



Crown
Commercial
Service

Crown Commercial Service

Construction Works & Associated Services (Ref: RM 6088)

Bidder's Conference Webinar - 08/02/2019
(14:15pm)

Construction Works & Associated Services (RM6088)

Introduction to the Webinar

- The purpose of the webinar is to provide an overview of Crown Commercial Service and outline key aspects of the RM6088 procurement which bidders need to be aware of.
- Other presentations relating to market engagement for the Construction Works & Associated Services project can be found at the following website link <https://ccs-agreements.cabinetoffice.gov.uk/node/7279>. This presentation will also be uploaded to the same page.
- We will commence the webinar with participants audio-feed muted.
- **No questions will be recorded or answered during this webinar**, all questions / clarifications should be directed via the eSourcing suite. Instructions to access the eSourcing suite can be found in the OJEU notice.
- The chat function will be monitored for queries relating to this webinar only (e.g. sound quality)

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Agenda

1. Introduction to the Webinar

Darren Moore – Category Lead - Construction

2. Crown Commercial Service Overview

John Welch – Deputy Director Construction

3. Construction Works & Associated Strategy Overview

Darren Moore – Category Lead - Construction

4. Tender Pricing Files

Noel Shearer – Deputy Director Construction Specialist

5. Tender Pack & Tips for Bidding

Robert Bodell – Category Lead - Construction

Introducing Crown Commercial Service (CCS)

- We're one of the biggest public procurement organisations in Europe and an Executive Agency of the Cabinet Office.
- We lead on developing and implementing the UK's public sector procurement policy and delivering government's commercial policy priorities.
- We help organisations across the whole of the public sector find the right commercial solutions for around £12 billion of spend each year.

