

Area 9 Asset Support Contract

Pricing Schedule

**PRICING SCHEDULE FOR ASC
CONTENTS AMENDMENT SHEET**

Amend. No.	Issue Date	Amendments	Initials	Date
0	March 2013	First Issue	SOS	22/3/13
1	April 2013	Appendix B, delete 'To be issued as a tender amendment' and insert hyperlink 'Area 9 ASC Pricing Schedule Appendix B - Schedule of Rates - Works Information Rev 0.pdf'	SOS	26/04/13
2	May 2013	Appendix B Schedule of Rates – Delete hyperlinks 'Area 9 ASC Pricing Schedule Appendix B – Schedule of Rates Rev 0.xls' and 'Area 9 ASC Pricing Schedule Appendix B – Schedule of Rates – Method of Measurement Rev 0.pdf', and insert hyperlinks 'Area 9 ASC Pricing Schedule Appendix B – Schedule of Rates Rev 1.xls' and 'Area 9 ASC Pricing Schedule Appendix B – Schedule of Rates – Method of Measurement Rev 1.pdf'	SOS	23/05/13
3	May 2013	Section A Lump Sum Duties – amendment to item A.103, A.114 and A.501. Section A Lump Sum Duties – amendments to cross references to reflect new item 3 in paragraph 27 Section D Cost Reimbursable Services, Paragraph 27 - Insert item 3 and 4, and subsequent items renumbered. Section D - Cost Reimbursable Services, Paragraph 27 - Amend items 14 and 20. Appendix A – Delete Hyperlink 'Area 9 ASC Pricing Schedule Appendix A - Lump Sum Schedule Rev 0.xls', and insert Hyperlink 'Area 9 ASC Pricing Schedule Appendix A - Lump Sum	SOS	28/05/13

Amend. No.	Issue Date	Amendments	Initials	Date
		Schedule Rev 1.xls'.		
4	June 2013	<p>Section A Part 7 - New item A.003 added and item A.113 amended in relation to third party claims.</p> <p>Section A Part 14 – Text amended</p> <p>Section D Part 27 - Amendment to SI reference in point 2 in relation to third party claims.</p> <p>Appendix A Lump Sum Schedule – Delete hyperlink 'Area 9 ASC Pricing Schedule Appendix A - Lump Sum Schedule Rev 1.xls' and insert 'Area 9 ASC Pricing Schedule Appendix A - Lump Sum Schedule Rev 2.xls'</p> <p>Appendix B – Delete hyperlink 'Area 9 ASC Pricing Schedule Appendix B - Schedule of Rates Rev 1.xls' and insert hyperlink 'Area 9 ASC Pricing Schedule Appendix B - Schedule of Rates Rev 2.xls'.</p>	SOS	12/06/13
5	June 2013	Appendix B – Delete hyperlink 'Area 9 ASC Pricing Schedule Appendix B - Schedule of Rates Rev 2.xls' and insert hyperlink 'Area 9 ASC Pricing Schedule Appendix B - Schedule of Rates Rev 3.xls'.	SOS	20/06/13

LIST OF CONTENTS

PREAMBLE.....5
SECTION A – Lump Sum Duties.....5
SECTION B – Target Pricing for Schemes constructed by the *Provider*..... 11
SECTION C – Design and Management Factors 13
SECTION D – Cost Reimbursable Services 14
APPENDIX A – LUMP SUM SCHEDULE 18
APPENDIX B – SCHEDULE OF RATES 19
APPENDIX C – DESIGN AND MANAGEMENT FACTORS 20

