

South West Construction Framework

July 2008



Improvement and
Efficiency
South East

Objectives and Goals

To work collaboratively with contractors on a repeat basis, reduce waste, and streamline processes through the whole life of projects, identify and manage risk effectively, and provide value for money

Improved processes

Use resources to ensure that wasteful activities are driven out.

To add value through collaboration in design, procurement and construction.

Seek out gains through aggregation

South East Frameworks

Major projects £3m to £40M +

Commenced August 2006

In place until July 2011

Option to extend to July 2013

10 Contractors appointed through OJEU

Tender

Medium and Small Projects

For projects of £100k to £3m

Commencing:- late 2007 for clusters of
Authorities in Hampshire and Sussex.

Construction consultants - 2008 onwards?

Guardian Public Service Award National Winner – Finance and Procurement



Framework Establishment

Operational Protocol

Management

PQQ / Evaluation

OJEU Notice

Tender documents

Framework Participants

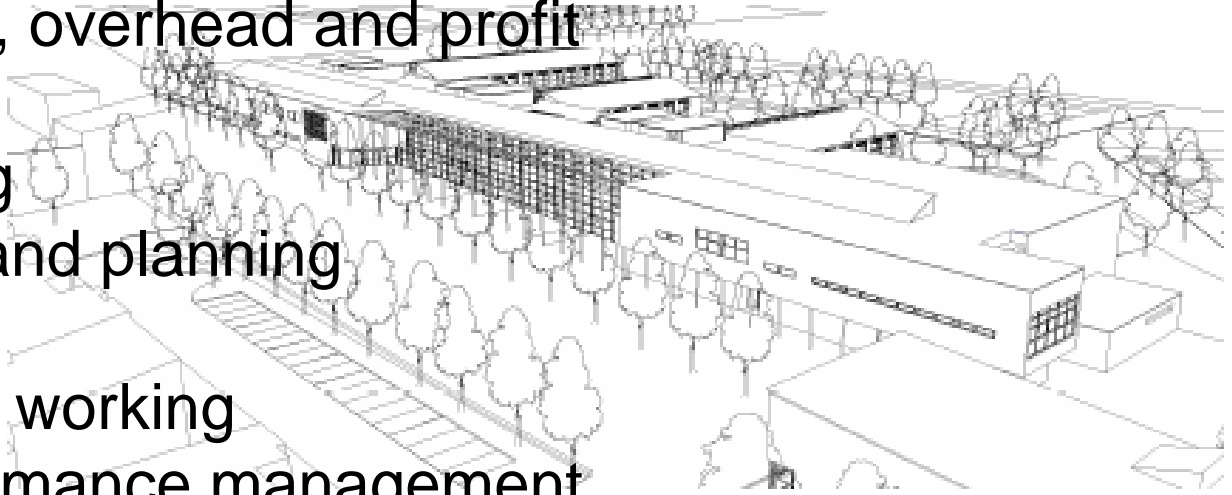
Framework Operation

The tender document

- **Six template projects at outline design**
 - **Special Needs School**
 - **Adult Day Care Centre**
 - **Primary School Extension**
 - **Nursing Care Home**
 - **Primary School**
 - **Secondary School**
- **Optional large Civic Office Project at inception**

Tender challenge

- Pick four projects and answer questions on
 - Management structure and cost
 - Preliminaries, overhead and profit
 - Risk
 - Cost planning
 - Programme and planning
 - Procurement
 - Collaborative working
 - KPI's / Performance management
 - Health, Safety and Environment
 - Project Controls
 - Framework Management



The Contractors

Tier 1 (10 no.)