Commercial
expertise

great value
deals

significant
savings

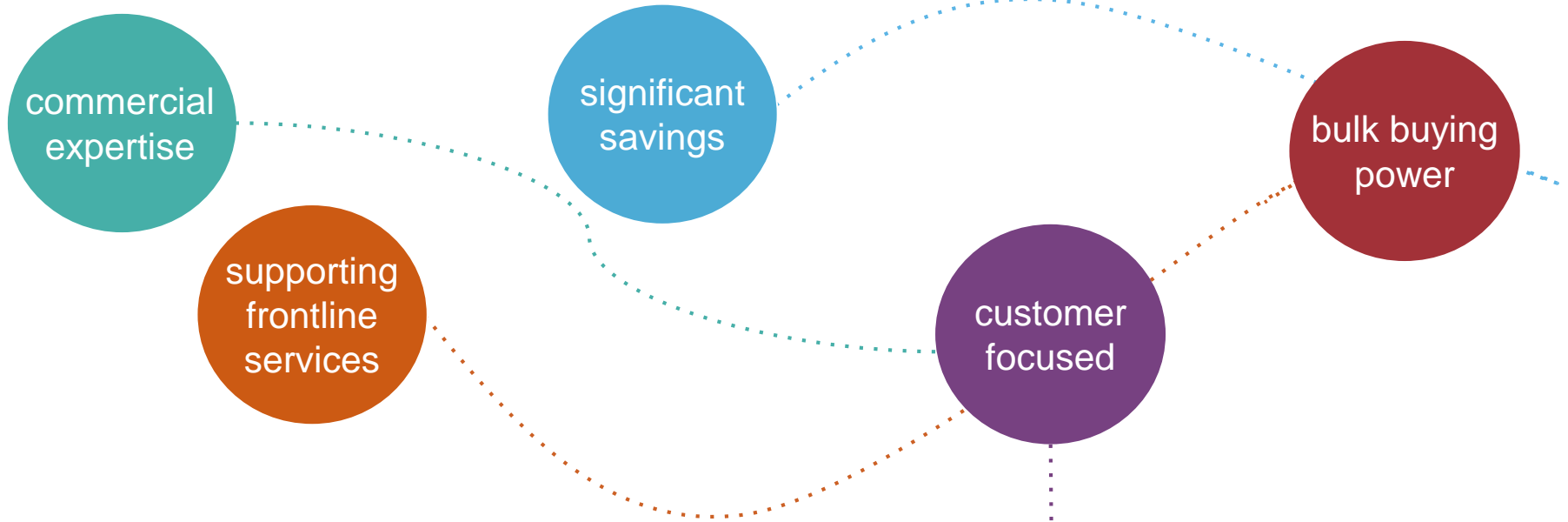
60% SME
suppliers

bulk
buying
power

We want to help our customers save £2 billion between 2016 and 2020

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We help organisations across the entire public sector save time and money on buying the everyday goods and services they need...



Our customers



Devolved Administrations



Government Departments



Local Government



Housing Associations



Emergency Services



Health



Education



Charities / 3rd Sector

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The CCS Buildings Pillar supports our customers through the building, operation and management of the Built Asset.

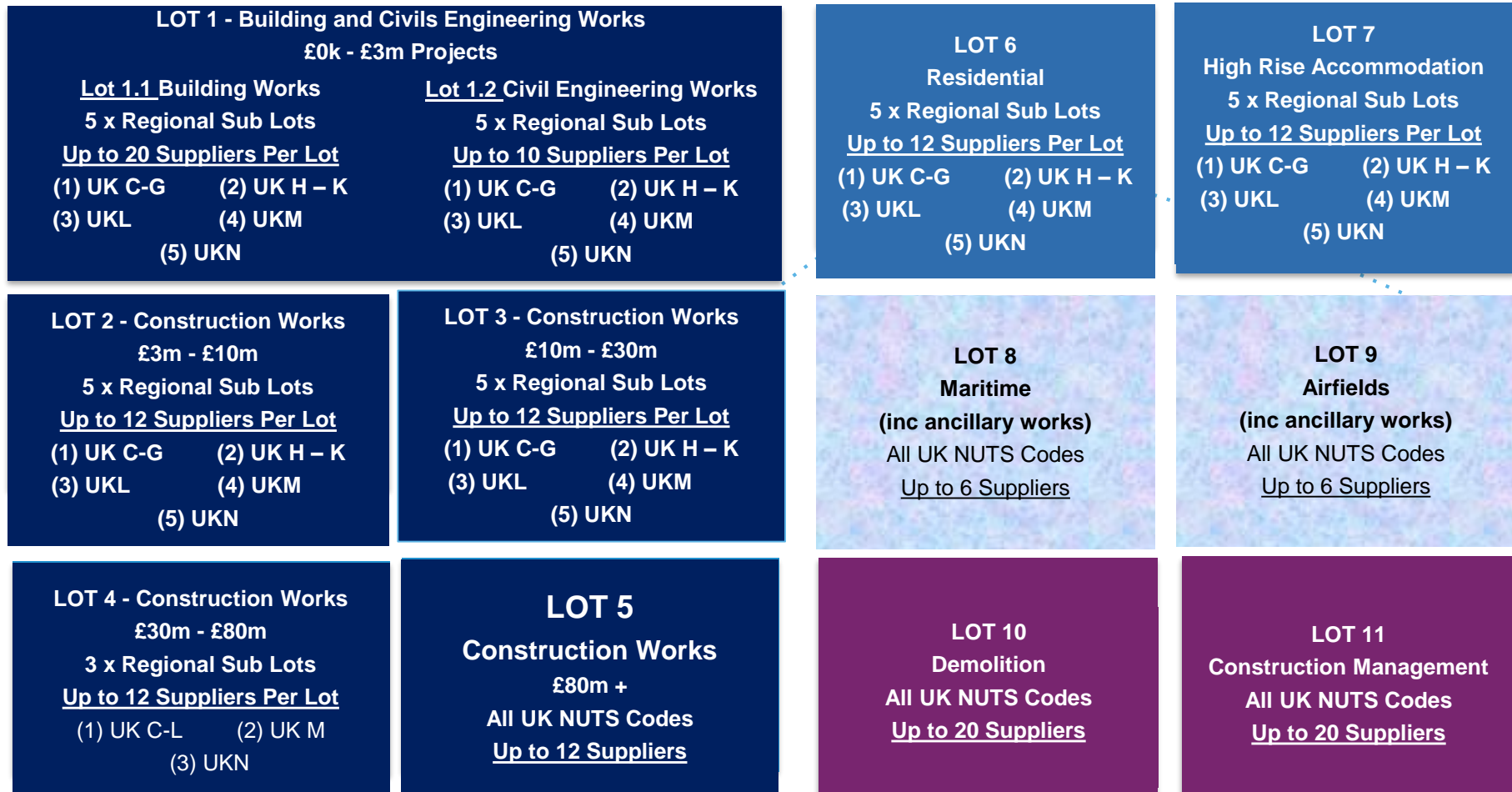
We offer a full lifecycle service for property, construction, infrastructure consultancy projects across all RIBA stages.

