



Shaping public
construction

Quick start guide

Follow us:  @SCFframeworks  /company/scfframeworks

Contact us: **T:** 0370 779 0304 (SE / London) **T:** 01392 382444 (SW)
E: info@scfsolutions.org.uk **W:** scfframeworks.org.uk

Saving more than £100m from 2011-16

“Collaboration is so important to us and we worked hand in glove at all stages with the contractors and framework support staff.”

Mike Penny, District Senior Manager
Hampshire County Council

Introduction

SCF is a legally compliant construction procurement vehicle designed and managed by the public sector for the benefit of all public authorities in the South of England. By establishing partnerships with construction companies through the framework and operating a collaborative approach through two stage open book delivery, SCF has delivered demonstrable cost, time, quality and social value benefits to many public authorities.

Our focus is to support users through the whole process to ensure that they get maximum value and benefit from a modern and recognized form of project management. Our team of framework managers has helped clients to deliver around £500m building work every year since 2006, and we are experts in this way of working.

We strive to continuously improve by working closely with our framework users.

The SCF will follow the principles and practice of the previous CFSW and SEaL 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

Project Procurement and Delivery Guidance:

<https://bit.ly/2Q7ci80>

SCF are leaders in 2-stage open book project delivery for the public sector in the South West, South East & London. SCF is a trusted advisor supporting public sector procurement, including:

- Improved construction process
- Make best use of design and construction resources
- Improve the effectiveness of design management
- Utilising BIM and innovative standardised solutions
- Involving contractors at an early pre-construction stage
- Improve procurement processes by clear open and transparent supply chain engagement
- Fair payment terms
- Improve construction processes
- Maximise environmental performance and sustainability
- Promote equalities and social inclusion
- Effective Cost management



“What’s important to us is that there is competition between the contractors on the framework, because it gives us competitive rates and overheads, plus one who is really up for delivering what we wanted.”

Steve Clow, Assistant Director Head of
Property Services, Hampshire County Council

Contents

Introduction	03
What is the SCF	04
Benefits of using the framework	05
Evidence of excellent delivery	06
Framework governance and management	06
Who may use the framework?	06
Purpose of this document	07
SCF philosophy and background	07
Principles – 2 stage approach	07
SCF lots	08
Scope of the framework	08
What building projects can the framework deliver?	09
Key Activities to optimise benefits of using this framework	09
Working collaboratively with SCF?	10
The SCF quality process	11
Cost of using the SCF arrangement	12
The contractor selection process	12
SCF solutions – optimised design	14
The SCF framework manager contact details	15
Forms of contract to be used for underlying contracts	15

What is SCF?



Over 80% spend with SMEs, of which 50% is local

End user satisfaction over 89%

Benefits of using the framework

This is a managed framework with a positive continuous improvement culture which ensures opportunities for efficiencies and lessons learned are passed from one project to the next.

The contracting authorities also benefit from:

- Open to all Public Authorities in the South
- Fast access to market
- OJEU compliant
- Choice of the best contractors
- Performance based Framework
- Dedicated client support
- Improved construction processes
- Maximise environmental performance and sustainability
- Promote equalities and social inclusion
- Effective Cost management

Features include

- Standard primary and secondary school products priced by all contractors
- Minimum standards of contractor performance across a range of KPI's
- Inclusion of key framework charters and strategies; Environment and Sustainability, Fair Payment, Framework Commitment, Health & Safety, WRAP and Employment & Skills
- The SCF management team are on hand to provide additional services to assist with these processes



“We received a balance of a quality finished project with value for money.”

Steve Power, Senior Project Manager
(Taunton & Somerset NHS Foundation Trust)

Evidence of excellent delivery

The predecessor frameworks have a good reputation for delivering benefits:
End of Term Report: <https://bit.ly/2RlvVtK>

Framework governance and management

The Governance body comprises of Hampshire County Council and Devon County Council, with two further Public Body users nominated from each region.