Mace Plus

Warings

Mansell / Balfour Beatty

HBG

Kier

Willmott Dixon

Morgan Ashurst

Wates

Fitzpatrick

Costain

Headline Figures Regional Framework – July 2008

	Value	No.
Total Projects	£1,190m	95
Total Proceeding	£954m	76
On Site		25
Total Placed with Contractors	£879m	73
Completed Projects		3
Total Authorities		43
Total Authorities Proceeding		37

Participating Authorities



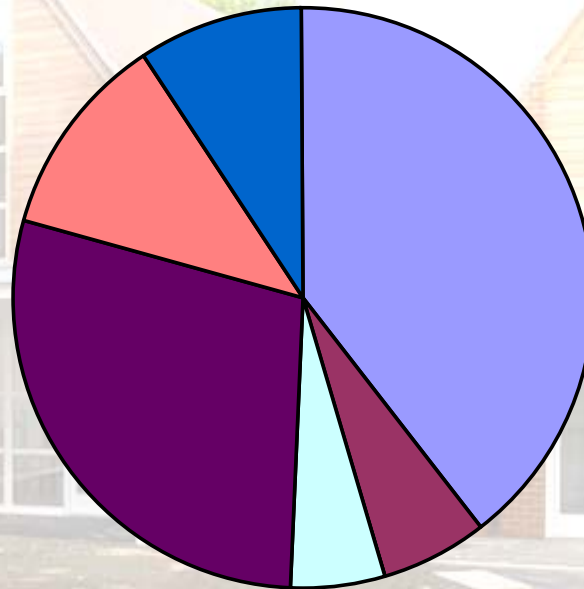
Regional Framework Programmes

Education Further

Civic Offices

Education Secondary

