- 1.1. Hampshire County Council, Devon County Council, and Haringey Council I (“the Councils”) are procuring a Construction Framework Agreement in three lots for Public Sector building projects in the south of England. It is envisaged that the Framework Agreement will be operational from summer 2015.
- 1.2. This document sets out the requirements of this single procurement exercise that has been developed to deliver the Framework Agreement, the management and governance structures. It sets out the background to the requirements, vision for the future, purpose, strategy and scope of the arrangements.
- 1.3. This document forms Section 3 of the Pre-qualification document set and should be read in conjunction with the other documents associated with the procurement, namely:
  - Section 1 – Covering letter
  - Section 2 – Index
  - Section 3 – Project Brief (this document)
  - Section 4 – Instruction for Completion of PQQ Questionnaire
  - Section 5 – Evaluation Matrix - criteria
  - Section 6 – Pre-qualification Questionnaire
  - Section 7 - Reference Template
  - Additionally, the Contract Notice, as published in the Official Journal of the European Union
- 1.4. The information contained in the Project Brief represents current requirements and may be subject to change. Further information will be available in the Invitation to tender (ITT).

## **2.0 Freedom of Information**

- 2.1. The Councils are subject to The Freedom of Information Act 2000 (“Act”) and The Environmental Information Regulations 2004 (“EIR”). As part of each Contracting Authority’s duties under the Act and/or EIR, it may be required to disclose information concerning the procurement process including but not limited to the Invitation to Tender, the Tender, the Framework Agreement and any ancillary documentation to anyone who makes a reasonable request.
- 2.2. If Bidders consider that any of the information provided in their Bid is commercially sensitive (meaning it could reasonably cause prejudice to the organisation if disclosed to a third party) then it should be clearly marked as “Commercially in confidence, not to be disclosed” together with valid reasons in support of the information being exempt from disclosure under the Act and the EIR.

### **3.0 Background**

3.1. There are currently three main construction procurement arrangements in the South of England available to the wider public sector. These are:

- Construction Framework South West (CFSW). This is led by Devon County Council which has procured and manages a regional construction framework for projects greater than £1m in the South West Region. This framework is in its second generation. Further information available at:

<http://www.cfsw.org.uk/>

- The South East and London (SEaL) Construction Framework, led by Hampshire County Council is in its second generation. The new framework will be led by Hampshire County Council for and on behalf of the South East Seven (SE7) group of authorities who will develop and jointly promote the SE lot which will incorporate best practice two stage open book tendering, a performance management approach and a greater focus on local requirements. The SE7 consists of Hampshire County Council, Surrey County Council, Kent County Council, West Sussex County Council, East Sussex County Council, Medway Council, Brighton and Hove City Council. This Lot is not for the exclusive use of the SE7 authorities. Further information on the current SEaL framework is available at:

<http://www.iese.gov.uk/construction-framework>

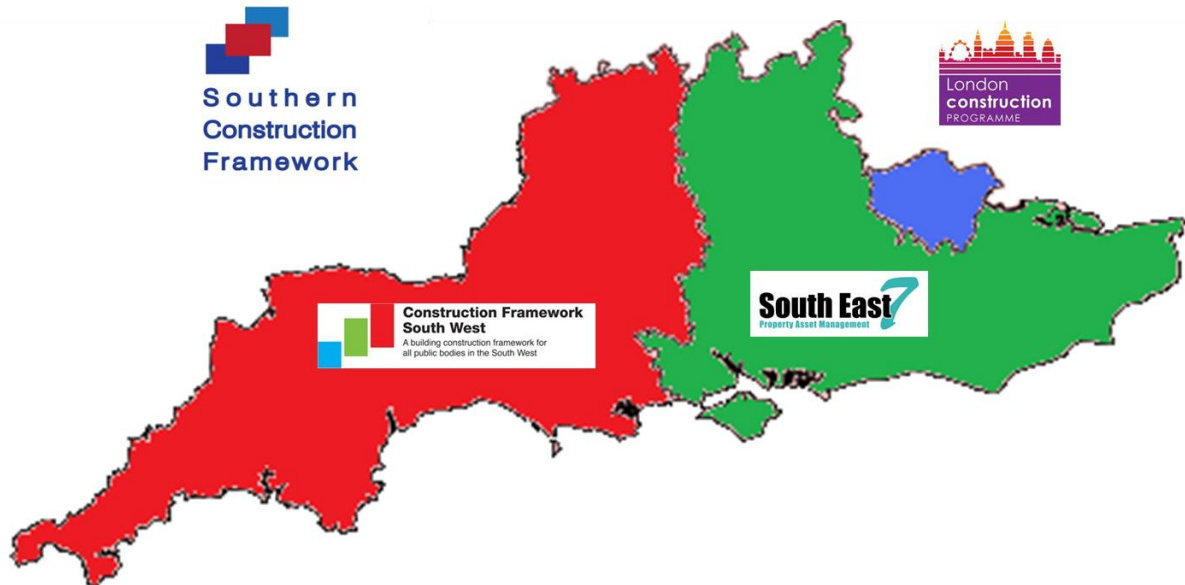
- London Construction Programme (LCP). This is led by Haringey Council who have procured and manage a regional professional services framework for London, and who have led the agreement of a future construction framework strategy in London, approved and endorsed by the London Procurement Strategy Board, and recently advertised see OJEU PIN Notice 2014/S039-063860. Further information on LCP is available at:

<http://lcp.g2b.info/>

3.2. Discussions between the framework leaders for CFSW, the South East and LCP led to an agreement that there would be greater efficiencies in both procurement and management of frameworks if there could be some form of “convergence” between the three regions. A Joint Working Agreement has now been agreed between the Councils resulting in this single joined up procurement approach.

3.3. Maintenance of local brand is important to each of the three regions, and hence the on-going imperative of a CFSW brand in the SW, the LCP in London, and the emergence of the SE7 in the SE, is considered essential. In this way, there will be a definitive “local” ownership. Hence the proposal is for a new brand framework for the whole of the South, branded as the Southern Construction Framework (SCF), but consisting of an Alliance of CFSW, the SE7 (and wider SE) and LCP.