PREAMBLE

- 1 This Schedule sets out how the Price for Services Provided to Date is assessed, other than where the assessment is by Defined Cost, and how the Target Sum for Schemes carried out by the *Provider* is calculated.
- 2 The Services in Section A of this Schedule will be paid for on a lump sum basis as set out in Section A and are Lump Sum Duties.
- 3 The information in Section B of this Schedule is used to prepare the Target Sum for schemes and includes a schedule of rates in Appendix B.
- 4 Appendix C to Section C of this Schedule sets out the Design Factors and Management Factor.
- 5 Section D of this Schedule sets out the Services that will be paid on a cost reimbursable basis.
- 6 All Services performed by the *Provider* under this contract are Lump Sum Duties except for
- (1) Services identified in Section B of this Schedule to be paid for on a target cost basis
 - (2) Design Services and Management Services,
 - (3) Traffic Management Services provided for the RTMC Contractor (Midlands), HADECS Suppliers and VMS Suppliers and
 - (4) Services identified as Cost Reimbursable in Section D of this Schedule.

SECTION A – Lump Sum Duties

- 7 Payment for the following Services will be made on a lump sum basis.

<u>Schedule Ref</u>	<u>Service</u>	<u>Document Reference</u>
A.001	Mobilisation	SI 1.10.1
A.002	Demobilisation	SI 1.10.2
A.003	Third party claims duties after the expiry of the Contract Period	SI 1.9.2
General Management		
A.101	Fixed direct overheads	PS 9 & 10
A.102	Fixed subcontract overheads	PS 9 & 10
A.103	Employer's Premises save the services in item (3) of the table in paragraph 27	SI 1.12/PS 9 & 11

<u>Schedule Ref</u>	<u>Service</u>	<u>Document Reference</u>
A.104	Provider's Premises	PS 9 & 12
A.105	Quality Management	SI 1.1
A.106	Data Management	SI 1.2
A.107	Health and Safety	SI 1.3
A.108	Road Safety Audits	SI 1.4
A.109	Statutory Powers and Functions	SI 1.5
A.110	Consultation, Liaison and Planning	SI 1.6
A.111	Analyst Role	SI 1.7
A.112	Customer Services	SI 1.8
A.113	Third Party Claims duties during the Contract Period save the services in items (1) & (2) of the table in paragraph 27	SI 1.9.1
A.114	Facilities for the <i>Employer</i> save the services in item (4) of the table in paragraph 27.	SI 1.11
A.115	Employer's Stocks	SI 1.13
Financial Management		
A.201	Financial Management save the services in item (5) of the table in paragraph 27	SI 2
Asset Management		
A.301	Records save the services in item (6) of the table in paragraph 27	SI 3.1
A.302	Integrated Asset Management save the services in item (7) of the table in paragraph 27	SI 3.2
Asset Maintenance and Operational Requirements		
A.401	General	SI 4.1
A.402	Inspections	SI 4.2
A.403	Watchman	SI 4.3
A.404	Manage Network Occupancy	SI 4.4
A.405	Incident Response save the services in item (8) of the table in paragraph 27	SI 4.5
A.406	Third Party Damage not exceeding £10k save the services in items (9) & (10) of the table in paragraph 27	SI 4.6
A.407	Severe Weather Service save the services in item (12) of the table in paragraph 27	SI 4.7
A.408	Drainage	SI 4.8

<u>Schedule Ref</u>	<u>Service</u>	<u>Document Reference</u>
A.409	Fences, Walls, Screens and Environmental Barriers	SI 4.9
A.410	Geotechnical Assets	SI 4.10
A.411	Lighting	SI 4.11
A.412	Paved Areas	SI 4.12
A.413	Road Markings & Road Studs	SI 4.13
A.414	Road Restraint Systems	SI 4.14
A.415	Road Traffic Signs	SI 4.15
A.416	Soft Estate	SI 4.16
A.417	Structures	SI 4.17
A.418	Sweeping and Cleaning	SI 4.18
A.419	Tunnels	SI 4.19
A.420	Traffic Management save the services in item (11) & (13) of the table in paragraph 27	SI 4.20
A.421	Asbestos Surveys	SI 4.21
Schemes		
A.501	Scheme Identification save the services in item (14) and (20) of the table in paragraph 27	SI 5.1
A.502	Category Purchase Agreements	SI 5.3
Technology		
A.701	Regional Site Data Design	SI 7.1
RTMC Contractor (Midlands)		
A.801	Management	SI 8.1
A.802	Facilities	SI 8.2