Using our extensive knowledge of the market and suppliers, customers can access frameworks for all of their buildings needs, whilst being reassured that they are efficient, effective and compliant.



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Framework Lot Structure



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Scope of Service – Lots 1 - 7

- **Lot 1 – Building Works OR Civil Engineering Works and Associated Services (National and Regional sub lots across UK regions)**
 A Supplier in Lot 1 under the Agreement shall provide access to a full suite of either:

 - Lot 1.1 Building Works and Minor Associated Civil Works OR
 - Lot 1.2 Civil Engineering Works and Minor Associated Building Works

at locations throughout the UK, aligned to the respective sub lot region.
- **Lots 2 to 5 inclusive – Construction Works and Associated Services (National and Regional sub lots across UK regions)** A Supplier in any of Lots 2, 3, 4 or 5 under the Framework Agreement shall provide access to a full suite of construction related works and associated services at locations throughout the UK, aligned to the respective sub lot region.
- **Lot 6 – Residential (Regional sub lots across UK regions)** A Supplier in Lot 6 under the Agreement shall provide access to a full suite of construction related works and associated services where projects relate to housing and residential accommodation and associated buildings. For clarity, this lot does not include low-rise multiple occupancy accommodation blocks, such as nursing, military and student accommodation, which would be provided under Lots 1 - 5. Works and services shall be provided at locations throughout the UK, aligned to the respective sub lot region. This Lot covers all contract values.
- **Lot 7 – High Rise Accommodation (Regional sub lots across UK regions)** A Supplier in Lot 7 under the Agreement shall provide access to a full suite of construction related works and associated services where projects relate to housing and residential accommodation and associated buildings that are classed as High Rise properties or structures. Works and services shall be provided at locations throughout the UK, aligned to the respective sub lot region. This Lot covers all contract values.

Where a Supplier is bidding for a regional sub-lot(s), service provision will need to address all areas within the region.

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Scope of Service – Lots 8 - 11

- Lot 8 – Maritime (National Service Provision across all UK regions)** A Supplier in Lot 8 under the Agreement shall provide access to a full suite of ‘Maritime’ construction related works and associated services (both inland and coastal) at locations throughout the UK.
- Lot 9 – Airfields (National Service Provision across all UK regions)** A Supplier in Lot 9 under the Agreement shall provide access to a full suite of ‘Airfield’ construction related works and associated services at locations throughout the UK.
- Lot 10 – Demolition (National Service Provision across all UK regions)** A Supplier in Lot 10 under the Agreement shall provide access to a full suite of demolition and decommissioning related works and associated services at locations throughout the UK. This will include all Pre-demolition activities including planning and associated permissions, surveys, management and carrying out off demolition and decommissioning activities through to close down of activities and materials disposal. These Lots cover all contract values with National service provision across all UK Regions.
- Lot 11 – Construction Management (National Service Provision across all UK regions)** A Supplier in Lot 11 under the Agreement shall provide access to a full suite of construction management related services and associated at locations throughout the UK. Services will support the Customer in managing construction projects and programmes at discrete delivery stages and/or from inception to completion, including effective management of construction delivery and handover and the provision of common site facilities and services.