- 3.4. This would be reflected as a single framework in three lots for the SW, SE and London with each maintaining its brand under the new overall Southern Construction Framework Banner. The following drawing demonstrates this approach:



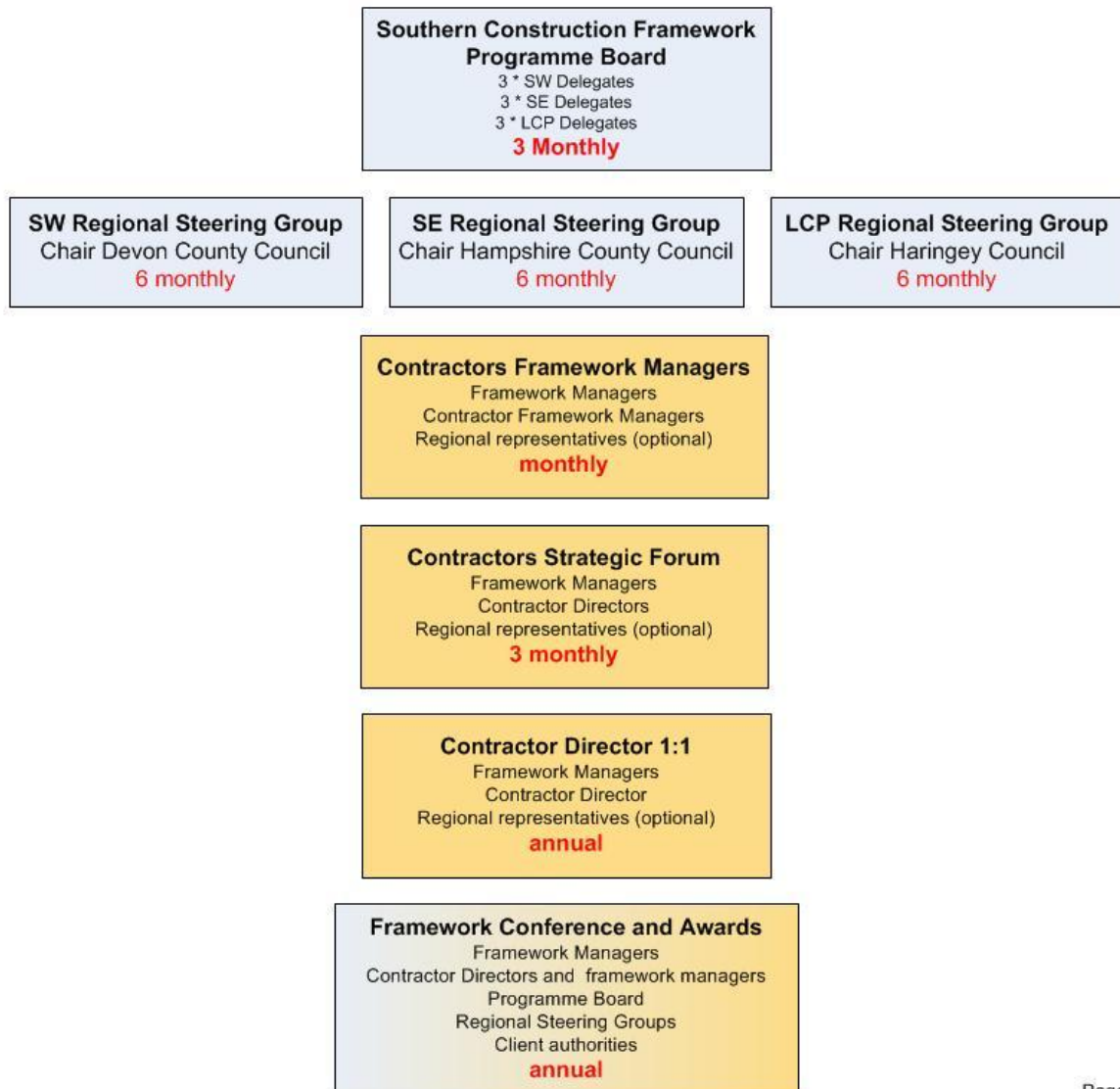
- 3.5. Applicants will be able to choose the region(s) where they perhaps operate most strongly without being forced to cover this entire geography.

#### **4.0 Framework Governance**

- 4.1. There will be a single overall Governance body for the new Southern Construction Framework. It will consist of Devon County Council, Hampshire County Council and Haringey Council, who will chair the group in annual rotation, with two further Public Body users nominated from each region.
- 4.2. Local issues would be dealt with through regional steering groups selected and operated within the regions.
- 4.3. There will be a single management team for the SCF, although each region will continue to have on-going local framework management representation. The Framework Management Team will be responsible for governance of the framework operation, and will arrange and chair governance meetings with the contractors as follows:
- 4.3.1. A three monthly framework strategic forum to be attended by the contractors' framework Directors
  - 4.3.2. A monthly framework Managers meeting to be attended by the contractors' framework Managers

- 4.3.3. An annual 1:1 meeting with a member of the Framework Management Team to be attended by the contractors' framework Directors.
- 4.3.4. An annual framework conference to be attended by contractors' framework Directors and managers.
- 4.4. This structure is shown in the drawing below:
- 4.5. There will also be a requirement for local, programme based forums , in respect only of situations where projects are aggregated into a larger programme of works. These are not included in this document, but will be expressly set out as requirements in any future programme based mini competitions.

**Southern Construction Framework Governance Diagram**



- 4.6. Framework agreements will be signed by the respective framework contractors, and by Devon County Council, Hampshire County Council and Haringey Council. It is intended that the Framework Agreement will be based on the JCT Framework Agreement 2013 including amendments.
- 4.7. All public sector organisations wishing to make use of the Framework (Contracting Authorities) will have to sign a "User Agreement". This will be signed by the contracting authority and one of, Devon County Council, Hampshire County Council and Haringey Council as Regional Lead Organisation on behalf of the Framework.