Police Fire NHS



Education Primary

Education Gen

SE Framework Governance



Steering Group

SECE + 11 Authorities

- Provide scrutiny and support
- Develop arrangements
- Performance review

Strategic Forum

SECE + Contractors

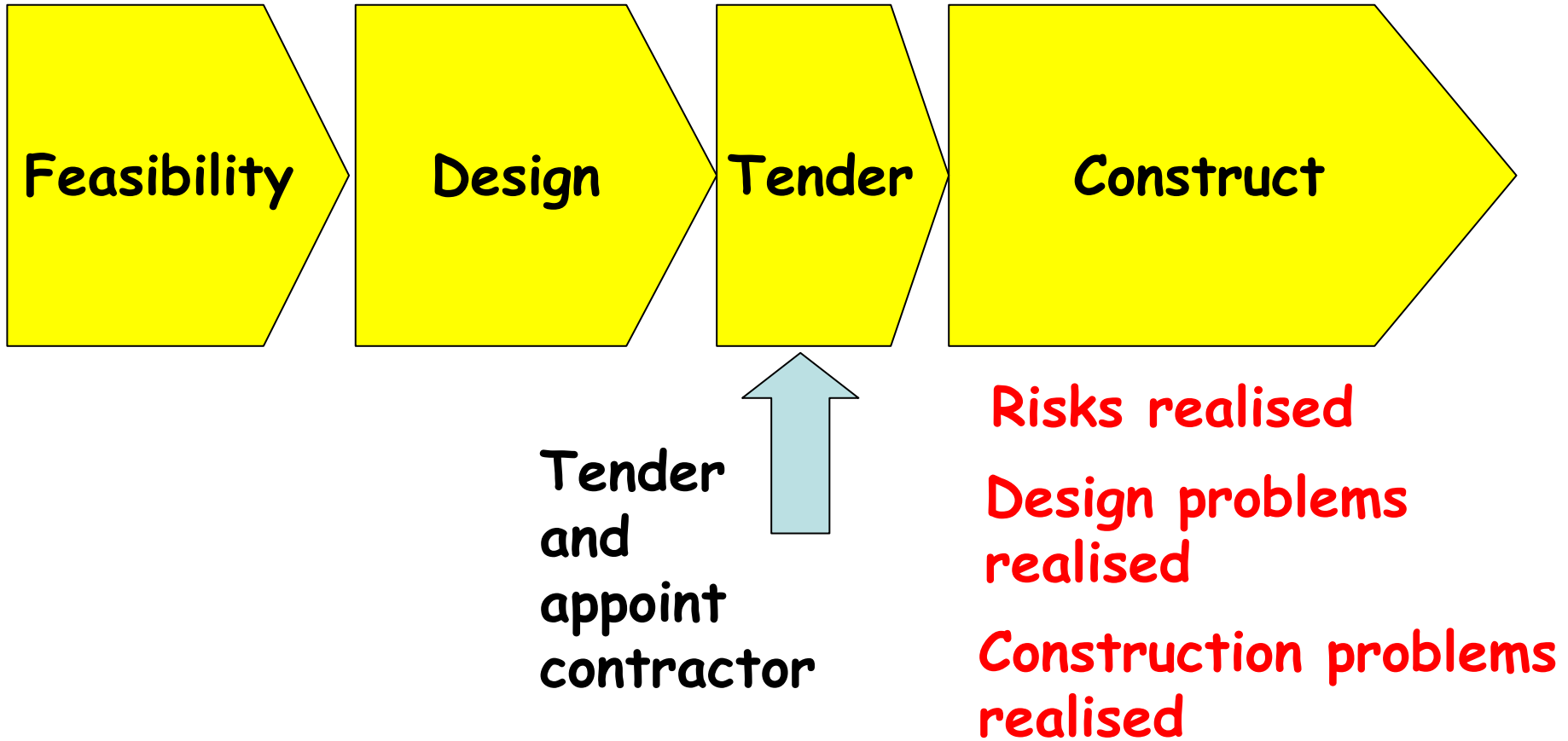