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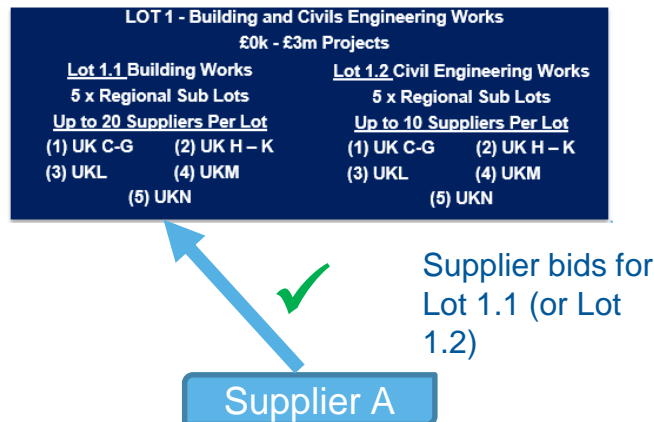
Lot Bidding Principles - 1

A Company has the opportunity to tender for all or any of the 11 (eleven) Lot groups (including the associated) sub lots, except:

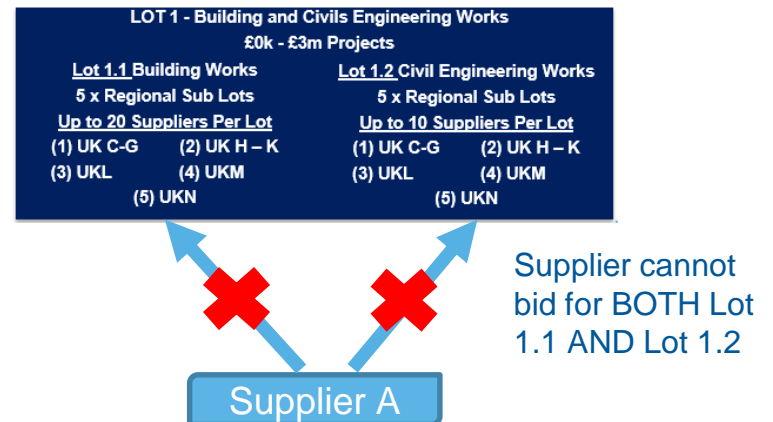
'Bid' Restriction – Lot 1

- The same Company cannot bid for both Lot 1.1 AND Lot 1.2.
- One of Lots 1.1 OR 1.2 must be selected where a bid is intended to be submitted.

Example 1



Example 2



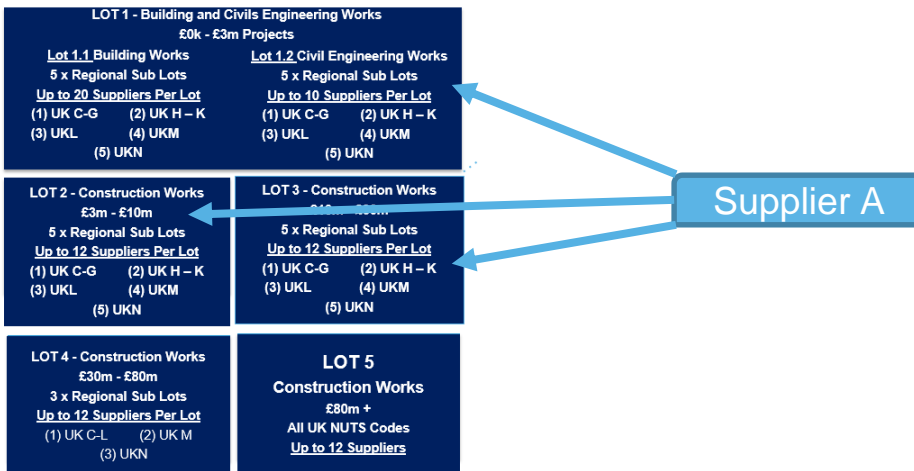
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Lot Bidding Principles - 2