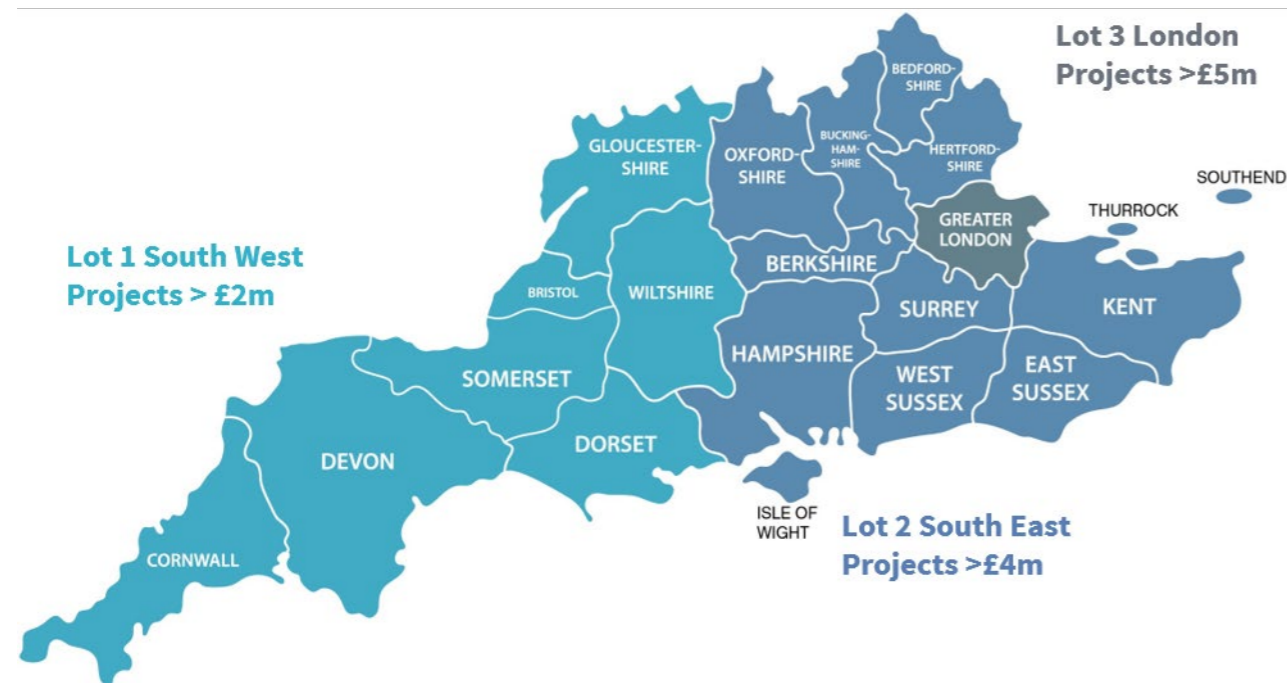
There is a Central Framework Management team responsible for the overall operation of the Framework, with locally based Regional Framework Managers in the SW, SE and London to provide advice and support to clients in the region.

Who may use the framework?

This Framework may be used by all public sector organisations within the specified geographic area which broadly covers Greater London, the South East of England and the South West of England.

All public sector organisations wishing to make use of the Framework will have to sign a "User Agreement", agreeing to abide to the Framework processes and procedures.

Construction Framework area coverage



Purpose of this document

To provide an overview of how this framework may be used. A Project Management Guide including Guidelines and Working Practices. This Guide is available to registered users of the SCF arrangements.

SCF philosophy and background

The underlying philosophy is to improve the predictability of project cost, time and quality performance through the early collaborative engagement of the contractor in the project design. It mitigates the risks associated with (lowest price tendering) and encourages collaborative arrangements to drive out waste from the project process.

Principles – 2 stage approach

DESIGN

Contractor selected from framework on OHP, PC fee, construction staff cost, design & ability to meet client brief and project budget

Integrated team develop designs and costs, maximise efficiency within budget whilst finalising package procurement with tier 2 and tier 3

CONSTRUCTION

Construct to agreed lump sum



Trusted advisor to over 75 public sector clients

SCF lots

Three lots have been established with the same requirements for type of work, with no upper limit, and different lower value limits:

Lot 1 > £2 million

Lot 2 > £4 million

Lot 3 > £5 million, (predominately aimed at projects > £10 million)

Scope of the framework

SCF includes two main alternative approaches to Two Stage Open Book options defined as:

Construct only where the contracting authority employ their own 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 pre-construction stage before satisfying requirements and being awarded a works contract.