- 4.8. Specific contracts for the delivery of works to be undertaken against the Framework will be formed directly between the Contracting Authority and the appointed Contractor.
- 4.9. The Contracting Authority will act as employer for underlying contracts which they procure under the Framework and will take full ownership / responsibility (including contract management arrangements) with the appointed Contractor for delivery using a suitable Form of Contract.
- 4.10. The cost of procurement and management of the framework will be paid for through framework subscription and levy by the framework contractors.
- 4.11. Each contractor will pay an annual subscription payable at commencement of the framework and on each subsequent anniversary. The amount is to be confirmed, but is expected to be £15,000 per contractor per annum.
- 4.12. There will be a levy on all framework projects to be included by the contractor as part of their tendered overhead and profit margin. This will be variable but is expected to be between 0.1% and 0.2% of the project value. The levy will be assessed at contractor selection following mini competition, and 25% will be payable at commencement of pre-construction activity. The remaining 75% will be calculated at contract formation, allowing for any project cost movement, and will be payable prior to commencement of construction. Initial assessment based on perceived throughput is that a levy of 0.15% will be set at framework commencement.
- 4.13. Role of Framework Manager - The framework managers team role will include:-
  - 4.13.1. Provide quality assurance to the framework by monitoring the use of the framework by authorities and contractors to ensure compliance with the processes.
  - 4.13.2. Monitoring of project performance using a central database to by defining and collecting KPI data and commercial information for all projects, and producing dashboards, benchmarking and other analyses.
  - 4.13.3. Guide users of the framework through the production of guidance documents, introductory training, and critical friend advice. Where necessary, advise on the framework selection processes for contractors appointment
  - 4.13.4. Setting up and chairing governance meetings, contractors meetings, and other knowledge sharing forums to promote a continuous improvement culture.
  - 4.13.5. Promotion of the framework to new and existing Users.
  - 4.13.6. Provide leadership and guidance
  - 4.13.7. Champion the collaboration ethos and openness
  - 4.13.8. Recognise challenges and openly address them with all participants



- 4.13.9. Provide commercial reviews against framework tenders where requested by the contracting authority for underlying contracts
- 4.13.10. Continue development of the rules of governance and working practices
- 4.14. Role of Contractors - In addition to the delivery of projects through the framework, it will be expected that contractors will contribute to the Framework by the following, non-chargeable, activities:-
  - 4.14.1. Ensure adherence to the principles and ethos of the two stage open book approach to all projects
  - 4.14.2. Appointing a Framework Account Manager who will attend Contractors' Forums
  - 4.14.3. Assisting Contracting Authorities with the Framework project process
  - 4.14.4. Assisting the Framework Management team with development of the Framework
  - 4.14.5. Seeking opportunities to combine projects into programmes with other framework contractors, and the shared use of their domestic supply chains across like programmes.
  - 4.14.6. Promoting the Framework by assisting with communications and marketing
  - 4.14.7. Collecting and returning KPI, benchmarking, cost information and other data on projects
  - 4.14.8. Collaboratively sharing best practice
  - 4.14.9. Setting up and becoming actively involved with improvement working groups.
  - 4.14.10. Prompt payment of Framework fees and levy
  - 4.14.11. Attending and providing training sessions.
  - 4.14.12. Preparation of case studies for all framework projects

## **5.0 Why convergence of the Southern Construction Frameworks?**

- 5.1. The stated aims of the Councils in joining together to procure and manage a single framework in three lots are:
  - 5.1.1. Framework Team Resourcing – opportunities to seek efficiencies in the framework management and governance arrangements.
  - 5.1.2. Customer Status - An enlarged construction framework within the market place will increase our status as a customer within this market allowing us to push for more development of the service due to our greater buying power and influence.

- 5.1.3. Breadth of Resources - There will be a greater breadth of team and technical resources to call on to manage issues and ensure higher standards are maintained.
- 5.1.4. Performance - There will be a far larger pool of framework clients and this will provide an increased volume of performance information to compare and enhance performance monitoring across a wider geographical area.
- 5.1.5. Government Strategy - The Government Construction Strategy includes a paper on the “Effectiveness of Frameworks. This initiative complies with that steer. The South East has sound relationships with CFSW and LCP and there is logic in progressing this.
- 5.1.6. Buy In – Different sectors have previously used the arrangements in the three regions and through greater convergence, improvements and greater “buy in” can be achieved from shared best practice and lessons learned..
- 5.1.7. Economic Benefit – This will be a very significantly sized framework in the UK landscape and over 4 years would likely turnover over £3 billion ensuring contractors are competitive. There is also scope to widen the benefits of an integrated supply chain offering.
- 5.1.8. Standardisation – of procurement and contract documentation

## **6.0 Strategy and Objectives of the Southern Construction Framework**

- 6.1. The strategy and objectives of the SCF will be stated in the Framework Agreement. The strategy builds on the success of previous southern frameworks, other regional frameworks, and the Government Construction Strategy, and is:
  - 6.1.1. Make best use of design and construction resources by ensuring that well briefed and trained team members from designers, contractors and supply chain are collaboratively deployed to a common objective, driving out unproductive activities and adding value to best effect.
  - 6.1.2. Improve the effectiveness of design management and development by utilising BIM and innovative standardised solutions, involving main contractors and key sub-contractors at an early pre-construction stage.
  - 6.1.3. Improve procurement processes by clear open and transparent supply chain engagement, robust and well defined processes, ensuring fair payment terms.
  - 6.1.4. Improve construction processes ensuring cost and time certainty, safe sites, eliminating disputes, claims and litigation, and achieving high client satisfaction rates for defect free products
  - 6.1.5. Maximise environmental performance and sustainability through reduction in waste, use of materials and methods, achieving sustainable energy and carbon savings.

- 6.1.6. Promote equalities and social inclusion through a range of community benefits including employment and training, providing opportunities for local SME's, sub contractors and labour.
- 6.1.7. Effective Cost management which looks for aggregation, leverage and discounts in supply markets, and provides excellent cost certainty through rigorous benchmarking to national standards
- 6.2. The stated objectives of the SCF will be stated in the Framework Agreement (not listed here in order of importance):
  - 6.2.1. Delivering sustainable efficiency savings;
  - 6.2.2. Education in consultancy and construction costs;
  - 6.2.3. Improve the effectiveness of design management and development
  - 6.2.4. Delivery of projects closer to target cost and time;
  - 6.2.5. Reduction of dispute, claims and litigation;
  - 6.2.6. High client satisfaction rates;
  - 6.2.7. High proportion of value of work undertaken by small and medium sized enterprises (SMEs);
  - 6.2.8. High proportion of local labour and subcontractors;
  - 6.2.9. High take up of government initiatives (e.g Fair Payment, apprenticeships, localism);
  - 6.2.10. High proportion of construction demolition and excavation waste diverted from landfill;
  - 6.2.11. High standards of health and safety performance against national average;
  - 6.2.12. Acting as key enabler to integration of the supply team.
- 6.3. The strategy and objectives will be measured through a series of KPI's, and contractors will be expected to maintain minimum standards of performance against these, as well as Exor Gold Standard accreditation to maintain their place on the framework. Minimum standard KPI's will be defined in the Invitation to Tender.