- Capacity
- Performance
- Development

How the Framework Works

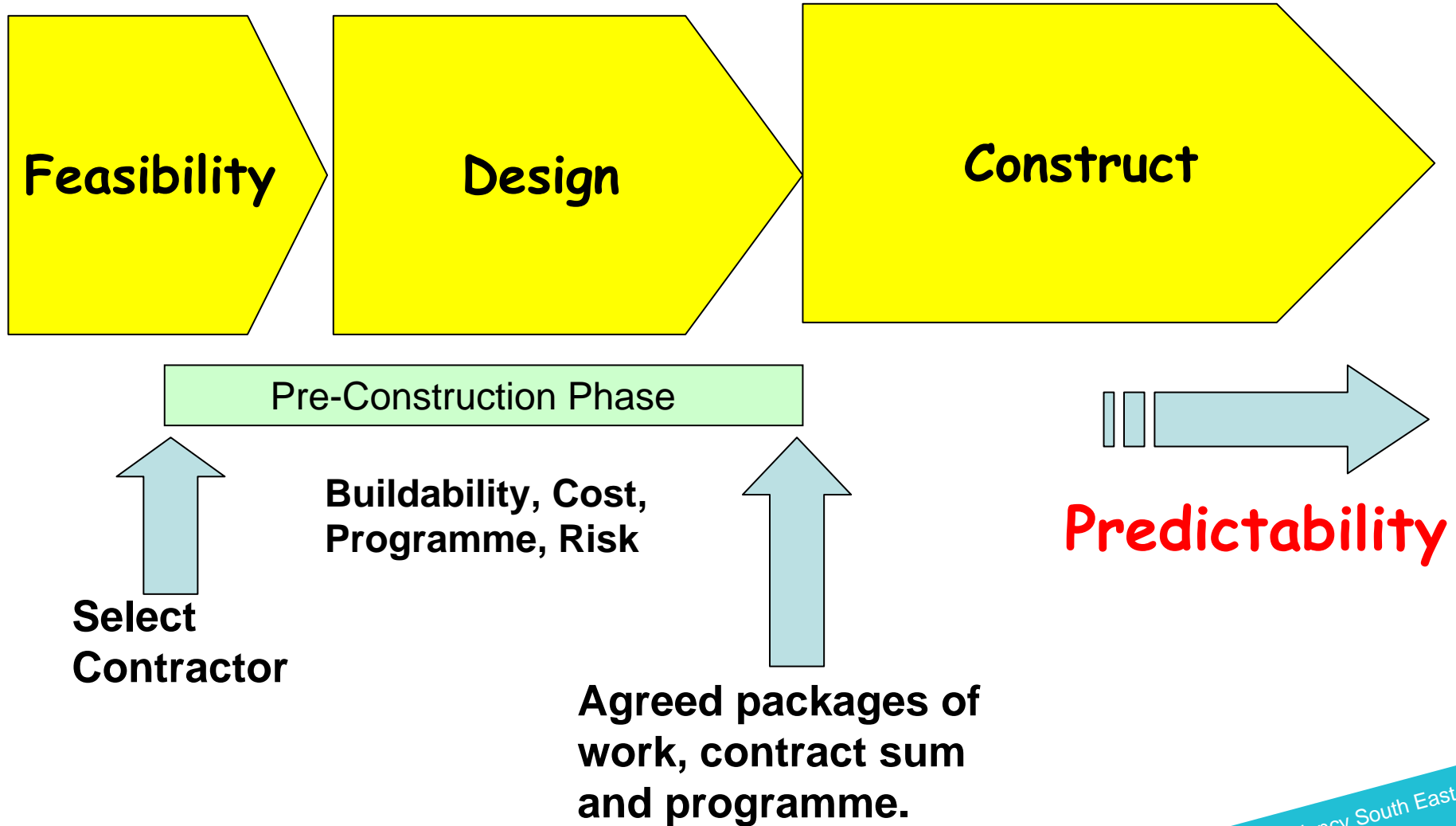


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The Traditional Approach



The SECE Approach – Develop & Construct