- 8 The lump sum schedule is contained in Appendix A. The document references in the above table and in the lump sum schedules refer to the appropriate sections/paragraphs in the Service Information (SI) or the Pricing Schedule (PS).
- 8A The amount in item A.001 is not to include the funding of any resources including but not limited to Equipment, Material including but not limited to de-icing/anti-icing materials, accommodation and/or people (save for Information Systems, telephone, emergency and all other necessary communications systems) needed to deliver the Services during the post Mobilisation Period. All such resources (save for Information Systems, telephone, emergency and all other necessary communications systems)

are to be priced in accordance with items A.101 to A.802 of Section A or Sections B, C or D of the Pricing Schedule.

- 9 Subject to paragraph 8A above, each amount for the items in the schedule includes for the cost of everything necessary to meet the Performance Requirements and service levels set out in the relevant sections of the Service Information and all other obligations under the contract for the relevant Services, save for the costs covered by the following lump sum items:

A.101	Fixed direct overheads
A.102	Fixed subcontract overheads
A.103	Employer's Premises
A.104	Provider's Premises

- 10 The amounts for the Fixed direct overheads and the Fixed subcontract overheads is a monthly charge for overhead costs relating to lump sum items in respect of the following:

Profit
Franchises, Royalties, Licences
Accounting and Auditing
Research and Development
Publicity, Marketing, Sales, Exhibitions
Entertainment
Rents, Rates, Leases, Services and Servicing of Premises, Stationery, Telephones, Telex, FAX, Postage charges
Computing
Asset Depreciation
Insurance Premiums
The amount of any excess borne by the <i>Provider</i> in respect of any claims under Employer's Liability and Professional Indemnity Insurances
Finance and Interest Charges
Disallowed Costs
General & Head Office Management, Corporate, Administration
Personnel / HR Services
Quality Assurance
Health and Safety
Training
Tendering
Supply Chain

Legal Costs
Payments made in relation to people for pensions (Fixed direct overheads only)
Other (specified by the <i>Provider</i> at time of Tender)

- 11 The amount for the Employer's Premises item is a monthly charge for costs relating to Employer's Premises in respect of all costs including the following:

(1)	Repair, maintenance, decoration and improvement of the Employer's Premises in accordance with the requirements of the Lease
(2)	Maintenance of equipment provided by the <i>Employer</i>
(3)	Provision, depreciation and maintenance of equipment provided by the <i>Provider</i>
(4)	Heating, sanitation, power, lighting and water
(5)	Maintenance of furnishings and fittings
	Other (specified by the <i>Provider</i> at time of Tender)

- 12 The amount for the Provider's Premises item is a monthly charge for an appropriate proportion of costs relating to Provider's Premises in respect of all costs including the following:

(1)	accommodation
(2)	provision, depreciation and maintenance of equipment
(3)	heating, sanitation, power, lighting and water
(4)	provision, depreciation and maintenance of furnishings and fittings
	Other (specified by the <i>Provider</i> at time of Tender)

- 13 The monthly lump sum amounts set out in the lump sum schedule are adjusted by the application of the *lump sum annual discounts* stated in the Contract Data, which are compounded annually as follows:

Contract Year	Adjustment to monthly lump sum amounts for those months falling within the Contract Year
1	No adjustment
2	The lump sum amounts for months 13 to 24 are discounted by the Year 2 <i>lump sum annual discount</i> .
3	The lump sum amounts for months 25 to 36 are discounted twice, first by the Year 2 <i>lump sum annual discount</i> then by the Year 3 <i>lump sum annual discount</i> which is applied to the previously discounted amounts.
4	The lump sum amounts for months 37 to 48 are discounted three times, first by the Year 2 <i>lump sum annual discount</i> then by the Year 3 <i>lump sum annual discount</i> and finally by

	the Year 4 <i>lump sum annual discount</i> which are applied in sequence to the previously discounted amounts.
5	The lump sum amounts for months 49 to 60 are discounted four times, first by the Year 2 <i>lump sum annual discount</i> then by the Year 3 <i>lump sum annual discount</i> and then by the Year 4 <i>lump sum annual discount</i> and finally by the Year 5 <i>lump sum annual discount</i> which are applied in sequence to the previously discounted amounts.