## **7.0 Framework Delivery**

- 7.1. The Southern Construction Framework will follow the principles and practice of the existing CFSW and South East and London Construction Frameworks, as well as the Government Construction Strategy (2011), the Industrial Strategy for Construction (Construction 2025), and guidance to new models of construction procurement, specifically Two Stage Open Book, which was published in January 2014 (Link below).

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/275722/Two\\_Stage\\_Open\\_Book\\_Guidance.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/275722/Two_Stage_Open_Book_Guidance.pdf)

- 7.2. SCF defines two main alternative approaches to Two Stage Open Book as follows:
- 7.2.1. “Construct only” in which the contracting authority independently employs their own professional consultants, or in-house designers, and the contractor is first engaged by the client as a member of the project team to contribute to the cost build up, buildability, programming, risk management and value engineering, possibly including some contractor designed portions or site survey work.
  - 7.2.2. “Develop and Construct” in which the contractor will provide professional design services, including Contractor Designed Portions, either as a part of their supply chain or using their established consortia for design and build contract arrangements. On occasions, clients may wish to novate some or all of their existing consultants to the contractor. It is not, however, intended that the framework be intentionally used solely to provide professional services, with the construction phase works then let by other means.
- 7.3. Fundamental requirements of the framework are:
- 7.3.1. Client Commitment – The early creation of an integrated team including Consultants, Tier 1 Contractor(s) and Tier 2/3 Subcontractors and Suppliers
  - 7.3.2. Demonstrable Benefits - to Client(s), Tier 1 Contractor(s) and Tier 2/3 Subcontractors and Suppliers
  - 7.3.3. Agreed Activities – Throughout the Preconstruction Phase of Two Stage Open Book/Supply Chain Collaboration, describing step by step the roles and contributions of Consultants, Tier 1 Contractor(s) and Tier 2/3 Subcontractors and Suppliers in relation to each work/supply package, as preconditions to the Client granting authority for the Construction Phase of the project to proceed
  - 7.3.4. Governance and Continuity – Appropriate individuals representing the Client and other integrated team members, briefed, trained and working together to overcome and challenge any delay or disruption to agreed Two Stage Open Book/Supply Chain Collaboration processes
  - 7.3.5. Collaborative Culture – Agreed activities to build mutual trust and confidence and eliminate adversarial or opportunistic behaviours
  - 7.3.6. Conditional Contracts – Early Preconstruction Phase appointments of Consultants and Tier 1 Contractor(s) (and where possible Tier 2/3 Subcontractors and Suppliers) to undertake clearly specified Two Stage Open Book/Supply Chain Collaboration activities, with their Construction Phase appointments strictly conditional on meeting the project brief, Project Budget and other agreed preconditions

- 7.3.7. Preconstruction Phase Timetable – Commitment to binding deadlines for all Preconstruction Phase activities governing joint design, costing, risk management and programming under Two Stage Open Book/Supply Chain Collaboration
  - 7.3.8. Open Book Costs - Agreement of fees/profit/overheads of Consultants and of Tier 1 Contractor(s) (and where possible of Tier 2/3 Subcontractors and Suppliers), so that cost savings do not erode margins
  - 7.3.9. Guidance and Case Studies – Use of evidence as to what Two Stage Open Book/Supply Chain Collaboration can achieve and how they should be implemented
  - 7.3.10. Minimum standards of performance – expectation that contractors will maintain minimum standards of performance
  - 7.3.11. Local requirements – development of relationships to help local authorities to deliver local requirements
- 7.4. All of the above will be monitored and measured through a series of Key Performance Indicators. It will be mandatory for contractors to gather performance and project data for the Framework Management Team. Cost benchmarking will be a key element of this.

## **8.0 Scope of the Framework**

- 8.1. Appointment to the Framework does not guarantee any specific volume of work nor will any minimum volume guarantees be offered.
- 8.2. Public Bodies are not exclusively required to use this Framework.
- 8.3. The three lots will have the same requirements for type of work undertaken, but will have different requirements for the size of projects or programmes due to locally implemented construction frameworks for smaller projects. The basic requirements are as follows:
  - 8.3.1. South West - This Framework lot is primarily intended for the delivery of projects of over GBP 1 million, with no upper limit. There may be a small minority of projects down to an approximate value of GBP 250,000 for which Framework contractors will be able to bid on an optional basis.
  - 8.3.2. South East – This Framework lot is primarily intended for the delivery of projects of over GBP 4 million, with no upper limit. There may be a minority of projects below this value for which Framework contractors will be able to bid on an optional basis. This is only expected to be the case where contracting bodies have no suitable arrangements. For information, there are currently in place (or being procured) local arrangements intended as default delivery vehicles as follows:

<b>Framework Category</b>	<b>Minimum guide value</b>	<b>Maximum guide value</b>	<b>Where set up</b>
Tier 1	£4,000,000	None	SCF SE Lot <b>This Framework</b>
Tier 2	£500,000	£4,000,000	Hampshire
Tier 3	£1	£1,500,000	Hampshire
Tier 2	£500,000	£4,000,000	Surrey
Tier 2	£750,000	£5,000,000	Sussex
Tier 3	£50,000	£750,000	Sussex
Tier 4	£1	£50,000	Sussex
Tier 2	£750,000	£6,000,000	Kent
Tier 3	£1	£750,000	Kent

8.3.3. London - London is procuring complementary lower value range Framework arrangements (see OJEU Notice 2014/S039-063860). It is intended that these arrangements will be the default frameworks for projects up to GBP 10 million within the Greater London area.

8.3.4. The London Lot of the SCF will be a pan-London arrangement for projects greater than 10 million GBP, but may occasionally be used for lesser value projects subject to local preferences, but not for any projects lower than GBP 5 million.

8.3.5. The intention therefore is that the SCF will primarily be used for works over £10 million. There will therefore be an overlap with the LCP W1 MW14 framework, thus allowing Commissioning Organisations undertaking works between £5 million and £10 million to choose between using the LCP W1 MW14 framework and the SCF.”