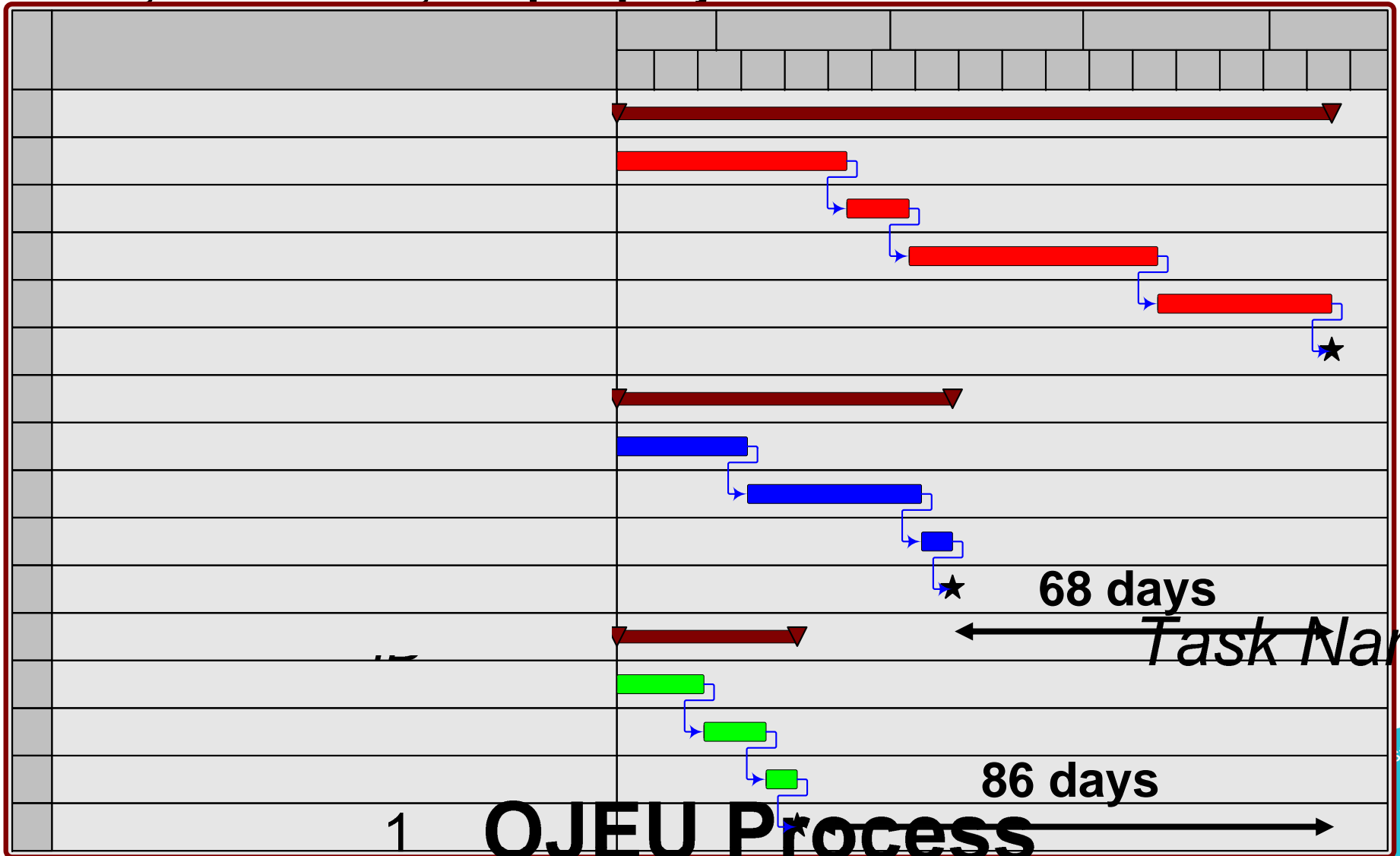


The Benefits

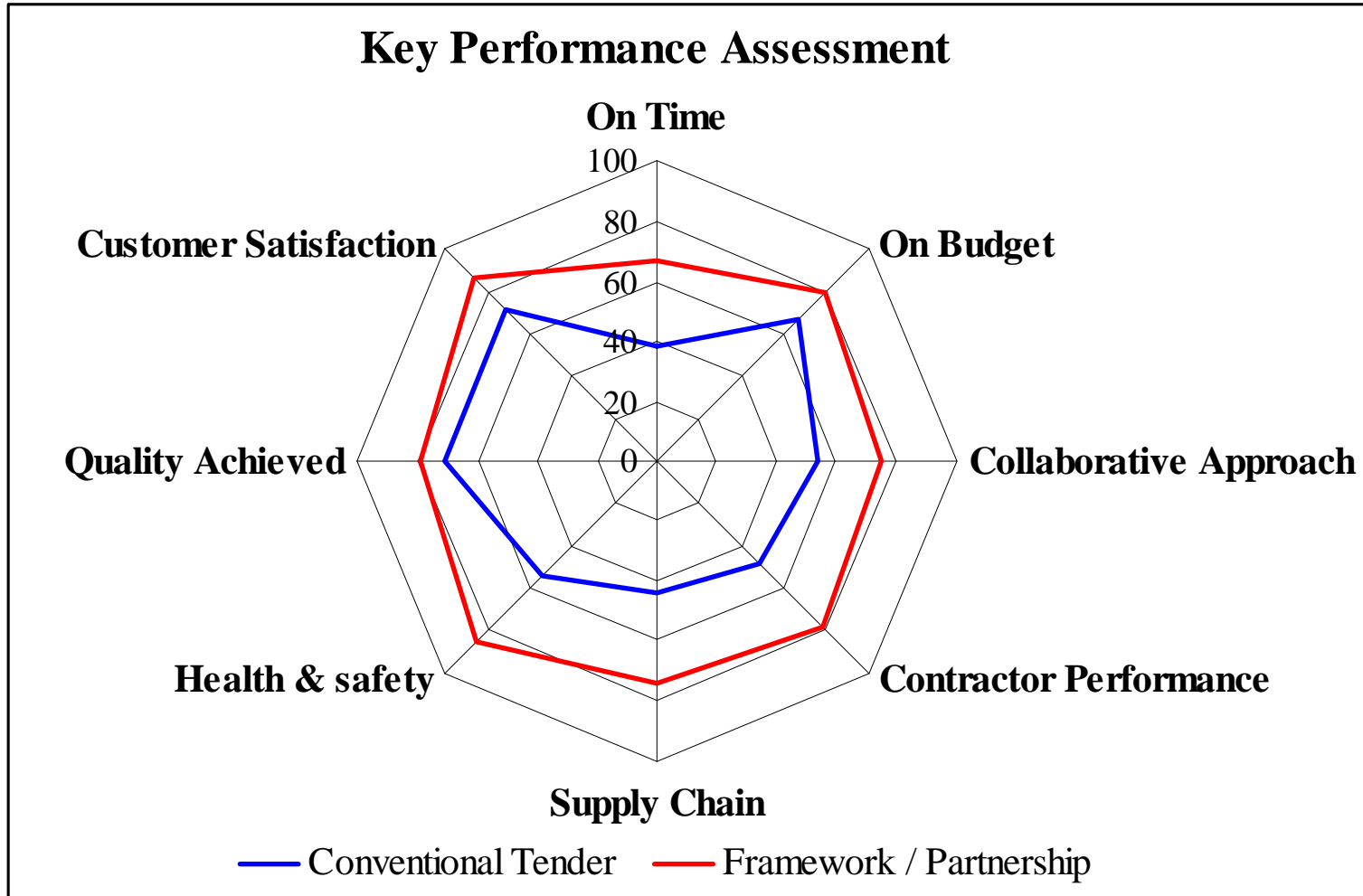


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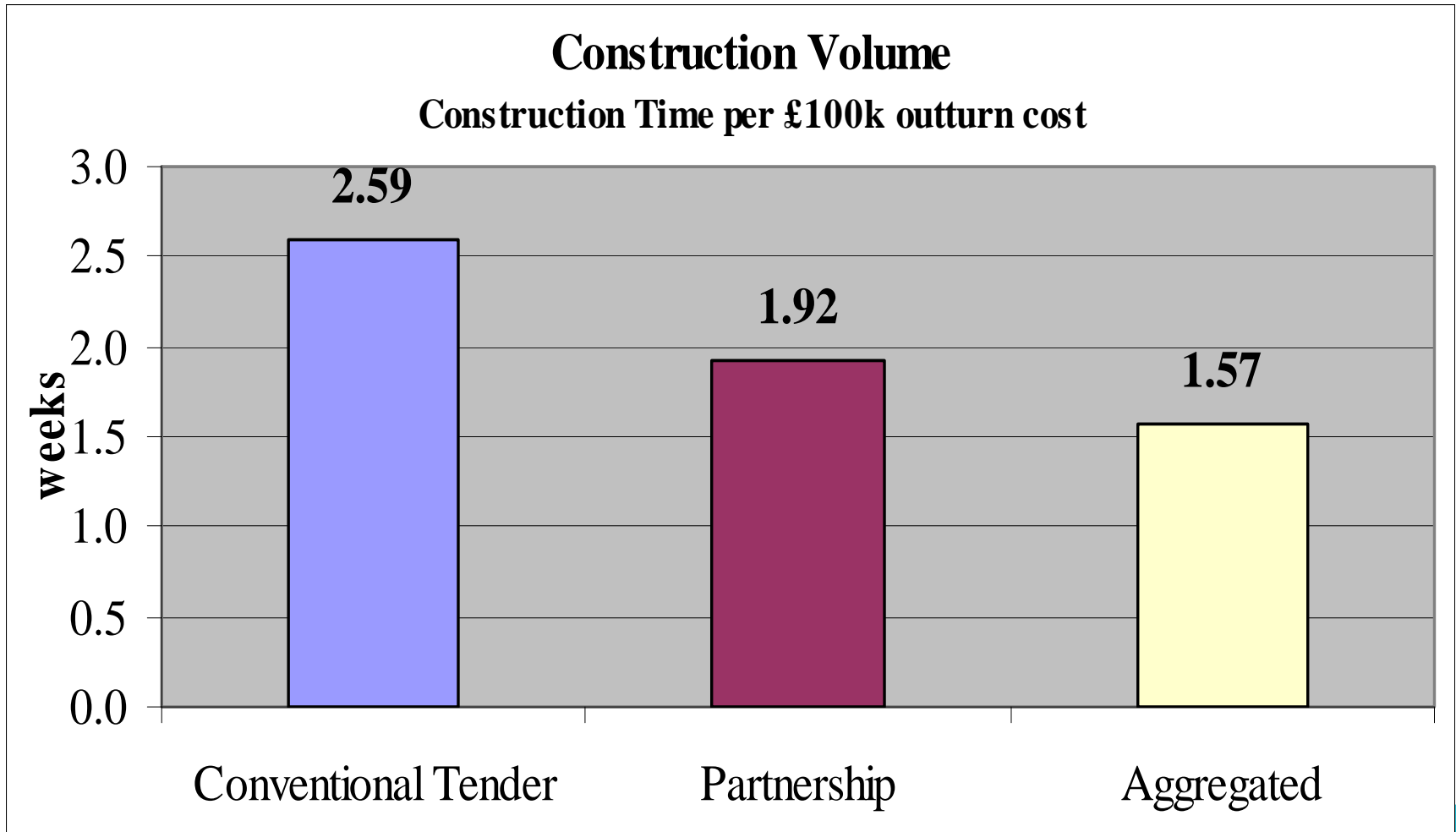
The waste (and cost) of tendering £50,000 to £100,000 per project