- 14 The lump sum amounts for Mobilisation, Demobilisation and third party claims duties after the expiry of the Contract Period are not adjusted.

SECTION B – Target Pricing for Schemes constructed by the *Provider*

- 15 The *Provider* constructs Schemes when instructed by the *Service Manager* and is paid on a target cost basis for construction (Stage 3 of Service Information Annex 20).
- 16 Save where expressly provided otherwise the schedule of rates contained in Appendix B is used to prepare the Target Sum for Schemes to be constructed by the *Provider* during the Contract Period.
- 17 Each rate in the schedule of rates is the price for the item or unit of quantity described. It is anticipated that the item descriptions in the schedule are representative of most of the work likely to be carried out.
- 18 As part of Phase 2A of Stage 2 (Design and Management) of Service Information Annex 20 the *Provider* prepares and prices an Activity Schedule for each Scheme. The Activity Schedule is composed of individual activities that make up the Scheme and each individual activity corresponds to the appropriate item in the schedule of rates. The *Provider* assesses the quantity for each individual activity. The lump sum for each individual activity is obtained by multiplying the quantities assessed by the *Provider* at the end of Phase 2A of Stage 2 (Design and Management) of Service Information Annex 20, by the rates, adjusted in accordance with paragraph 20 below, for the corresponding items in the schedule of rates. The Target Sum is the total of the individual activity lump sums in the Activity Schedule.
- 19 If an actual item of work is similar to, but not the same, as an item of work in the schedule, the *Provider* uses the scheduled resource costs and outputs in the tender as a basis to calculate a new rate. Where no similar or equivalent work is included within the schedule, the *Provider* calculates the rate using the same principles that were used to calculate the tendered rates. The *Provider* gives the reasons for and method of adjustment of any new rates. Where a new rate is likely to be re-used frequently in other Schemes it can be added to the Schedule for future use but only if the new rate is priced on the same basis as the tender.
- 20 The rates in the schedule of rates are adjusted by the application of the *schedule of rates annual discounts* stated in the Contract Data, which are compounded annually as follows:

Contract Year	Adjustment to the rates
1	No adjustment
2	For work carried out in Contract Year 2 the rates are discounted by the Year 2 <i>schedule of rates annual discount</i> .

Contract Year	Adjustment to the rates
3	For work carried out in Contract Year 3 the rates are discounted twice, first by the Year 2 <i>schedule of rates annual discount</i> then by the Year 3 <i>schedule of rates annual discount</i> which is applied to the previously discounted rates.
4	For work carried out in Contract Year 4 the rates are discounted three times, first by the Year 2 <i>schedule of rates annual discount</i> then by the Year 3 <i>schedule of rates annual discount</i> and finally by the Year 4 <i>schedule of rates annual discount</i> which are applied in sequence to the previously discounted rates.
5	For work carried out in Contract Year 5 the rates are discounted four times, first by the Year 2 <i>schedule of rates annual discount</i> then by the Year 3 <i>schedule of rates annual discount</i> and then by the Year 4 <i>schedule of rates annual discount</i> and finally by the Year 5 <i>schedule of rates annual discount</i> which are applied in sequence to the previously discounted rates.

- 21 For the purposes of applying the *schedule of rates annual discounts*, the date at the midpoint of the planned Scheme construction period, assessed at the end of Phase 2A of Stage 2 (Design and Management) of Service Information Annex 20 determines which Contract Year work is carried out.
- 22 For the purposes of applying *schedule of rates annual discounts* to traffic management provided for the RTMC (Midlands), HADECS Suppliers and VMS Suppliers, the commencement date of each traffic management service provided determines which Contract Year work is carried out.

