

Construction Works & Associated Services – RM6088

Framework Launch Webinar (Catch-Up Session)



Crown
Commercial
Service

Framework Overview

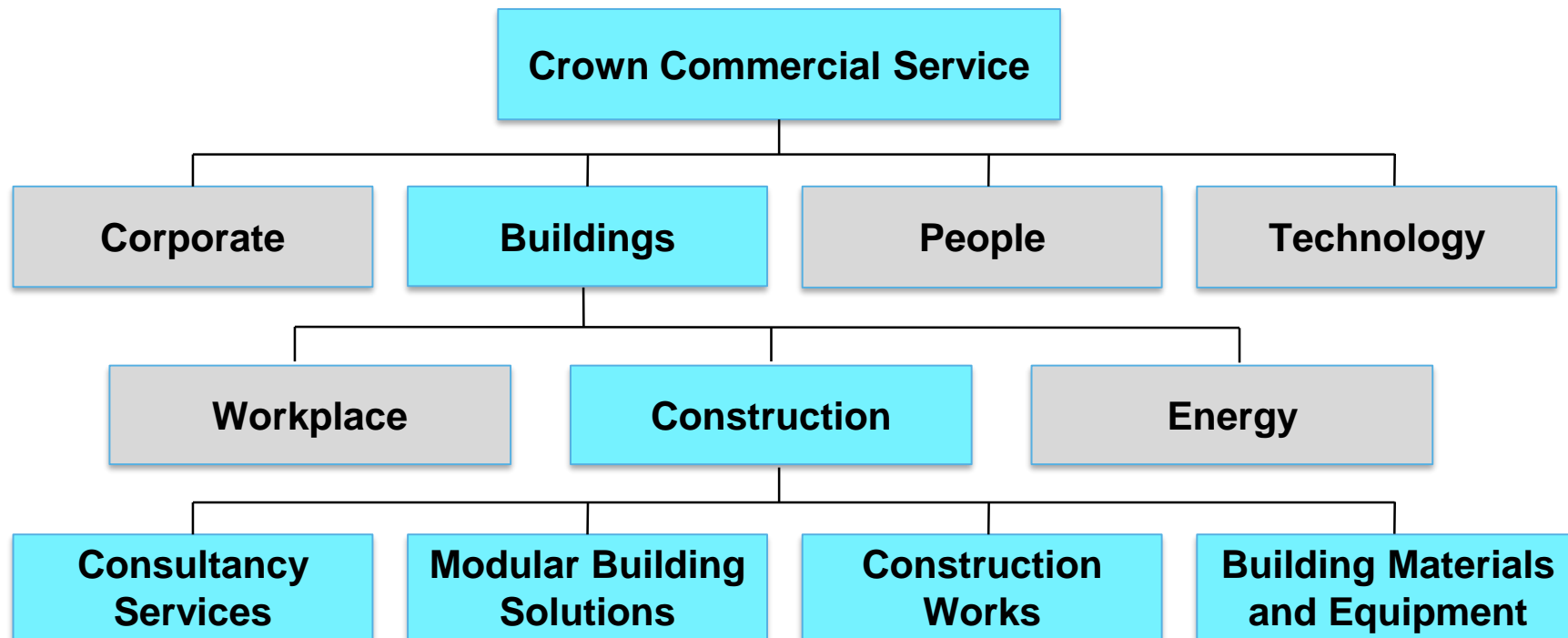
Noel Shearer: Head of Construction

Crown Commercial Service

Construction Works & Associated Services Background

- First Generation framework in CCS
- Developed for government and wider public sector access
- Extensive market engagement to develop strategy
- Key stakeholders engaged in public sector and the industry
- Collaboration throughout project with Defence Infrastructure Organisation and Ministry of Justice as key partner stakeholders
- Alignment to latest government and industry policy and standards
- Supports a full asset lifecycle approach in CCS

Crown Commercial Service – Who we are, what we do



CCS Buildings Pillar Objective

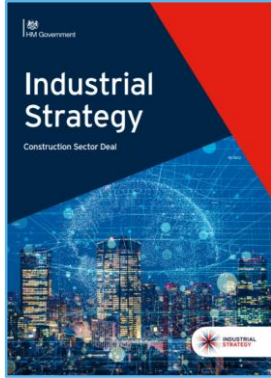
The CCS Buildings Pillar supports our customers through the building, operation and management of the Built Asset.

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.