'Award' Restriction – Lot 1

- Where a Company intends to submit a bid for both Lot 1 (including any regional Sub-Lots) AND any of Lots 2 - 5 (including any regional sub-lots), **a preference must be selected** to determine, if eligible for award, which of Lots 1 OR any of Lots 2 - 5 will be awarded to the Company. The bidder can only be awarded to either Lot 1 or be awarded to any of Lots 2 - 5, not both.

Example 3



- Supplier A bids for Lot 1.2, Lot 2 and Lot 3
- Supplier A also provides a Lot preference to be awarded Lot 1.2 first, if successful on Lot 1.2 AND either or both of Lots 2 & 3
- Following completion of the tender evaluation Supplier A is eligible for award to all of Lots 1.2, Lot 2 and Lot 3.
- Due to the above outlined restriction at award stage Supplier A is successfully awarded to Lot 1.2 as per their preferences and is not considered for award to Lot 2 and Lot 3

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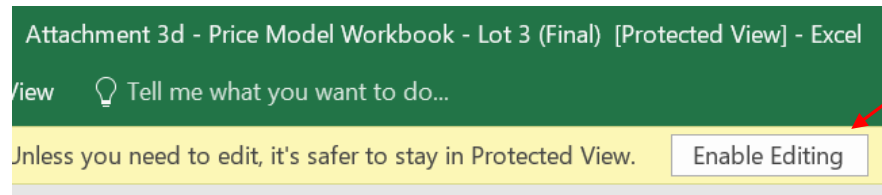
Lot Bidding Principles - 3

- Where a Company is eligible for award on their stated preferred Lot(s), award of second preference will not be considered.
- Where a Company is not eligible for award on their stated preferred Lot(s), but is eligible for award on their second preference selected, then award will be made to those Lot or Lots bid for.
- Where a Company's bid(s) are not eligible for award on any Lots, no award will be made.
- Evaluation Process- Evaluation will commence with Lot 1 award being assessed first, with evaluation and award of remaining Lots in ascending order.

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Price Model Workbooks - 1

- A Price Model Workbook is included for each Lot 1 – 11 (see Attachments 3a – 3l)
- Pricing of Regional Sub-Lots, where appropriate, is addressed within each Price Model Workbook.
- Depending on which version of Excel you use, you may need to “enable editing” before you are allowed to enter data or save the workbook.



- You must not unprotect or modify the Price Model Workbooks in any way – only fill in permitted cells, highlighted green. Do not fill in red cells

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Price Model Workbooks - 2

- It is very important that you select which Regional Sub-Lots you wish to bid for **and also those you don't** on Sheet 2 – e.g.:

b) Selection of Regional Sub-Lots

Which Regional Sub-Lot(s) do you wish to submit a bid for?

Select "Y" or "N" in the green boxes below.

Regional Sub-Lot (ref UK NUTS Codes)	UK C-G (England North)	UK H-K (England South)	UK L (Wales)	UK M (Scotland)	UK N (N Ireland)
Do you wish to bid? Y/N?	Y	N	Y	Y	N

- This process sets each Price Model Workbook up so that you only need to complete relevant required information (it will all be highlighted green) – e.g.:

UK C-G (England North)	UK H-K (England South)	UK L (Wales)	UK M (Scotland)	UK N (N Ireland)
%	%	%	%	%
Insert %	n/a	Insert %	Insert %	n/a

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Tender Pricing Principles - 1