SECTION C – Design and Management Factors

- 23 The relevant Design Factors for Design Services in respect of Schemes where a Scheme has not been partly designed by the Outgoing Provider are set out in Part A of Appendix C.
- 24 The relevant Design Factors for Design Services in respect of Schemes where a Scheme has been partly designed by the Outgoing Provider are set out in Part B of Appendix C.
- 25 The Management Factor for Management Services in respect of Schemes constructed by a Contractor or Contractors is set out in Part C of Appendix C.
- 26 The Design Factors and the Management Factor include for the cost of everything necessary to meet the Performance Requirements and service levels set out in the relevant sections of the Service Information and all other obligations under the contract for the relevant services.

SECTION D – Cost Reimbursable Services

27 Payment for the following Services will be on a cost reimbursable basis.

	Service	SI Reference where applicable
(1)	<p>Work (excluding the issue of completed forms TR430 and accompanying documentation set out in paragraph 23.3.7 of Annex 23, the retention of records as set out in paragraph 23.6.3 of Annex 23, Incident Response, making safe and damage repair) in connection with claims by the <i>Employer</i> against third parties for damage to Crown property;</p> <ul style="list-style-type: none"> • where at the <i>Provider's</i> initial assessment of the forecast Defined Cost plus Fee plus the cost of any Employer's Stocks (excluding costs payable to Statutory Bodies and value added tax) of the relevant repair to make good the damage exceeds £10,000 or • where at the <i>Provider's</i> initial assessment of the forecast Defined Cost plus Fee plus the cost of any Employer's Stocks (excluding costs payable to Statutory Bodies and value added tax) of the relevant repair to make good the damage does not exceed £10,000 but the <i>Service Manager</i> has instructed the <i>Provider</i> to cease action to pursue the claim. 	1.9.1 Annex 23
(2)	Work in connection with claims by third parties against the <i>Employer</i> when instructed by the <i>Service Manager</i> .	1.9.1 Annex 23
(3)	When instructed by the <i>Service Manager</i> provides services in connection with improvements to the <i>Employer's</i> Premises where such improvements are not described in Schedule 2 of the Lease	1.12.2
(4)	Replacing fuel drawn from the emergency fuel reserve by the Traffic Officer Service.	Annex 8 8.2.2
(5)	In respect of Collection of Fees as detailed under section 2.6 of the Service Information, taking further action instructed by the <i>Service Manager</i> following the <i>Provider's</i> advice to the <i>Service Manager</i> on further actions he could take in respect of unrecovered claims.	2.6.1 (4)
(6)	When instructed by the <i>Service Manager</i> , taking the necessary actions to implement those proposals provided in the Information/Records Gap Analysis report approved by the <i>Service Manager</i> .	3.1.3

	Service	SI Reference where applicable
(7)	When instructed by the <i>Service Manager</i> carrying out the work detailed in the Asset Data Gap Analysis report approved by the <i>Service Manager</i> and in line with the content of the ADMM.	Annex 25 25.4.2 (4)
(8)	Making safe, including mobilisation and associated traffic management, in accordance with AMOR, any asset that is damaged in an Incident by a third party where at the <i>Provider's</i> initial assessment of the forecast Defined Cost plus Fee plus the cost of any Employer's Stocks (excluding costs payable to Statutory Bodies and value added tax) of repair exceeds £10,000.	AMOR Part 3
(9)	Repairing any asset that is damaged by a third party where <ul style="list-style-type: none"> • the responsible party is identified and it is established that he/she is uninsured and • where at the <i>Provider's</i> initial assessment of the forecast Defined Cost plus Fee plus the cost of any Employer's Stocks (excluding costs payable to Statutory Bodies and value added tax) of repair does not exceed £10,000. 	4.6.1 AMOR Part 3
(10)	When instructed by the <i>Service Manager</i> , repairing and replacing any part of the Area Network (excluding the Employer's Premises) that is lost or damaged due to theft.	4.6.2
(11)	Providing traffic management at an Incident where there is no asset damage and no hazard caused by litter, debris, refuse, animal carcasses or detritus.	AMOR Part 3
(12)	Maintenance of the Employer's Winter Fleet and National Reserve, excluding the activities outlined in Appendices 'A', 'B', 'D' and 'E' of Annex 7 of the Service Information.	AMOR Part 4
(13)	Providing traffic management required for cost reimbursable Services.	4.20.2
(14)	During Scheme development Stage 1 (identification) undertake technical surveys listed in Appendix D to Annex 20 of the Service Information when instructed by the <i>Service Manager</i> .	5.1.1 Annex 20
(15)	When instructed by the <i>Service Manager</i> taking the necessary actions to implement the proposals in the Scheme design report necessary to satisfy the requirements of Phase 2A of Annex 20 Stage 2 (Design and Management).	5.2.1
(16)	Provides services in connection with Section 278	5.6.1