Added Value – Better predictability



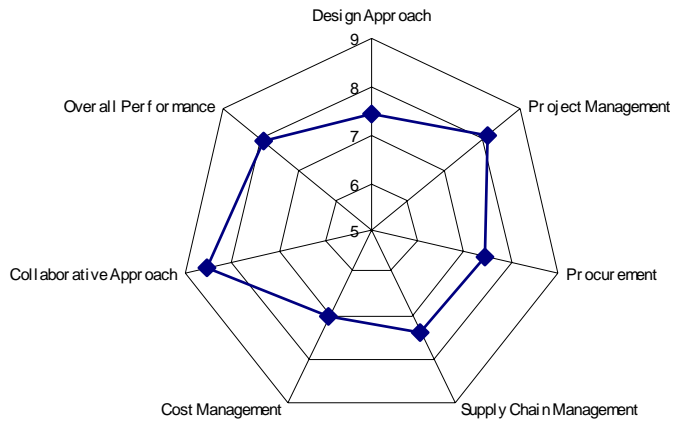
Gains Through Aggregation



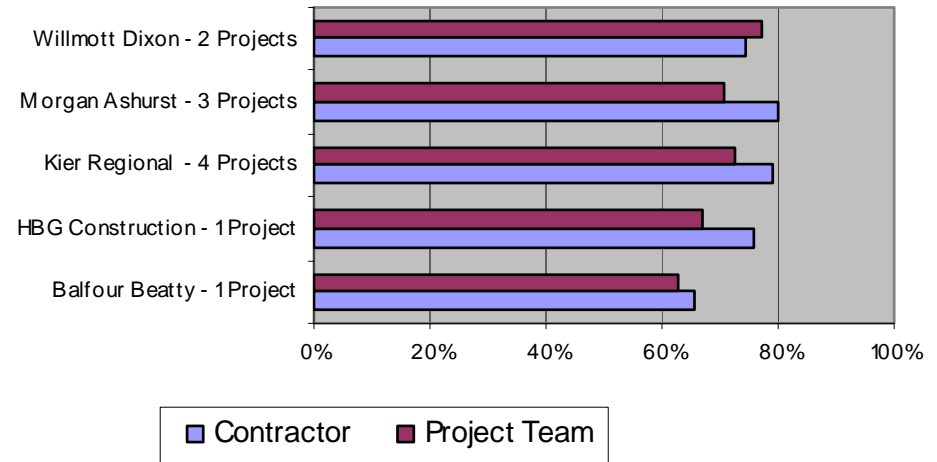
Management Reports

Pre-contract

Pre-Contract Contractor KPI Scores - Combined



Pre-Contract Average KPI Scores

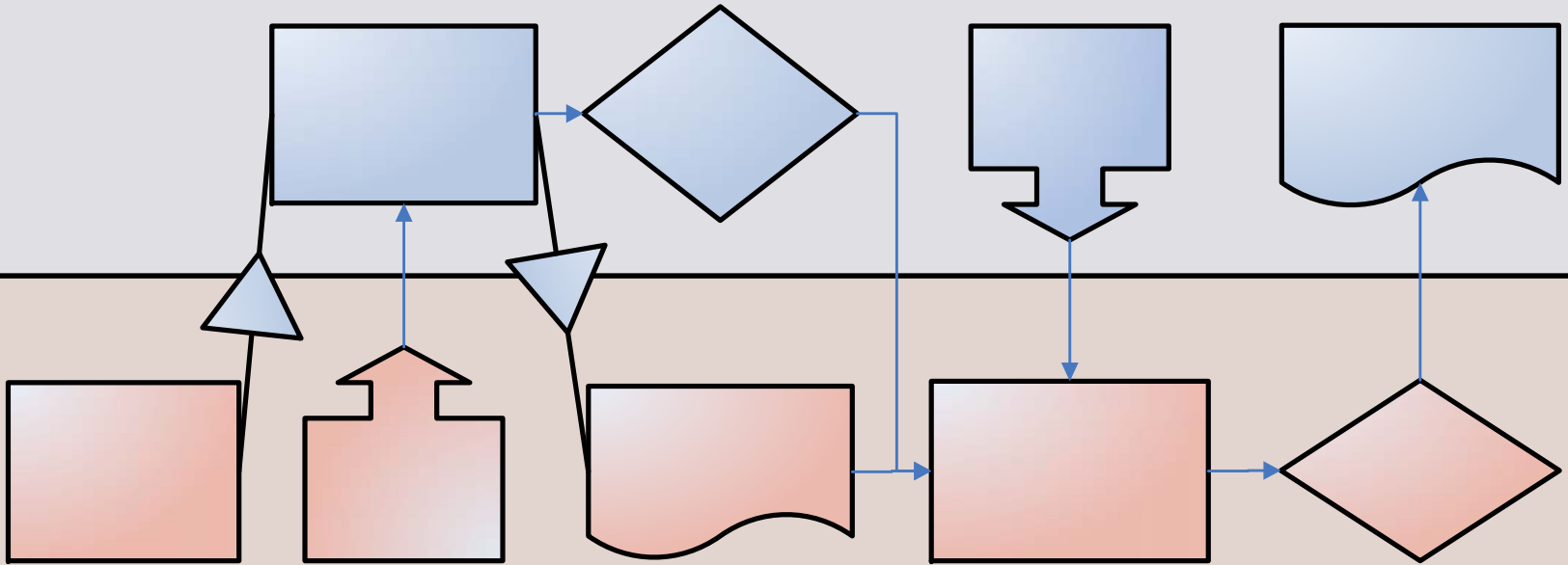


Contractor Selection



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SECE Selection Process



Pre-selection

Project Name	
Client	
Estimated Project Value	
Scope of Work	

Date of assessment	
By	

Note: a score of 1 in Questions 1, 3 or 4 will automatically remove a contractor from further consideration

			Contractor 1		Contractor 2		Contractor 3		Contractor 4	
	Contractor's:-	Client's <u>Project-specific</u> weighting	Score 1 to 5	Weighted Score	Score 1 to 5	Weighted Score	Score 1 to 5	Weighted Score	Score 1 to 5	Weighted Score
1	Preferred type of work	0.14		0.00		0.00		0.00		0.00
2	Relevant Experience	0.14		0.00		0.00		0.00		0.00
3	Capacity	0.14		0.00		0.00		0.00		0.00
4	Geographical location	0.14		0.00		0.00		0.00		0.00
5	Client Preference	0.14		0.00		0.00		0.00		0.00
6	KPI Score	0.14		0.00		0.00		0.00		0.00
7	Tender template score	0.14		0.00		0.00		0.00		0.00
Weighting to total 1.00		1.00	TOTAL	0.00	TOTAL	0.00	TOTAL	0.00	TOTAL	0.00

% SCORE

0%

0%

0%

0%

Typical Mini competition questions Specific for the Project

	WEIGHTING
Details of proposed management (and design team). specific experience and appropriateness	20%
Disruption and risks to client's operations, logistics, operative access waste etc	20%
Comments on the proposed programme	15%
Comments on the costs, and any value improvements	15%
Communication with stakeholder groups	10%
Pre-construction fee & Preliminary estimate	20%

Questions?