- Lots 1 – 10:
 - Prices are to be submitted for:
 - Overhead %
 - Profit %
 - Subcontractor %
 - Designer %
 - Hourly Rates for Staff & Management, Designers and Site Labour
- Lot 11:
 - Prices are to be submitted for:
 - Fee % - broken down into RIBA Plan of Work stages; differentiated by value bands
 - Project Complexity adjustment %
 - Regional adjustment %
 - Hourly and Daily Rates for Construction Management staff
 - Common Site Facilities & Services rates

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Tender Pricing Principles - 2

- Regional Price Differentiation:
 - Lots 1-4; 6 & 7 are arranged into 3 or 5 Regional Sub-Lots, so there is the facility to differentiate price depending on which Sub-Lots you are bidding for.
 - Lot 4 combines England North, England South and Wales NUTS areas into a single Regional Sub-Lot, but there is still opportunity to differentiate prices for those areas within the Sub-Lot.
 - The remaining Lots are National lots but there is still opportunity to differentiate prices for different areas (England North, England South, Wales, Scotland and Northern Ireland).



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Tender Pricing Principles - 3

- All Prices are **maximums** that can be applied to a Project Contract at call-off stage.
- Prices are fixed for the first 2 years, after which indexation of some elements applies.
- Tenders are to remain open for acceptance for 9 months.
- Detailed guidance is available – refer to attachment 3m “Pricing Model and Price Evaluation Guidance”

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Tender Pricing Evaluation

Detailed guidance is available – refer to attachment 3m “Pricing Model and Price Evaluation Guidance”

Weighting:

- Price component is 25% / Quality component is 75%
- Individual cost element weightings are outlined in the Price Model Workbooks and in the Guidance document.

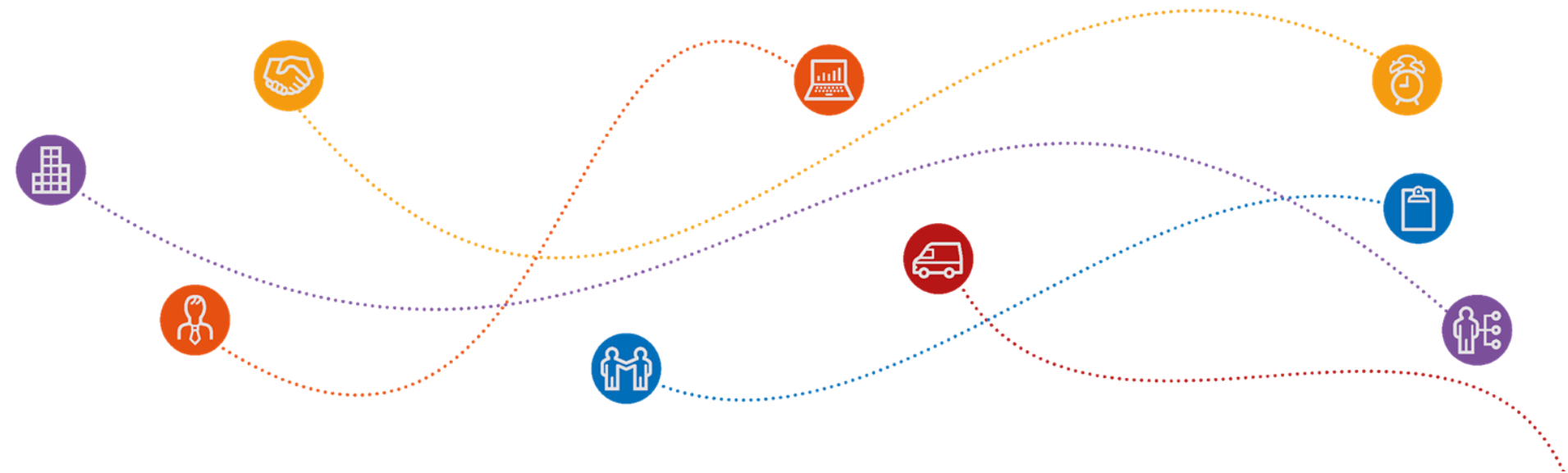
Evaluation:

- Any decimal places over 2 will be rounded up or down for evaluation and rounded values will also be carried forward as Framework Prices, if successful.
- Each cost element will be evaluated on the basis of deviation from the optimal price.
- The optimal price is deemed to be the median value of bidders’ prices and will score the highest.
- Deviations less than the optimal value are weighted to score higher than the same deviation above the optimal value.
- There is a worked example in the Price Evaluation Guidance – see section 9.2

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Framework Management

- General Rules for Project Contracts – Schedule 4 & 5
- Framework Management – Schedule 7
- Pricing – Indexation and Pricing Fluctuations



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Framework Alliance Contract

- The Framework Alliance Contract has been used to encourage early supplier engagement, drive innovation and achieve effective collaboration from all stakeholders during the Framework period.

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General Rules for Project Contracts (Schedule 4 & 5)

- Multiple Project Contract options available to Additional Clients as detailed in Schedule 5 (part 1)
- Additional Clients will also use the Standard Boilerplate Amendments to complement the Project Contracts, with the ability to remove any that are not deemed relevant to their project. (Boilerplate Amendments - part 2 Schedule 5)
- Additional Clients can opt to use either Direct Award or use Competitive Award Procedure (as detailed in Schedule 4)
- Additional Clients have multiple procurement routes available such as: Design and Build: Single Stage, Design and Build: Two Stage, Traditional, Two Stage Open Book, Cost Led Procurement etc (as detailed in Schedule 5)

Framework Management Schedule 7 – Key areas

- Review Meetings
- Success Measures
- Management Information
- Pricing Fluctuations (including Indexation)

Supplier Review Meetings

- CCS will work directly with Supplier Alliance Members to establish effective and meaningful relationships: to establish pipelines, key growth areas and sharing best practices to drive efficiencies.
- Supplier Alliance Members are expected to share information, opportunities and ideas in a collaborative way
- Supplier Alliance Activities meetings will be held on a regular basis to discuss performance and establish action plans to support Success Measures and Targets
- Supplier Alliance Members and CCS will work together to develop a bespoke SRM Plan (Commercial Intelligence, Marketing) where applicable.

Success Measures and Targets

- Supplier Alliance Members shall ensure compliance with Success Measures and Targets as detailed in Schedule 1
- **Management**
- **Operational efficiency/ cost savings**
- **Cost Savings**
- **Customer savings**
- **Project Success Measures**

Management Information System Online (MISO)

- Management Information is referenced in Schedule 7 within the CCS Construction Works and Associated Services Framework Alliance Contract.
- CCS use MISO to collate suppliers Management Information - The MI return is used to report on orders and transactions that have taken place during the month to which the MI report relates.
- MI Template must include their unique Additional Client User Agreement Reference Number to enable CCS monitor individual project spend.
- MI template is also used by CCS to ensure compliant procurement processes are being followed e.g. all capable suppliers invited to tender for project contracts.

MISO process

- The MI return is used to report on orders and transactions that have taken place during the month to which the MI report relates
- For example:

September 2019

- Order placed and delivered to customer

October 2019

- Supplier invoices customer for goods/services

November 2019

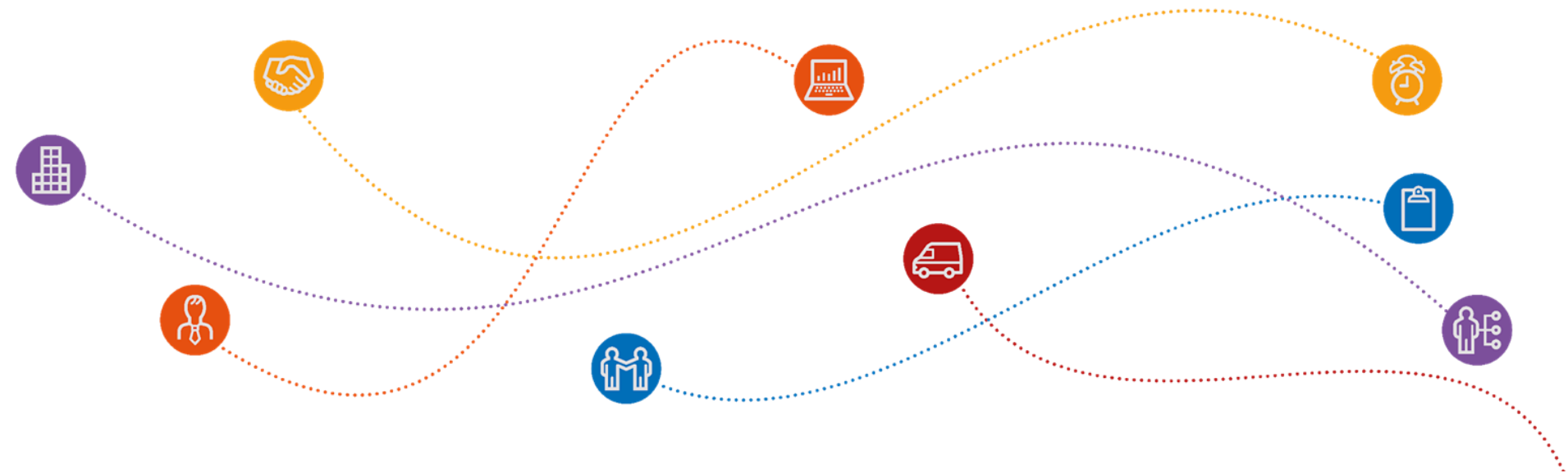
- The MI return by 7th November is for invoices raised in October

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Pricing Fluctuations

- Details can be found in attachment 3n
- **Periodic Assessment of Framework Prices:**
 - Every six (6) Months during the Framework Period, the Supplier Alliance Member shall assess the level of the Framework Prices to consider whether it is able to reduce them
- **Indexation (CPI):** The following maximum Framework Prices are subject to increase by way of Indexation
 - hourly rates in respect of Management & Staff, Designers and Site Labour (Lots 1 – 10)
 - hourly and daily rates in respect of Construction Management staff (Lot 11)
 - mobilisation, demobilisation and weekly charges in respect of Common Site Facilities and Services (Lot 11)
 - for the avoidance of doubt, any Framework Prices not specifically listed shall remain fixed for the duration of the Framework Period and shall not be subject to increase, by way of indexation or otherwise, under any circumstances

Tips for bidding for public sector contracts



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Tips for a successful bid

- At 15:00 on 15/03/2019 (tender submission deadline) the event on the CCS eSourcing System will close to all bidders
- All bids remain in draft format until the 'submit response' button is pressed. Bidders must remember to press this button as CCS will not accept draft bids.
- Note - If you have submitted your response in the eSourcing suite, any modifications to the online questions will result in your submission status changing to "response to be submitted", this means that your response will not be available. Please review the changes and re-submit by re-clicking "Submit Response".
- Don't upload an attachment if we haven't asked for it.
- Always type responses, do not copy and paste a response from one question as a response to a different question.
- Enter your response in the text boxes provided. Do not attach responses.

Tips for a successful bid

- Award (quality) questions - focus your response on each of the component parts of the question and address each component part in the order they are listed.
- Clarification questions - please state the Lot/sub-lot and subject of the question when submitting.
- Don't leave tender submissions until the last minute!
- Always monitor the eSourcing System for messages and updates.

Thank you for partaking in today's Bidder's Conference

This presentation slide deck will be available on the CCS project webpage:
<https://ccs-agreements.cabinetoffice.gov.uk/node/7279>