Policy Context



CCS construction frameworks support a range of government construction policies, including:

- Making government a better client
- Improving value for money
- Improving productivity
- Modern methods of construction
- Implementing BIM & digital solutions
- Enhancing technology and information security
- Delivering apprenticeships
- Encouraging the growth of SMEs and the industry
- Promoting fair payment
- Reducing commercial friction
- Benchmarking for improved future performance

Framework Benefits

- Promotes collaborative working practices by adopting an innovative framework alliancing approach
- Supports the implementation of government policies and strategies
 - Promote innovation and efficiency through the adoption of technology such as BIM and Modern Methods of Construction
 - Whole life cost approaches
 - Sustainable industry through prompt payment and social value initiatives
 - Provides access to SMEs at regional level
- Flexible application allowing the use of all common construction procurement methodologies.
- Introduces government “boiler plate” clauses to standardise industry terms and conditions, supporting obtaining best value
- Complements integrated CCS frameworks for Professional Services, Modular Building, Building Materials and Facilities Management

Key Features and Flexibility

- Flexible Project Contract options available (NEC3/4, JCT/SBCC, PPC2000, TAC-1)
- Multiple procurement, tendering and pricing strategies supported:

• Traditional (designed)	• Design and Build
• Single Stage tendering	• Two Stage tendering
• Early Contractor Involvement	• Open Book
• Lump Sum	• Target Cost + pain/gain sharing

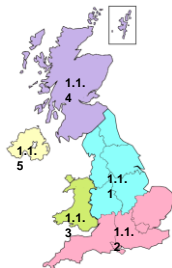
- Framework is built around an Alliancing structure, using industry standard FAC-1 documentation
- Competitive Award and Direct Award procedures available
- 7 year framework period to support longer term project requirements
- Structured Management Information provision to track and review framework performance

Customer Experience



Lot Structure - General Lots

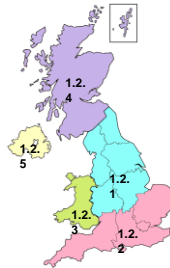
Lot 1.1
Building Works



Projects
up to
£3m

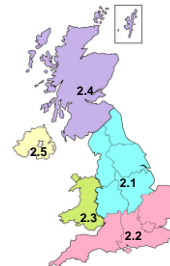
Up to 20 suppliers per regional sub-lot

Lot 1.2
Civil Engineering Works



Up to 10 suppliers per regional sub-lot

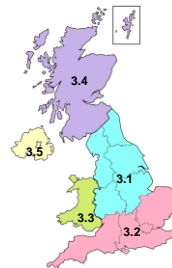
Lot 2
General Construction Works



Projects
between
£3 -
£10m

Up to 12 suppliers per regional sub-lot

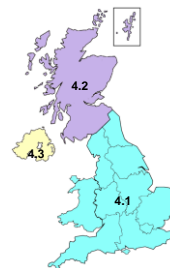
Lot 3
General Construction Works



Projects
Between
£10-
£30m

Up to 12 suppliers per regional sub-lot

Lot 4
General Construction Works



Projects
Between
£30-
£80m

Up to 12 suppliers per regional sub-lot

Lot 5
General Construction Works



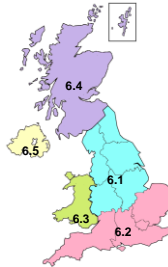
Projects
over
£80m

Up to 12 suppliers –
National Delivery
Lot

*Regional lots are aligned to the NUTS 1 codes

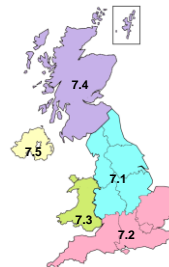
Lot Structure – Specialist Lots

Lot 6
Residential Works



Up to 12 suppliers per regional sub-lot

Lot 7
High Rise Accommodation Works



Up to 12 suppliers per regional sub-lot

Lot 8
Maritime Works



Up to 6 suppliers
National Delivery Lot

Lot 9
Airside Works



Up to 6 suppliers
National Delivery Lot

Lot 10
Demolition and Decommissioning



Up to 20 suppliers
National Delivery Lot

Lot 11
Construction Management



Up to 20 suppliers
National Delivery Lot

*Regional lots are aligned to the NUTS 1 codes

Early Framework Activity

- DIO - RAF Lossiemouth Development Programme Lots 3, 4 & 9 - Supplier Engagement commenced
- DIO - USVF RAF Fairford Airfield Works Lot 9 - Supplier Engagement commenced
- DIO - management of various discrete programmes of work
- Cambridgeshire Community Services - Demolition project Lot 10 - Supplier Engagement commenced
- UK Parliament - River Navigational Enhancement Works Lot 8 - Supplier Engagement commenced
- MOJ - New Prisons Programme strategy, including use of programme sub-alliance
- DH - Hospital Building & Redevelopment programmes
- HMRC - management of various discrete programmes of work
- Lots 7 and 11 - early Alliance sessions to explore best means to drive outcomes from the Hackitt report
- First Local Authorities, NHS Trusts and Publicly owned, “arms’ length” bodies registered as Alliance Members