8.3.6. LCP Frameworks are summarised as follows:

<b>Framework Category</b>	<b>Minimum guide value</b>	<b>Maximum guide value</b>	<b>Where set up</b>
Tier 1	£5,000,000	None	SCF LCP Lot <b>This Framework</b>
Tier 2, LCP value band 3	£5,000,000	£10,000,000 plus	London
Tier 3, LCP value band 2	£1,000,000	£5,000,000	London
Tier 4, LCP value band 1	£100,000	£1,000,000	London

8.4. The anticipated volume of work is estimated as follows, based on a combination of historic and available pipeline information:

8.4.1. SW - The average construction spend through CFSW has equated to just under £100 million per year in recent years and we anticipate this being

likely to grow in future years with an expanding CFSW user base and established mandate. To date CFSW has been used by over 35 Public Body organisations to secure construction works across South West England. It is intended that CFSW will be able to be used for the delivery of projects in excess of £1million, with the current average value of projects delivered by CFSW being just under £4 million per project. Based on this, the anticipated workload is estimated at between £400,000,000 and £800,000,000 over the 4 year life of the framework.

8.4.2. SE – Pipeline analysis from the SE7 shows a potential programme up to around £135,000,000 / annum. Furthermore, there are current indications of a potentially equal figure from the wider SE community. Based on this, the anticipated workload is estimated at between £800,000,000 and £1,500,000,000 over the 4 year life of the framework.

8.4.3. London – The current SEaL framework in London has delivered £180,000,000 / annum of projects in excess of £10,000,000 value. A further £70,000,000 / annum of projects between £5,000,000 and £10,000,000 have also been delivered. Based on this, the anticipated workload is estimated at between £900,000,000 and £1,600,000,000 over the 4 year life of the framework.

8.5. This is summarised in the table below:

Lot	Lower value forecast 4 year throughput	Higher value forecast 4 year throughput
CFSW	£400,000,000	£800,000,000
SE	£800,000,000	£1,500,000,000
London	£900,000,000	£1,600,000,000
<b>Total</b>	<b>£2,100,000,000</b>	<b>£3,900,000,000</b>

## 9.0 Other Contracting Authorities

9.1. The framework will be open to all public bodies in the southern region as defined in section 10.4. Public Bodies could include (not limited to) Central Government, County Councils, Unitary Authorities, City Councils, District and Borough Councils, London Borough Councils, Universities, Further Education establishments, National Park Authorities, Housing Associations, Police Authorities, Fire and Rescue Services and other Emergency Service organisations and Health Services, Charities, Academies, Schools. (Including all faith, maintained and 'Free' schools) and locally delivered Public Service providers e.g. Doctors' Surgeries, as examples. The option is reserved for the framework to be used by projects funded by Section 106 and/or community infrastructure levy. Other additional Public Bodies operating in this Region but not specifically referred to may also use this Framework. It further includes successors to those that currently exist.

- 9.2. This list is not exhaustive. This framework may also be used by additional Government Departments and Government Agencies and similar Public Body organisations operating in the South East and London but not specifically referred to. The Agreement may also be used by facilitating agencies or their sub users acting with or on behalf of such organisations.
- 9.3. It is intended that the Framework will be able to be fully utilised for projects funded by national and European grants.
- 9.4. The framework may at times also be used by non Public Body organisations which may need to use the framework to comply with conditions associated with the use of Public Funds for these projects.
- 9.5. A full list of public bodies as defined in the Contract Notice is included at Appendix 1

## **10.0 Type of Work**

- 10.1. The main areas of activity will comprise individual projects or programmes for new build work and/or extensions and/or improvements and/or renovations and/or major reinstatement and repairs and/or building site infrastructure works including to a range of buildings across local and central government and other Public Bodies ranging from green field to complex inner city sites. These works may also at times include drainage, roads, flood defence, contamination remediation and laying services infrastructure.
- 10.2. It is anticipated that this arrangement will be used for a range of projects to buildings owned or used by Government Departments and Government Agencies as well as other operational establishments and premises used by similar public services providers.
- 10.3. Other areas of activity may include any building construction work undertaken by the participating organisations, their facilitating agencies or sub users acting with or on their behalf. Programmes are emerging from, major schools and further education programmes, the care sector, civic office developments, leisure, or programmes for police and fire authorities, and major development site infrastructure.
- 10.4. The works can be new build or refurbishment, situated in green-field brown field or complex inner city sites. They include but are not limited to (as examples):



- libraries
- social housing
- schools (including all faith, maintained “Free” schools and Academies)
- sport and leisure facilities
- offices
- further education colleges
- police service buildings
- fire service buildings
- emergency services buildings
- health service buildings
- Recipients of local authority, regional, national or European grants
- Third sector projects
- social services properties
- Social care properties
- museums
- infrastructure works
- associated enabling works
- new public sector housing developments
- universities
- transport building/facilities
- community buildings
- Economic developments
- Central government department developments
- Extra care housing

10.5. Exclusively major civil engineering works such as highways, major bridges or coastal works will not be included (unless as part of enabling works aligned with a significant Southern framework construction project).

10.6. The framework contractors can be called on to provide additional services such as feasibility studies, project management services, construction management services and advice for both pre-construction and construction phases, design support and pre construction advice to enable effective implementation of schemes and to deliver quality, and post handover support and advice. Stand alone consultancy services and civil engineering works that may arise will be of a peripheral nature only to the main subject of this Framework Agreement.

