Highways England Company Limited

REGIONAL DELIVERY PARTNERSHIP

VOLUME 2

Delivery Integration Partner Framework Contract

Framework Information

(May 2018)

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1.0	23/04/18	Tender issue		23/04/18
1.1	23/05/18	• 3.3; Figure 3.1 removed due to displaying incorrect information. The correct information is shown in Table 3.1. • 4.1 & 4.2; Rephrased requirements on legal opinion for Parent Company Guarantees. • 4.31, 4.32 & 4.3.3; Requirements for EDI rephrased. • 11.3a, 11.5a, 12.3 & 12.5; references to Annex 9 corrected. • Annex 1; insert reference to Supply Chain Health and Safety Maturity Matrix (SCMM) • Annex 6; “promises” replaced with “commitments.” • “Annex 1 Quality Only Submissions and Assessment”; title corrected to Annex 9.	LL	23/05/18
1.2	31/05/18	• Title changed from Volume 2a to Volume 2 • ISO 31000 deleted from paragraph 5.13 d) and sentence added on ISO 31000 to paragraph 5.15 • Annex 1; replace references to Bravo with “See Volume_2_DIP_Index”	CS	31/05/18

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Framework Information

1 About this document

1.1 This Framework Information sets out the aims, scope and rules for operation of the Regional Delivery Partnership framework contract between the *Client* (Highways England) and the *Supplier* (Delivery Integration Partner). The Framework Information is structured as summarised in Table 1.1.

Table 1.1

Framework Information Structure

Section		Contents
1	About this document	Sets out the overall Framework Information purpose, structure and the contents of each section.
2	Framework Vision, Objectives and Approach	Sets out the *Client*'s vision and key objectives for the framework and the commercial approach that has underpinned development and guides the operation of the framework.
3	Framework Scope	Sets out the *framework scope* and the procedure used to determine the allocation of Schemes to framework Lots.
4	Framework General Requirements	Sets out the general requirements the *Supplier* meets at framework level.
5	Framework Operation	Sets out the framework level operation and management requirements the *Supplier* delivers at framework level.
6	Framework Contract Types	Sets out the type of contracts entered into between the *Client* and the *Supplier* under this framework.
7	Award of Package Contracts	Sets out the background and award procedures for Package Contracts
8	Award of Standalone Scheme Contracts	Sets out the background and award procedures for Standalone Contracts
9	Award of Early Orders	Sets out the background and award procedures for Early Orders
10	Eligibility Procedure	Sets out how Suppliers are identified as eligible to participate in an allocation procedure or a quality award procedure.
11	Allocation Procedure	Sets out the allocation procedure to be used by the *Client's Representative*.
12	Quality Award Procedure	Sets out the quality award procedure to be used by the *Client's Representative*.
13	Contingency Procedure	Sets out the contingency procedure to be used by the *Client's Representative*.

Table 1.1 **Framework Information Structure**		
Section		**Contents**
14	Direct Awards	Sets out the limited circumstances in which direct awards are permitted
15	Contract Awards	Sets out the procedures for Work Order awards.

Table 1.1 - Framework Information Structure

1.2 The Framework Information is read in conjunction with the framework form of agreement and the framework contract templates. Definitions have the meanings given in the framework contract. Definitions used only in this Framework Information are given in Table 1.2

Table 1.2 **Framework Information Definitions**	
Defined Term	**Meaning**
Consult Notice	A notice issued by the *Client* to the *Supplier* when the *Client* has serious commercial concerns about the *Supplier*, sufficient enough that it would have a major concern in placing further work with the *Supplier* (until the issue is rectified), including the *Supplier's* overall financial strength, payment of suppliers, bribery or fraud issues, or serious performance failures in connection with this framework or any other contract with the *Client.*
Data	All Personal Data collected, generated or otherwise processed by the *Supplier* in the course of performing its obligations under the framework contract or any Work Order.
Data Subject	An individual who is the subject of Personal Data.
EEA	The European Economic Area.
Estimated Capital Value	The *Client's* forecast of the total amount to be paid to the *Supplier* in relation to the Scheme.
Framework Performance Score	The performance score calculated by aggregating the *Supplier's* performance scores for every Scheme to arrive at a single score representing the *Supplier's* overall performance across the framework using the methodology set out in the RIP/Ops Annual Balanced Scorecard v1.0.
Lot	A division of the framework contract as described in the *framework scope*
Operations (Ops) Schemes	Major capital renewals that form part of the *Client's* programme of maintenance and improvement activities.
Regional	The Regional Investment Programme (RIP) forms part of the *Client's*