Crown Commercial Service

**Construction Works and Associated
Services Framework Launch Event**

Scene Setting - The Framework Alliance

Tuesday 21st January 2020

**Professor David Mosey PhD
Director, Centre of Construction Law and Dispute Resolution,
King's College London
© David Mosey 2020**



Key Stakeholder Presentations

Mick Noble

Defence Infrastructure Organisation

Michael Richardson, Sue McElroy

Ministry of Justice



Defence Infrastructure Organisation (DIO)

CCS Construction Works and Associated Services
Launch Event



1.8%

UK land
managed/owned by
the MOD

4k

Sites
Worldwide

11.2%

Defence budget
spent on the
estate

45k

Buildings

48%

Defence estate
over 50 years old

4.5k

Employees

65,000

Houses held by MOD to provide
Services Family Accommodation
worldwide



32M m2

Area of built estate including
buildings such as storage, offices and
training facilities



145,000

Single Living Accommodation
bedspaces maintained by MOD
worldwide



£3.4Bn

Amount spent on the Defence
Estate by the Financial Year
(FY) 17/18 (out of a total MOD
infrastructure spend of
£4.1Bn)



£7Bn

The estimated lifecycle
replacement liability for the
DfO managed enduring estate
over the next 10 years



£31Bn

Depreciated replacement cost
value of the assets on the
Defence Estate as of March
2017



£27 Bn

Current total value of the
approximately 240 contracts
that DfO directly manage



858

Listed buildings across
the UK Defence Estate



768

Scheduled monuments,
10,000 archaeological
monuments and 8 registered
gardens and parks across the
UK Defence Estate



170

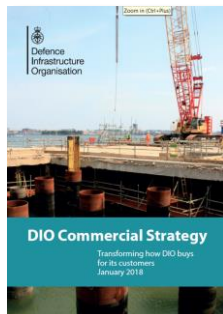
Sites of Special Scientific
Interest (SSSI) on the UK
Defence Estate covering a
combined area of some
84,000 ha



Defence
Infrastructure
Organisation



To be a key client in the infrastructure and facilities management market, exercising clear customer leadership to be able to leverage effective supplier delivery for the future DIO”



**Our approach
to delivering
this vision**

We will be easier to do business with

We will work faster and smarter for our customers

We will have a broader and more diverse supplier base

We will engage meaningfully with our stakeholders

We will focus on value, not price



The Procurement Plan -- **the first step in helping you**, our current and potential suppliers, **understand what we need and how you can work with us.**



DIO Procurement Plan

- Procurement Plan - The current plan sets out our vision for future ways of working with suppliers and outlines major projects and contracts for the next 5 financial years
- A further update to this plan is in progress but currently being reviewed
- Estimated spend over 7 year Construction Works Framework period is estimated £7b
- Plan contains our Commercial Strategy – includes developing a broader and diverse supply base and being easier to deal with.
- DIO have worked in collaboration with CCS to develop this framework



DIO Onboarding and Category Management.

- DIO plan to hold an Industry Day later this year
- Suppliers new to DIO will also be onboarded at the Call-off Stage
- DIO have adopted a Category Management Approach
- Construction Category Team will be the main point of contact for the CCS Framework within DIO



DIO Contacts

DIO Construction Category Commercial

Category Lead – Mick.Noble115@mod.gov.uk

Deputy Lead – Stephen.Bradburn100@mod.gov.uk

Category Team:

John.Richardson140@mod.gov.uk

John.Witherspoon100@mod.gov.uk



Ministry
of Justice

MoJ Construction Pipeline

Michael Richardson – Deputy Director CCMD Property Team

Sue McElroy – Associate Commercial Specialist CCMD New Prison Capacity
Team

21st January 2020

MoJ Construction Pipeline

Protecting Capacity

- *Managing our Estate*

Current pipeline includes;

Courts £48m per annum Probation

£4-6m for Maintenance

£22m for the Community Rehabilitation Centres

£11m for Approved Premises expansion

There are anticipated a large volume of pipeline projects in the £0 - 3m value band