Develop and Construct where the contractor provides design services, including Contractor Designed Portions, during the pre-construction stage before satisfying requirements and being awarded a works contract. In this instance the Client will usually retain a Project & Cost Manager and appropriate design guardians.

Strong relationships with all CITB approved Shared Apprenticeship Schemes within the SCF regions



What building projects can the framework deliver?

A full range of building types including:

- Education (free schools and academies)
- Health
- Sport and Leisure
- Offices
- Emergency Services
- Fire and Police

The main areas of activity include individual projects or programmes for new build work, extensions, improvements, renovations, repairs and associated site infrastructure works.

Exclusively major civil engineering works such as highways, major bridges or coastal works are excluded (unless as part of enabling works aligned with a SCF construction project).

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.

Key activities to optimise benefits of using this framework:

Client commitment

The early creation of an integrated team including Consultants, Tier 1 Contractor(s) and Tier 2/3 Subcontractors and Suppliers.

Agreed activities

Throughout the pre-construction phase, describing step by step the roles and contributions of integrated team members.

Collaborative culture

Agreed activities to build mutual trust and confidence and eliminate adversarial or opportunistic behaviours.

Pre-construction phase timetable

Commitment to binding deadlines for all pre-construction phase activities governing joint design, costing, risk management and programming.

Open book costs

Agreement of fees/profit/overheads of Consultants and of Tier 1 Contractors, so that cost savings do not erode margins.

Local requirements

Development of relationships to help deliver local requirements.



Average ccs:
40 out of 50

Working collaboratively with SCF?

The cost plan and risk register are jointly developed between client team and contractor to ensure full team ownership. The work packages are openly procured, preliminaries costed and risk allowances agreed to reach an agreed contract sum.

Effective collaboration is more about behaviours than organisational structure or contract. It is essential that the culture of the framework is understood prior to contractor appointment. Training on how to use the framework will help facilitate this and is available from the SCF management team.

The benefits of this process are still very relevant in a changing market.

The principal requirement of the SCF process is the earliest possible assembly of a fully integrated delivery team.