Table 1.2 **Framework Information Definitions**	
Defined Term	**Meaning**
Investment Programme (RIP)	Major Projects Division. RIP delivers a programme of schemes which shall be identified by the *Client* from the Government's published Road Investment Strategy (RIS) as may be amended or updated. The schemes; tackle heavily congested routes, create new capacity and connections, support economic growth and support development through modified junctions, road widening and bypasses. RIP excludes RIS schemes that the *Client* includes in the Complex Infrastructure Programme (CIP) or the Smart Motorways Programme (SMP) as described below • CIP – the programme of very large and complex roads schemes, • SMP - the programme of innovative technology schemes to actively control the flow and speed of traffic and provide driver information on overhead signs.
Security Incident	A breach of security leading to the accidental or unlawful destruction, loss, alteration, unauthorised disclosure of, or access to, Data.
Selection Questionnaire	The selection questionnaire used by the *Client* in the procurement of the framework contract and the associated guidance and methodologies, which is referenced in Annex 1 of this Framework Information
Sub-Processor	A third party (including an Associated Company) engaged by the *Supplier* to process Data.
Supervisory Authority	Any regulatory, supervisory, governmental or other competent authority with jurisdiction or oversight over the Data Protection Acts.
Suppliers	The suppliers appointed under the framework contract.
Tranche 1	The first round of Scheme packages allocated and awarded to Suppliers at the time of framework contract award
Tranche 2	The second round of Scheme packages to be developed after the Road Period 2 (2020 to 2025) Schemes are confirmed.
Work Order	The collective term for a Package Contract, Early Order or Standalone Scheme Contract awarded in accordance with this Framework Information

Table 1.2 - Framework Information Definitions

1.3 The policies and guidelines referred to in this Framework Information can be found using the links provided in Annex 1.

2 Framework Vision, Objectives and Approach

Framework Vision

2.1 The *Client's* business role, key investment programmes and the vision and principles that have driven the development of this framework contract for the delivery of RIP and Ops schemes are summarised in Annex 2. In support of the *Client's* strategic business plans, the framework vision is to develop a high-performing integrated commercial relationship with the Suppliers to effectively and efficiently support three *Client* imperatives

a) **safety** – ensuring no one is harmed when travelling or working on the strategic road network,

b) **customer service** – improving what we do and how what we do it to reduce the impact of work on road users and

c) **delivering the Road Investment Strategy** – on time and efficiently.

Framework Key Objectives

2.2 The key objectives of the framework are:

a) to support the *Client* in the successful delivery of the five strategic outcomes of the Strategic Business Plan 2015 – 2020 and those to be agreed for beyond 2020,

b) to maximise the *Client's* performance against the eight areas of measurement in the Performance Specification; and

c) to develop and continually improve new collaborative approaches to delivery resulting in improved performance, productivity and efficiency.

2.3 The framework key objectives are reflected in the objectives for the contracts awarded under this framework.

Framework Commercial Approach

2.4 The framework commercial approach is aligned to the *Client's* key commercial principles and supports the successful delivery of the framework vision and key objectives

a) maximising the value of the Client's long-term funding arrangements through the development of long-term relationships with the best performing Suppliers,

b) committing to deliver Schemes within the Client's budget and being incentivised to do so,

c) stronger engagement with stakeholders to enhance customer service and reduce the impact of work on road users and other affected groups,

d) securing the supply chain capability and capacity needed to deliver the Regional Investment Programme (RIP) for Road Period 1 (2015 to 2020) and Road Period 2 (2020 to 2025),

e) flexibility to accommodate programme and project changes,

f) the development of integrated delivery teams of Principal Designers, Principal Contractors and the wider supply chain,

g) focussing on collaborative behaviours and continuous improvement throughout and across the supply chain,

h) creating an environment that supports innovation and sharing of best practice,

i) improving the investment baseline,

j) achieving specific efficiency targets,

k) rewarding performance with greater opportunities for future work,

l) developing regionally focused relationships over an extended duration,

m) improving asset records and reducing the frequency of interventions over an asset lifecycle to reduce network disruption and

n) delivering benefits-led solutions across both a programme of work and individual scheme lifecycles.

Framework Ambition

2.5 The framework ambition is to change the way schemes are delivered on the strategic road network through a longer-term, integrated approach to improve benefits and eliminate waste. To support the framework ambition Suppliers

a) establish nationally and regionally focussed communities that can drive a step change in delivery capability by implementing and developing best practice,

b) support the transformation of Highways England and its delivery models as the organisation continues to mature,

c) mature the sector towards enterprise based delivery (see the Institution of Civil Engineers' Project 13),

d) change behaviours and the approach in delivery to allow the *Client* and Suppliers to succeed together; and

e) deliver substantial innovation and continual improvement in customer service, safety and delivery of the RIS.

3 Framework Scope

Framework Scope

3.1 The *framework scope* is set out in Annex 3. The *framework scope* covers the development, design and construction of capital road projects that form part of RIP during Road Period 1 (2015 to 2020) and Road Period 2 (2020 to 2025) and may include the development, design and construction of capital road maintenance projects required by the *Client's* Operations Directorate (OD).

3.2 The framework comprises eight geographical Lots that are divided into two bands (A and B), each band having a specific threshold value for packages of Schemes that may be delivered. Lot detail are set out in Table 3.1.