	Service	SI Reference where applicable
	Schemes as instructed by the <i>Service Manager</i> .	
(17)	Assists in the collation of information in order to inform future Road Safety Reports as instructed by the <i>Service Manager</i> .	6.1.1
(18)	Assist in managing the expeditious movement of Special Orders Abnormal Indivisible Loads in accordance with AMOR when instructed by the <i>Service Manager</i> .	6.2.1
(19)	Carry out Sweeping and Cleaning Rapid Response when instructed by the <i>Service Manager</i> and to the timescale specified in the instruction.	6.3.1
(20)	Carry out Special Inspections not listed in Annex 13 when instructed by the <i>Service Manager</i> and to the timescale specified in the instruction.	6.4.2
(21)	Provide advice and make recommendations on development proposals and carry out further work as instructed by the <i>Service Manager</i> .	6.5
(22)	Assist with and attending arbitration, alternative dispute resolution proceedings, consultation, inquiries, and legal proceedings under a contract with Others as instructed by the <i>Employer</i> .	6.6.1
(23)	Carrying out duties required to enable the <i>Employer</i> to gain authority for proposed work and the acquisition of land and rights.	6.7.1
(24)	Undertaking land transaction duties and carrying out land search enquiry work as instructed by the <i>Service Manager</i> .	6.8.1
(25)	Undertaking translation of existing records into an accepted format when instructed by the <i>Service Manager</i> .	6.9.1
(26)	Assisting the safe checking of vehicles by the police and Vehicle and Operator Services Agency (VOSA) within maintenance compounds or other locations as directed by the <i>Service Manager</i> .	6.10.1
(27)	Undertaking assessments in connection with proposed tourist signs and footway crossings when instructed by the <i>Service Manager</i> .	6.11.1
(28)	Purchasing a component of the Traffic Technology System (Midlands) that is not available from the Employer's Stocks and supplying the component to the RTMC Contractor (Midlands).	Annex 26 5.1.6

- 28 The SI references in the above table refer to the appropriate sections, paragraphs, Annexes in the Service Information or part of a document referred to in the Service Information.

APPENDIX A – LUMP SUM SCHEDULE

See separate Microsoft Excel Worksheet

[Area 9 ASC Pricing Schedule Appendix A - Lump Sum Schedule Rev 2.xls](#)

APPENDIX B – SCHEDULE OF RATES

See separate Microsoft Excel Worksheets

[Area 9 ASC Pricing Schedule Appendix B - Schedule of Rates Rev 3.xls](#)

[Area 9 ASC Pricing Schedule Appendix B - Schedule of Rates - Method of Measurement Rev 1.pdf](#)

[Area 9 ASC Pricing Schedule Appendix B - Schedule of Rates - Works Information Rev 0.pdf](#)

APPENDIX C – DESIGN AND MANAGEMENT FACTORS

See separate Microsoft Excel Worksheet

[Area 9 ASC Pricing Schedule Appendix C - Design and Management Factors Rev 0.xls](#)