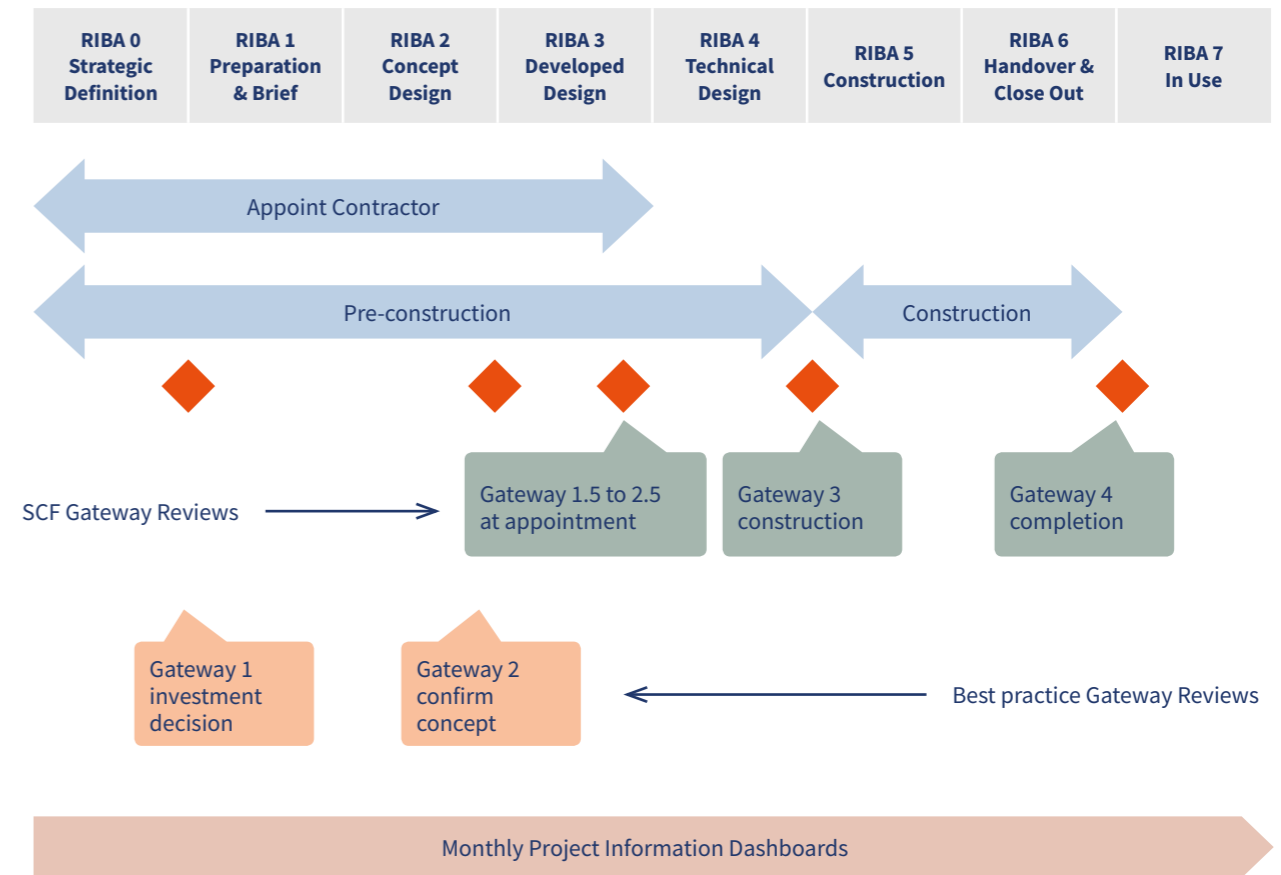
The Two-Stage Open Book model reduces industry bidding costs, enables faster mobilisation and provides the opportunity for clients to work earlier with a single integrated team testing design, cost and risk issues ahead of start on site following full project award at the end of the second stage.

Extract from Cabinet Office 'Project Procurement and Delivery Guidance to using two stage open book and supply chain collaboration'.

The SCF quality process

The chart below provides an outline of the SCF project process at each RIBA stage. The quality procedures are based around Gateway Reviews at key project milestones to provide quality assurance checks, ensuring projects are fit to proceed to the next stage, being designed to complement Clients

existing project processes. Regular performance reviews are undertaken by all project participants at key project stages. There is a client obligation to ensure that these reviews are undertaken and to sign and verify project performance data such as the Cost Time Benefit forms.



“The 2 stage process has been absolutely vital to the success of this project, it de-risked the project, we knew what we were going to get and there was a truly collaborative approach between us and the contractor and support staff.”

Andy Brown, Principle Project Manager
Southwark Borough Council

Cost of using the SCF arrangement

All costs are included by the contractor as part of their tendered overhead.

Contractor selection

Contractors are selected for projects or programmes of work via a 2 part mini competition process.

This is intended to be a quick, flexible, auditable, common approach to suit different types, sizes and project stages. This is based on quality and fee bids for a pre-construction agreement appointment.

The Client initiates a contractor selection by contacting the SCF Regional Team. Contractors may be appointed on either Develop and Construct, or Construct only basis. The optimum stage to appoint a contractor is the start of RIBA (2013) Stage 2 Concept Design Stage, or equivalent. The framework allows selection 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 full benefits of the process.

Contractors have priced Overhead and Profit (OHP), Pre-construction fee, design fees, and construction staff costs on a not to exceed percentage basis for a range of project types and sizes as part of the framework. These prices are based on a standard set of pre-construction duties which may include design work. The scope of services are linked to the RIBA stage when the contractor is appointed.

Mini Competition Part 1 establishes the type, value, and form of contract. This section forms the Specification for the Services to be provided by the contractor during the pre-construction phase. The contractor self scores a number

of questions with supporting evidence of their availability, suitability and ability to add value to the project. Typically 3 contractors are invited to complete Mini Competition Part 2.