## **11.0 Contractor requirements**

11.1. Contractor numbers in each Lot will be as follows:

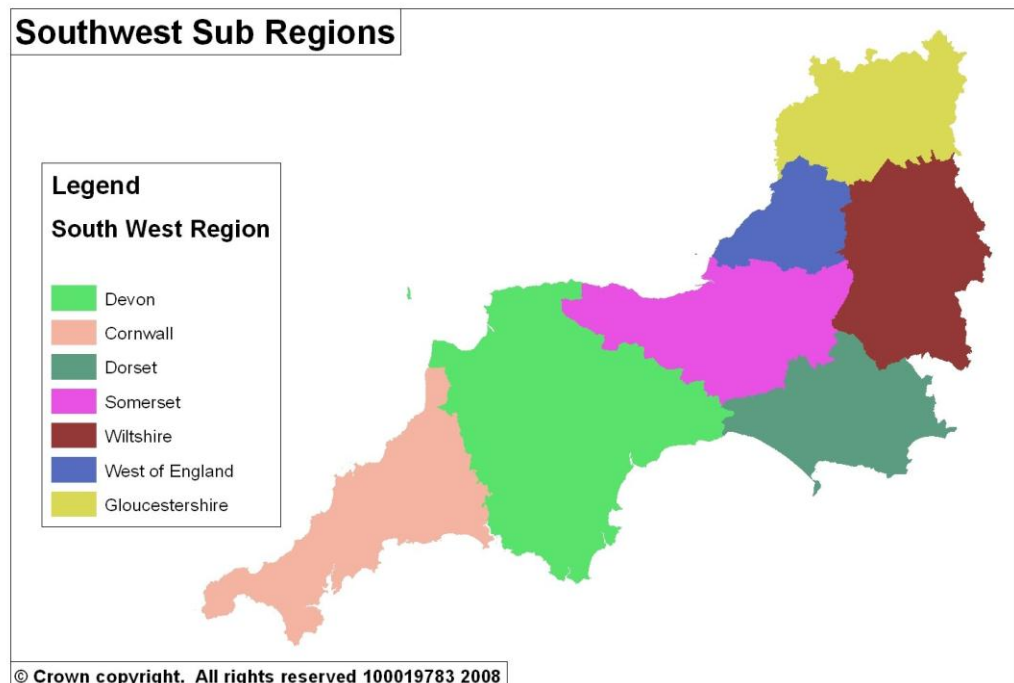
11.1.1. SW – Ten Contractors

11.1.2. SE – Eight Contractors

11.1.3. London – Eight Contractors

11.2. If you are a single trade sub-contractor then this framework is most likely not suited to your requirements or our needs unless you are bidding as part of a larger consortium of companies. Alternatively in your capacity as a single trade sub contractor you may wish to offer your services as a supply chain member for a larger bidding organisation once the framework has been established.

- 11.3. Due to the scale of these arrangements, only contractors with an average construction turnover in excess of £30 million per annum will be considered. Consortia or Joint Ventures with a combined construction average turnover in excess of £30 million per annum will be considered.
- 11.4. Only organisations which hold Exor Gold standard accreditation will be invited to proceed to the ITT stage tender. Organisations which are appointed will be required to maintain Exor Gold standard accreditation throughout the duration of the framework, at their own expense. Note - Santia Consulting Limited (trading as Exor Management Services) has been appointed by the Southern Construction Framework as SCF accreditation body, having followed a competitive process. Please refer file 4, Instructions for Completion of the Questionnaire
- 11.5. Consortia bids are welcome, please refer to file 4, Instructions for Completion of the Questionnaire
- 11.6. Geographic coverage requirements:
- 11.6.1. The South West - Applicants must demonstrate their ability to carry out works projects throughout a good proportion of the geographic area of South West England. Specifically, Applicants must commit to cover at least five out of the seven regional sub areas as shown below:



- 11.6.2. South East – Applicants must cover the whole of the South East Region



- 11.6.3. London - Applicants must cover the whole of the Greater London Region which is defined as the area covered by all the London Local Authorities and all the following postcode areas.

AL, WD, EN, CR, DA, BR, SM, KT, TW, UB, HA, IG, RM,

**LCP Major Works Contractors Frameworks  
The London Sub Regions**



## 12.0 Procurement strategy

- 12.1. The Procurement of the Framework will follow the Restricted Procedure of the EU Procurement Directive. The procurement was launched by the publication of PIN 2014/S 055-091227 in the Official Journal of the European Union on 19th March 2014 followed by a Contract Notice.
- 12.2. The procurement will be carried out on the basis of written submissions. No site visits or interviews are proposed at PQQ stage. No briefing presentations will be held during the PQQ period
- 12.3. The presentation given at the Supplier Day on the 23rd April 2014 are available on the current iESE web site, or the LCP web site  
<http://www.iese.gov.uk/construction-framework>  
<http://lcp.g2b.info/events/>
- 12.4. The procurement strategy will use the HCC's e-tendering portal, "in-Tend", for the issue and receipt of all documents. Further information is given in the accompanying document Instructions for Completion of PQQ Questionnaire.

12.5. The Framework Tender (ITT) is expected to take the form of a number of forward looking quality-based questions, with the completion of a matrix of not-to-be-exceeded commercial prices, e.g. OH&P, Insurances and Preliminaries. There will also be standard template school designs which will be priced by tenderers on a not to exceed cost / m2 basis based on RICS New Rules of Measurement. This price will be fixed for the life of the framework, subject to annual inflationary adjustment.

### **13.0 Indicative procurement timetable**

13.1. This section describes the envisaged timetable, both during and after this PQQ stage. HCC reserves the right to change the terms and conditions of the procurement process, change the procurement timetable or to cancel the procurement at any stage. These dates are indicative only.

13.2. Dates and times for return of documents will be set by HCC's in-Tend e-tendering portal

	<b>Event</b>	<b>Date</b>
1	PIN Published	19 <sup>th</sup> March 2014
2	Contract Notice / PQQ Documents Published	30 May 2014
3	Deadline for Clarification Questions (on PQQ)	20 <sup>th</sup> June 2014
4	Deadline for Return of PQQs (14.00 hours)	1 <sup>st</sup> July 2014
5	Shortlisted Bidders invited to Tender by release of ITT Documents	19 <sup>th</sup> Sept 2014
6	Deadline for Return of Tenders	29 <sup>th</sup> October 2014
7	Recommendation of Contract Award ( <i>Commencement of Standstill period</i> )	18th Feb 2015
8	Framework Award ( <i>End of Standstill Period</i> )	2 <sup>nd</sup> March 2015
9	Framework Start	22 <sup>nd</sup> April 2015