**c.£3.5bn
over
5 years**

Creating New Capacity

- *Growing our Estate*

c. £2.5bn

New prisons (Full Sutton +3)

House block Expansion

Category D Expansion

Several Major refurbishments

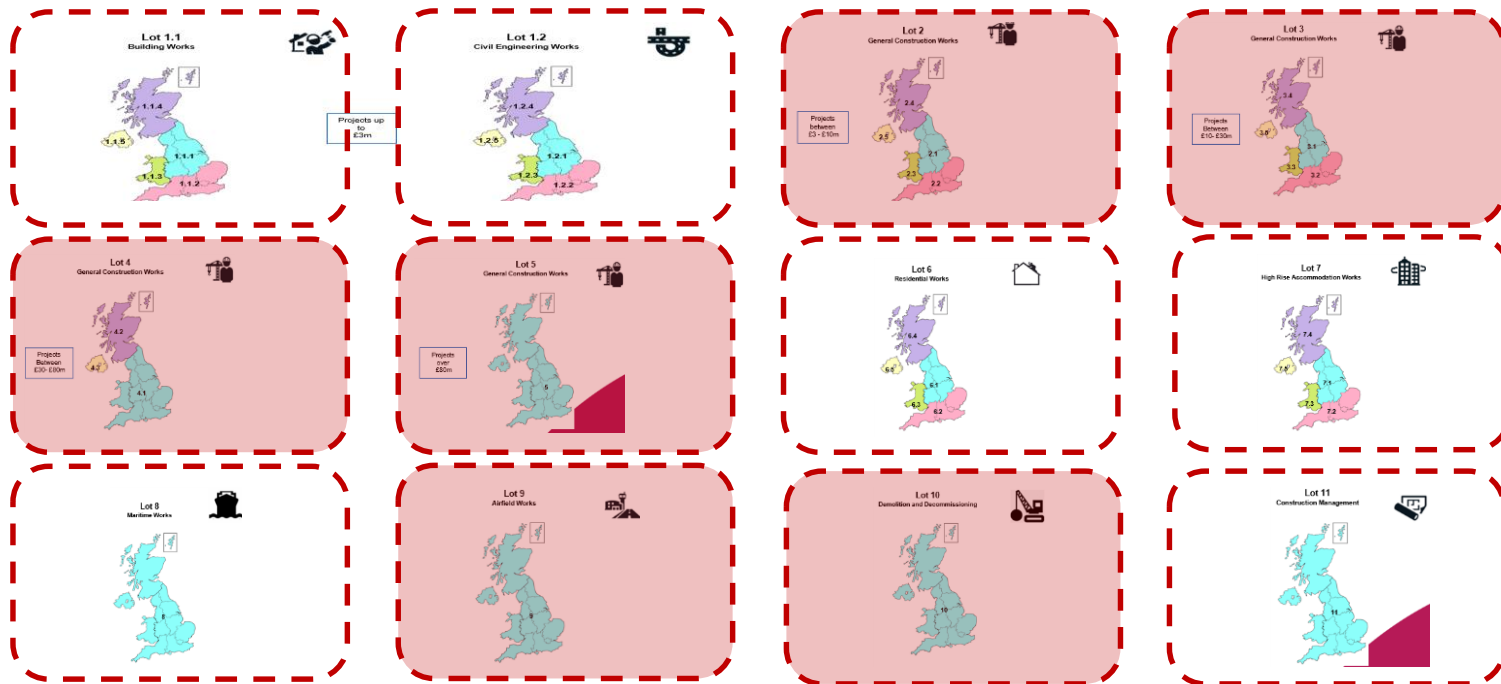
Excluding existing projects at HMP Wellingborough and HMP Glen Parva

Framework Alliancing Overview

Each Lot forms a separate Alliance, reflecting the specific Objectives, Risks, Success Factors etc particular to that market sector...



Additional Clients can register to become a member of one or more of the Lot Alliances ...