The second part Mini Competition 2 tests the contractors financial response, and provides an opportunity to demonstrate to the Client that they provide the 'best fit' to deliver the project.

The contractor will be paid a fee for pre-construction stage duties which is governed by a Preconstruction- stage agreement. The contractor will work collaboratively in an open book environment with the Client team to develop the design and provide an acceptable tender for the works before being awarded a Construction Agreement for delivery of the project.

The project appointment process and underlying contracts are the responsibility of the Contracting Authority, not the Framework Commissioning Authority. The Framework Management Team are on hand to give advice and check commercial submissions.

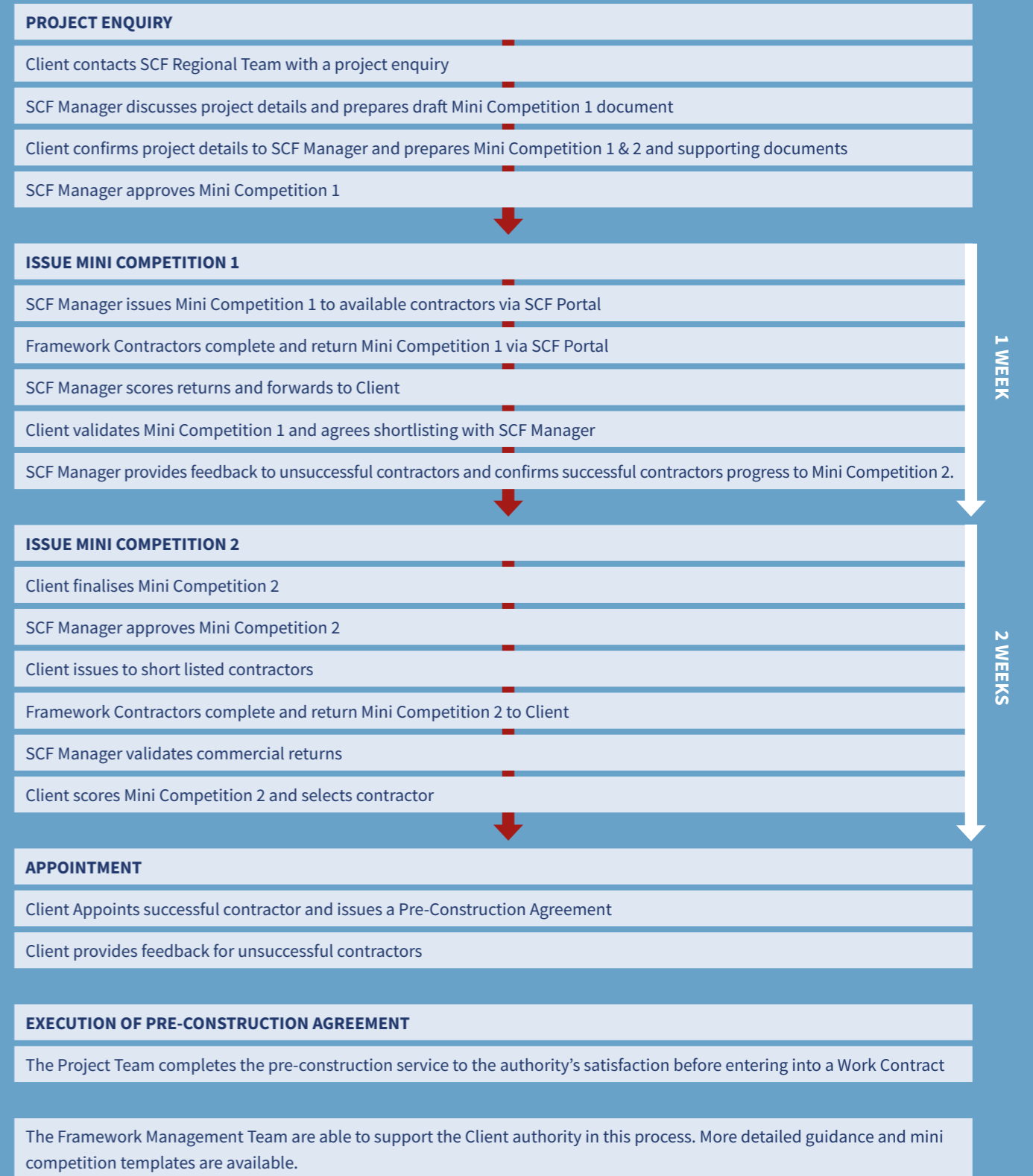
The production of large documents is counterproductive, and ties up significant resource and will not necessarily add value. The resource saved in running an efficient process should be used to add value by carrying out 'start up' and opportunities workshops. This ensures a good transition into the collaborative pre-construction stage by fully integrating the whole team.