13.3. Each Lot will initiate at different times depending upon the expiry of existing arrangements:

13.3.1. SW will commence in early October 2015

13.3.2. SE will commence in July 2015

13.3.3. London will commence as soon as available

## **14.0 Framework Process**

### **14.1. Contractor appointment to underlying contracts**

- 14.1.1. The optimum stage to appoint a contractor is no later than of the start of RIBA (2013) Stage 2 Concept Design Stage, or equivalent. The principal requirement of the Two Stage Open Book process is the earliest possible assembly of a fully integrated delivery team. The framework allows this to happen at any stage of the project process, but it is unlikely that projects which have completed RIBA Stage 3 (Developed Design) before contractor appointment will realise the benefits of the process. Any project in RIBA Stage 4 (Technical Design) will not be considered suitable for the framework unless fully validated by gateway review..
- 14.1.2. An Expression of Interest will be issued to all framework contractors within the relevant Lot, for each and every project / programme. Contractors are not required to bid for all or any projects, and will be encouraged to opt out at this stage, rather than submit artificial bids
- 14.1.3. All contractors expressing interest, capacity and availability will be invited to bid for the Pre-Construction stage of projects / programmes.
- 14.1.4. A contractor is appointed to the Preconstruction stage by mini-competition. Selection will be on quality of approach, rather than predominantly price, for clearly defined and agreed preconstruction duties or outputs which may include design work. The preconstruction duties will always include collaboratively reaching agreement with the client for a contract price and programme. The contractor would be paid a fee for preconstruction stage duties, and a Preconstruction-stage contract or agreement will govern the first stage.
- 14.1.5. Mini competition may include client requirements to deliver such outcomes as Apprentice training, or Localism benefits or BIM deliverables.
- 14.1.6. After completion of a satisfactory Project Gateway review, the first stage contractor may be offered appointment to the second stage (Works) construction contract. There is no guarantee that the preconstruction stage contractor will be automatically be appointed to the construction stage if agreement is not reached, or if other external factors intervene.
- 14.1.7. The project appointment process and underlying contracts are the responsibility of the Contracting Authority, not the Framework Commissioning Authority

### **14.2. Project Gateway Reviews and collection of KPI's**

- 14.2.1. The existing SEaL and CFSW Frameworks have an established policy for Project Gateway reviews and the collection of Key Performance Indicators (KPI) and other performance data which the SCF will also use..
- 14.2.2. **Project Gateway Reviews:** The Framework sets a minimum number of two Project Reviews per project, one at the end of the Preconstruction

Stage and one at the end of the project. However the project team on each project is responsible for defining the number and extent of any extra reviews they need. The number of reviews will depend on the duration, complexity and risk in the project rather than absolute project value. The reviews should be done in a fully collaborative 360 degree form with all project stakeholders present. Any stakeholder, including contractors, may call and run a Project review at any time. All projects must publish a case study upon completion.

**14.2.3. Performance measurement**

14.2.4. Performance KPIs are agreed in open discussion between the parties and are most usefully combined with the Project Gateway Reviews. The set of KPI's currently used are as follows, and are subject to continual review and improvement.

14.2.5. Contractor performance KPIs - measured by the Authority project team

Time management	Financial management	Health and Safety
Management of Supply Chain	Quality of workmanship	Progress in making good defects
Collaborative approach	Contractor design (if applicable)	Contractor's contribution to making project cost savings
Overall performance		

14.2.6. Authority performance KPIs - measured by the Contractor

Appointment of Contractor	Payment-time	Design Information-time
Design Information-quality	Contract administration	Agreeing costs
Collaborative approach	Management of Change Control	Overall Performance

**14.2.7. Building delivery and quality KPIs - measured by the Building Occupier.**

14.2.8. The end user of each project is asked to complete a questionnaire scoring the contractor on the following:

Quality of workmanship	Quality of design	Consideration given to future maintenance and running costs
How well the completed project	Communication and understanding	Consideration during the work

meets expectation	requirements	
Handover of project on time	Dealing with outstanding snags	Overall service.

**14.2.9. Project KPI's**

14.2.10. Data is agreed at Project Gateway Reviews, and is submitted to the Framework Management Team, who will produce reports on the following:

Cost predictability	Time predictability	apprentices
local engagement	waste reduction	accident rate

14.2.11. The KPI and other data are uploaded to a central database for analysis and comparison, and are presented to Framework contractors, clients and other organisations, having due regard to participants commercial confidentiality and data legislation.



## 15.0 Terminology

<b>Term</b>	<b>Definition</b>
Bidder	The organisation or consortium applying for inclusion on this Framework
BIM	Building Information Management (or Modelling)
Business Risk Score	An indication of the risk of the Provider failing in the next 12 months
CFSW	Construction Framework South West, Regional Construction Framework procured and managed by Devon County Council
CHAS	Contractors Health and Safety Assessment Scheme
Commissioning Authority	The Authority issuing and entering into the Framework Agreement
Construction Stage	Construction of the building work under a Works Contract from RIBA Stage 5
Contracting Authority	The public sector organisation, typically (but not limited to) a Local Authority, contracting with the Provider for Tasks (projects)
Disclosure and Barring Service (DBS)	Home Office checking service. <a href="http://www.gov.uk/government/organisations/disclosure-and-barring-service">www.gov.uk/government/organisations/disclosure-and-barring-service</a>
Evaluation Matrix	The document issued by HCC to inform you of the evaluation process being applied during the PQQ, including weightings, individual criteria and scoring methodologies
Exor	Santia Consulting Limited trading as Exor Management Services, appointed as comprehensive accreditation services provider.
FOIA	Freedom of Information Act 2000 (as amended).
Framework Agreement	The overarching 4 year Agreement that allows underlying Tasks to be procured
Gateway Review	Quality assurance meeting necessary to allow works to proceed to the next stage of design or construction.
HCC	Hampshire County Council.
HSE	Health and Safety Executive
iESE	Improvement and Efficiency South East
Instructions for Completion	The document issued by HCC to guide you in completing your response, providing instruction and guidance in making a compliant submission
In-Tend	e-Tendering portal used by HCC
ITT	Invitation to Tender issued to Bidders who were successful at PQQ
JCT	Joint Contract Tribunal

KPI	Key Performance Indicators
LCF	Local Construction Framework for Hampshire and Surrey
LCP	The London Construction Programme established by a group of local authorities in London, supported by London Councils. SCF interface led by Haringey Council
Mobilisation Period	The period between the date of Award to the Framework and the Framework Contract start date
N2Check	Business Risk Profiling Company <a href="http://www.n2check.com">www.n2check.com</a>
NHS	National Health Service
OJEU	Official Journal of the European Union.
Public Sector	The public sector includes: central government departments and agencies, non-departmental public bodies, the NHS and its local trusts, local authorities, universities and colleges <a href="http://www.gov.uk/tendering-for-public-sector-contracts">www.gov.uk/tendering-for-public-sector-contracts</a>
Pre-construction Stage	The part of the Task delivered before the creation of a Works contract
Pre-Qualification	All procedures used by HCC to select Bidders to be invited to participate in a Tender for Appointment to the Framework
Pre-Qualification Questionnaire (PQQ)	The questionnaire issued by HCC to qualify Bidders to receive an ITT
Project Brief	The document issued by HCC during the pre-qualification stage of procurement, providing Bidders with appropriate information regarding the requirement and the proposed Framework.
Provider	A contractor, as is referred to by the JCT Framework Agreement
Programme of work	A defined group of aggregated projects, possibly across more than one site, procured in one invitation
RIDDOR	Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013
SCF	Southern Construction Framework. This framework procured jointly by Hampshire County Council, Devon County Council and Haringey Council
SEaL	South East and London Construction Framework
SME	Small and Medium Enterprise as defined by <a href="http://www.companieshouse.gov.uk/infoAndGuide/faq/auditThresholds.shtml">http://www.companieshouse.gov.uk/infoAndGuide/faq/auditThresholds.shtml</a>
SSIP	Safety Scheme in Procurement
Standstill Period	The mandatory period between the notification of the intended award of a contract subject to the Regulations and the actual award of that contract.
Supplier/Supply chain	Any company, supplier or sub-contractor involved in delivering the Task.
Tenderer	The organisation or consortium invited to the Tender Stage of the Framework procurement