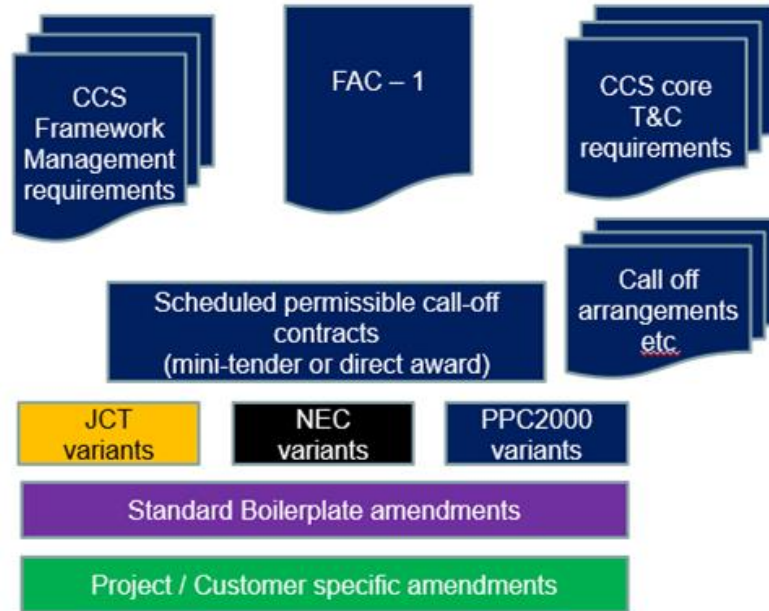


Alliance Activities

- Introductory 1-2-1 Supplier and Client meetings
- Regular (Lot) Alliance meetings, initially developing clear understanding of the specific Objectives, Risks, Success Factors, Programme etc particular to that lot
- Regular Client User Group meetings; shared good / bad experience across all users & lots; focus on driving best practice and continuous improvement
- CCS will represent Additional Clients and act as the feedback loop between suppliers and clients
- Collation, analysis and distribution of MI at Framework, Lot, Additional Client, Supplier and Project / Programme levels
- All Framework issues should in first instance be directed via CCS
- Series of Webinars, relating to specific aspects of the Framework and the Alliancing approach

FAC1 Construction Framework Agreement

Contract Structure



Call Off Process

Craig Garsed: Commercial Agreements Manager

Crown Commercial Service

Call Off Process - Who Can Access?

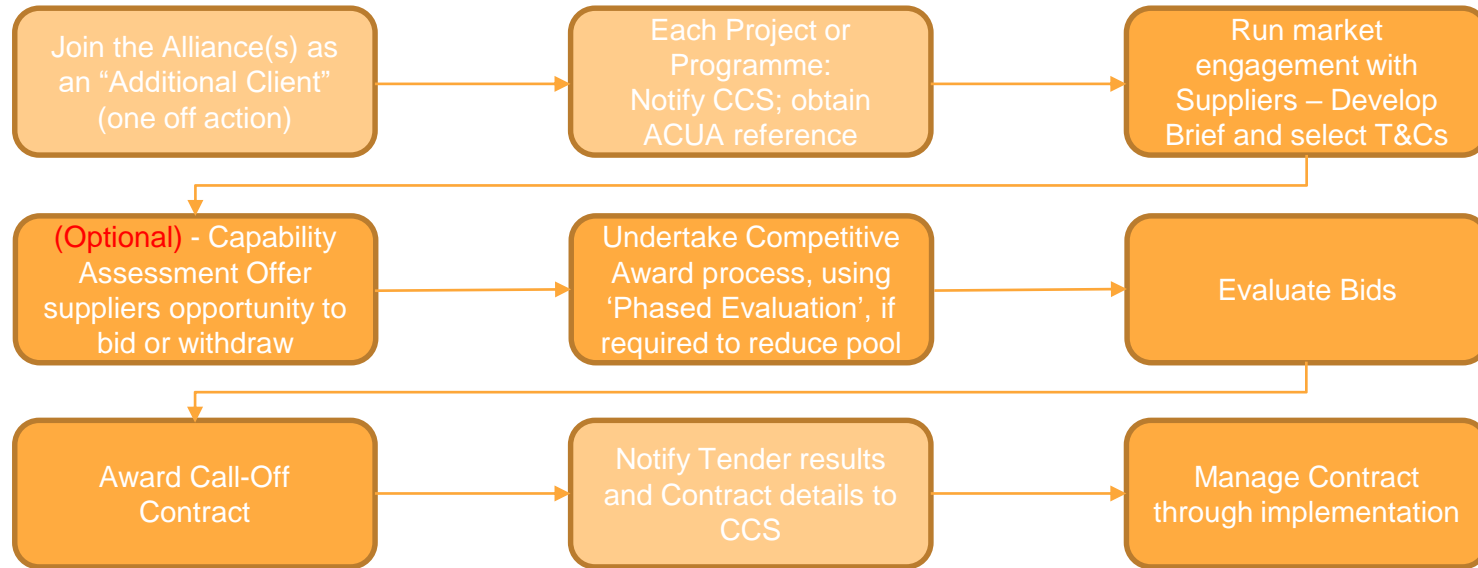
- Who can access the agreement?
 - All UK Central Government Departments, executive agencies and non-departmental public bodies, including devolved administration.
 - Local Government
 - Health Sector (NHS)
 - Nuclear
 - Public Corporations
 - Third Sector (Charities)
 - Fire & Rescue Services
 - Police Forces
 - Further and Higher Education
 - Education Sector
 - Delivery Agencies on behalf of Public Bodies