Local labour exceeds 50% of site staff

Contractor performance scores exceed 87%

The contractor selection process is illustrated schematically



SCF solutions – optimised design

The SCF includes optimum specifications to deliver primary school extensions and new secondary schools. They are based on existing developed examples and were designed in partnership with commissioners of buildings and consultants to meet the challenges of delivering high quality primary school and secondary school places at excellent value within reduced budgets. The secondary school is based on an EFA baseline design for 900 secondary pupils and 360 sixth form students. Our solutions are easily replicable and can be reconfigured to suit site specifics thereby optimising opportunities to respond to funding or strategic planning needs.

These are proven models that have been delivered on a range of school sites across the south of England being well received by teachers, pupils and commissioners. They clearly demonstrate careful design and specification will deliver excellent teaching environments within budget. The design principles targeted tight cost control on core building elements to ensure optimum specifications and avoid over specification. This frees up any spare resources to customise finishes, furniture and equipment. The designs are working towards the targets set out in HM Government publication “Construction 2025” which aims to reduce lower costs, reduce delivery times, lower emissions and improve exports.

SCF Class Space Product – 4, or 6 classroom extensions single storey 8 classroom extension two storey

Contractors were invited to provide maximum fixed prices for these SCF Solutions on a cost per sqm basis assuming a level site with reasonable direct access against standard programme durations. Contractor’s costs include preliminaries, overheads and profit, new build elements, drainage and services. Abnormal items and external works were excluded.

Contractor selection follows the principles of the mini competition process where the winning contractor is awarded a pre-construction agreement to develop the whole project. A key advantage is the provision of absolute cost certainty for the defined items of the SCF Solutions and contractors fees. The contractor develops the scheme to reach an Agreed Contract Price by working collaboratively with the client team in an open transparent way to agree how the unknown works to existing buildings and external areas, risk and associated preliminaries are priced.

SCF Secondary School Product

Our Framework management team will provide Design Guardianship stewardship services as an additional service to optimise delivery of excellent value. This is included within the contractors overhead .

“You would never know without being told that Class Space was built to a demanding cost.”

Devon County Council



The SCF team

The Central Framework Management Team based at Winchester offices of Hampshire County Council:

SCF Team:

Tel: 01962 845942

Email: info@scfsolutions.org.uk

The Regional Framework Management Teams for each lot are based as follows:

Lot 1	<p>SW - Devon County Council</p> <p>SCF (Room 120), County Hall, Exeter, EX2 4QD</p> <p>Tel: 01392 382444</p> <p>Email: info@scfsolutions.org.uk</p>
Lot 2/3	<p>SE & London - Hampshire County Council</p> <p>SCF, The Castle, Winchester, SO23 8UJ</p> <p>Tel: 01962 845942</p> <p>Email: info@scfsolutions.org.uk</p>

Forms of contract to be used for underlying contracts:

Pre-construction Agreement

SCF have established a model Pre-Construction Agreement for engaging Contractors to provide a standard set of services dependent on the RIBA Stage appointed. The scope of work required is detailed in the mini competition and will set the level of pre-construction fee.

Construction Agreements

The underlying contracts or the latest revision or version of the contracts are specified below:



Special terms and conditions are set out in the Framework Agreement and details may be obtained from: info@scfsolutions.org.uk



Shaping public
construction

Follow us:  @SCFframeworks  /company/scfframeworks

Contact us: **T:** 0370 779 0304 (SE / London) **T:** 01392 382444 (SW)
E: info@scfsolutions.org.uk **W:** scfframeworks.org.uk