The Councils	Devon County Council, Hampshire County Council, and Haringey Council who will jointly procure the Southern Construction Framework, and be signatories to the Framework Agreement
The Regulations	The Public Contracts Regulations 2006 (as amended).
Task [underlying]	An individual project, or programme of work, as referred to in the JCT Framework Agreement
Tender	The document issued to Providers who were successful at PQQ
Underlying Contract	The contracts agreed between the Provider and a Contracting Authority for Preconstruction and Construction stage work for individual projects

## Appendix 1

The framework is open to all public sector organisations in the southern region as defined in the brief and broadly covering Greater London\*, the South East of England and the South West of England and as defined by the NUTS codes in Section II.1.2 of the Contract Notice.

Public sector organisations include (but are not limited to):

Local Authorities in Greater London, the South East and South West (i.e. a local authority as defined in Regulation 3(2) of the Public Contracts Regulations 2006 ("the Regulations"),

Local Authorities include all County, City, District and Borough Councils, London Borough and London public sector organisations and Unitary Authorities. A list of all local authorities is available at:

<http://www.direct.gov.uk/en/DI1/Directories/Localcouncils/index.htm>

or <http://openlylocal.com/councils/all>

Central Government Department and Agencies

<https://www.gov.uk/government/organisations#agencies-andpublic-bodies>

Educational establishments (e.g. schools, school governing bodies; voluntary aided schools; foundation schools; any faith educational establishments including the Roman Catholic Dioceses and Anglican Dioceses, associated with the named Local Authorities including diocesan authorities; academies; free schools, city technology colleges; foundation partnerships; education authorities, publicly funded schools, universities, colleges, further education establishments; higher education establishments and other educational establishments).

<http://www.study london.ac.uk/universities>

<http://www.schoolswebdirectory.co.uk/>

<http://schoolsfinder.direct.gov.uk/schoolsfinder>

National Park Authorities <http://www.nationalparks.gov.uk/>

Registered Social Landlords (Housing Associations). Registered Providers of Social Housing (as defined in the Housing and Regeneration Act 2008), and as registered with the Home and Communities Agency (or its successor body).

<http://www.homesandcommunities.co.uk/>

Police Forces [http://www.police.uk/?view=force\\_sites](http://www.police.uk/?view=force_sites)

Fire and Rescue Services <http://www.fireservice.co.uk/information/ukfrs>

NHS Bodies England

<http://www.nhs.uk/ServiceDirectories/Pages/AcuteTrustListing.aspx>

<http://www.nhs.uk/servicedirectories/Pages/PrimaryCareTrustListing.aspx>

<http://www.nhs.uk/ServiceDirectories/Pages/MentalHealthTrustListing.aspx>

<http://www.nhs.uk/ServiceDirectories/Pages/CareTrustListing.aspx>

<http://www.nhs.uk/ServiceDirectories/Pages/AmbulanceTrustListing.aspx>

<http://www.nhs.uk/ServiceDirectories/Pages/StrategicHealthAuthorityListing.aspx>

<http://www.nhs.uk/ServiceDirectories/Pages/SpecialHealthAuthorityListing.aspx>

<http://www.nhs.uk/ServiceDirectories/Pages/OtherListing.aspx>

Third Sector and Charities in the United Kingdom

<http://www.charity-commission.gov.uk/>

<http://www.oscr.org.uk/>

<http://www.charitycommissionni.org.uk/>

Projects commissioned by Local Enterprise Partnerships (LEP's)

Also permitted to access the framework are locally delivered Public Service providers e.g. General Practitioners' Surgeries

[www.nhs.uk/service-search/go/locationsearch/4](http://www.nhs.uk/service-search/go/locationsearch/4)

The option is reserved for the framework to be used by projects funded by Section 106 and/or community infrastructure levy. Other additional Public Bodies operating in this Region but not specifically referred to may also use this Framework. It further includes successors to those organisations already identified and their subsidiaries.

Other London Specific Organisations

Greater London Authority Group:

Including but not limited to Transport for London, London Fire and Emergency Planning Association, (London

Fire Brigade), Mayor's Office for Policing and Crime, Royal Parks and any subsequent body included in the GLA group.

Police and Emergency Services in Greater London:

(i.e. fire authorities, fire and rescue authorities, police authorities, and the Metropolitan Police Authority/Service as defined by Regulations 3 (1) (j) (k) (n) and (m) of "the Regulations") and Ambulance Authority/Service.

All Providers of Social Housing in London as listed below:

The following types of organisations who own or manage stock in the Greater London area: Registered Providers of Social Housing (as defined in the Housing and Regeneration Act

2008), and as registered with the Home and Communities Agency (or its successor body), Tenant Management Organisations (TMOs) and their agents, all Arms Length Management Organisations (or any successor bodies) established by Local Authorities within Greater London.

Trusts, Charities, Social Enterprises, Mutuels, and Community Interest Companies:

(i.e. organisations that have been established by the public bodies within the scope of this advertisement and/ or where the contracting public bodies are trustees or partners of the Trusts, Social Enterprises, Mutuels and Community Interest Companies or any similar organisation). The Royal Botanic Gardens, Kew.

Other Public Sector Organisations :

London Waste Authorities, Local Government Association, the Electoral Commission and Lee Valley Park Authority.

House of Commons and the House of Lords

It is intended that the Framework will be available to projects wholly/partially funded by national and European grants.

The Framework may be used by non Public Sector organisations to comply with conditions associated with the use of public funds for those specific projects.

\* Greater London is defined as the area covered by all the London Local Authorities and all the following postcode areas.

AL, WD, EN, CR, DA, BR, SM, KT, TW, UB, HA, IG, RM,