***This list is not exhaustive (see OJEU Contract Notice customer listing)**

Call Off Process - Criteria & Weightings

- Competitive Award and Direct Award facilities available
- ITT stage the price / quality split was 25% price / 75% quality.
- SQ questions addressed all of the PAS91 areas e.g. financials, quality management systems, health & safety etc.
- Quality Assessment questions addressed the following areas:
 - Quality Management
 - Mobilisation
 - Continuous Improvement & Innovation
 - Supply Chain Management
 - Delivery of Construction Works (Pre-Construction Phase)
 - Delivery of Construction Works (Construction Phase)
 - Delivery of Construction Works (Post-Construction Phase)
- Suppliers were required to submit Certificates of Past Performance referencing 2 projects for each lot they were bidding for and evidence of having undertaken work in each regional sub-lot for which they were bidding (to demonstrate prior supply chain capability in the area).

Call Off Process – Further Competition



Call Off Process - Documents/Systems

Documentation

- CCS Website – Framework Documentation
<https://www.crowncommercial.gov.uk/agreements/RM6088>
- Contact CCS Customer Service Centre
- CCS Category Team
- Customers' own templates

Tender Portal

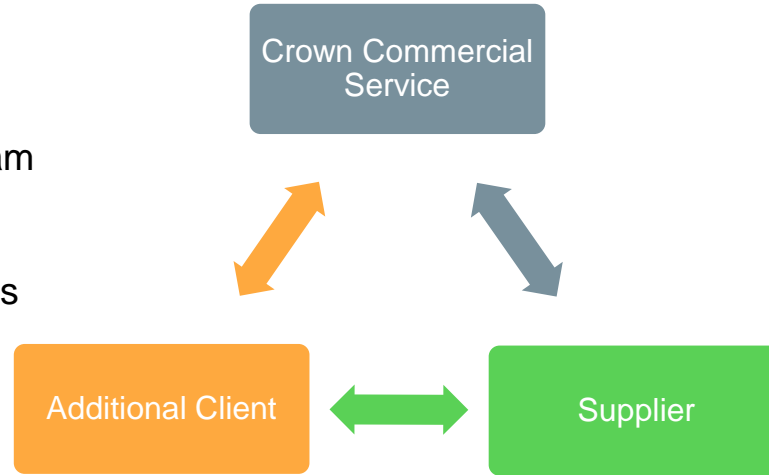
- CCS Tendering Portal
- Customers' own systems

Relationship Management Overview



Relationship Management – The Structure

- Framework & Technical Guidance
- Dedicated Category Team
- Access to Guidance
- CCS Account Teams
- Regular Communications
- Framework Alliance



- Framework Guidance
- Dedicated Category Team
- Review Meeting Programme
- Regular Communications
- Marketing & Comms
- Framework Alliance

- Framework Alliance
- Regular Communication
- Project Delivery

Framework Management – Role of CCS

- CCS will work closely with Additional Clients to identify opportunities
- Notification of new client sign-ups
- CCS Framework Management team will hold regular Alliance meetings with all Supplier Alliance Members
- Continuous improvement/ lessons learned are identified and shared.
- CCS will also work with Alliance Members to identify opportunities for greater efficiencies and savings as part of Alliancing activities.

Framework Management – Role of Supplier Alliance Member (Contractor)

- Contractual documentation – Cyber Essential Plus, Insurances, Accreditations
- Meet & exceed KPIs
- Compliance with Audit and Assurance
- Supplier Alliance Members responsible for managing subcontractors
- Support Additional Client's key priorities (social value, innovation, balanced scorecard etc.)
- Pipeline – track and share opportunities with CCS
- Marketing of the framework
- MI – timely and accurate Management Information

Framework Management - Customers

- Project Pipeline reviews
- Benefits tracking and sharing of outputs
- Management Information data
- Alliance Meetings & User Group meetings
- Lessons Learned reviewing
- Potential to consider Assisted Procurement

Keep in touch

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@gov_procurement



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