Table 3.1
Lot Details

Lot	Band	Package Value	Regional Coverage
1	A	Packages < £100 million	South West and Midlands
2	A	Packages < £100 million	South East and East
3	A	Packages < £100 million	North (North West, Yorkshire and North East)
4	B	Packages > £100 million	South West
5	B	Packages > £100 million	Midlands
6	B	Packages > £100 million	South East
7	B	Packages > £100 million	East
8	B	Packages > £100 million	North (North West, Yorkshire and North East)

Table 3.1 - Lot Details

3.3 Not used.

Allocation of Schemes to Lots

3.4 Schemes to be delivered under the framework contract are provisionally allocated to the Lots (Band A and Band B) covering the region that coincides with the Scheme on a geographical basis. Schemes with site boundaries that straddle two or more regions are provisionally allocated to the Lots that contains most of the Scheme by Estimated Capital Value.

4 General Framework Requirements

Parent Company Guarantee

4.1 If the *Supplier* is required to provide a Parent Company Guarantee, it is provided in the form set out in Annex 4. If the entity that is to provide the Parent Company Guarantee is not a company incorporated in and subject to the laws of England and Wales, the *Supplier* provides a legal opinion in support of a Parent Company Guarantee.

4.2 Any legal opinion provided by the *Supplier* in support of a Parent Company Guarantee from a company not incorporated in and subject to the laws of England and Wales, includes (among others) the following matters

a) confirmation that:

i) the Controller is a corporation duly incorporated in the relevant jurisdiction, validly existing and in good standing under the laws of the jurisdiction in which it is incorporated,

ii) the Controller has full power to execute, deliver, enter into and perform its obligations under the Parent Company Guarantee,

iii) all necessary corporate, shareholder and other action required to authorise the execution and delivery by the Controller of the Parent Company Guarantee and the performance by it of its obligations under it have been duly taken,

iv) execution by the proposed signatories in accordance with the method of execution proposed will constitute valid execution by the Controller, the execution and delivery by the Controller of the Parent Company Guarantee and the performance of its obligations under it will not conflict with or violate:

- the constitutional documents of the Controller,
- any provision of the laws of the jurisdiction in which it is incorporated,

- o any order of any judicial or other authority in the jurisdiction in which it is incorporated; or
- o any mortgage, contract or other undertaking which is binding on the bidder or its assets;and

v) (assuming that it is binding under English law) the Parent Company Guarantee constitutes legal, valid and binding obligations of the Controller enforceable in accordance with its terms,

b) notification of any other formalities to be complied with under local law which may be necessary to enforce the Parent Company Guarantee in the Controller's place of incorporation, including (for example) notarisation, legalisation or registration of the Parent Company Guarantee,

c) notification of whether withholding is required to be made by the Controller in relation to any monies payable to the Client under the Parent Company Guarantee,

d) confirmation of whether the Client will be deemed to be resident or domiciled in the foreign jurisdiction by reason of its entry into the Parent Company Guarantee and

e) confirmation that the Controller and its assets are not entitled to immunity from suit, pre-judgment attachment or restraint or enforcement of a judgment on grounds of sovereignty or otherwise in the courts of England and Wales in respect of proceedings against it in relation to the Parent Company Guarantee.

Conflict of interest

4.3 The *Supplier* does not take an action which would cause a conflict of interest to arise in connection with the framework contract. The *Supplier* immediately notifies the *Client's Representative* if it considers that a conflict of interest may exist or may arise.

Market Share Rules

4.4 In the event of a Change of Control the following market share rules apply

a) the maximum number of Lots to which the *Supplier* or an Associated Company (or any joint venture of which the *Supplier* or an Associated Company is a member) may be appointed is 1 Lot on Band A and 2 Lots on Band B,

b) no Supplier may be appointed to Lots in both Bands A and B,

c) no Supplier can be a Consortium Member in more than one joint venture; and

d) the maximum proportion of the Regional Investment Programme which may be delivered by the *Supplier*, whether alone or as a participant in a joint venture is 30% of the framework value.

Transparency

4.5 The *Supplier* acknowledges that the *Client* is obliged to publish information relating to this contract and all Package Contracts and Scheme Contracts in accordance with Procurement Policy Note 01/17 entitled "The Transparency of Suppliers and Government to the Public" dated 16 February 2017 (or any later revision) (the "PPN"), except to the extent that any information in it is exempt from disclosure pursuant to the Freedom of Information Act 2000. The *Client* consults with the *Supplier* before deciding whether information is exempt, but the *Supplier* acknowledges that the *Client* has the final decision.

4.6 The Supplier

a) co-operates with and assists the *Client* to comply with its obligation under clause 4.5,

b) agrees with the *Client* a schedule for the release to the public of information relating to this contract and all Package Contracts and Scheme Contracts in accordance with the terms of the PPN,

c) provides information to assist the *Client* in responding to queries from the public as required by the PPN; and

d) supplies the *Client* with financial data relating to this contract and all Package Contracts and Scheme Contracts in the form and at the times specified in the PPN.

Data Protection

4.7 For the purposes of the contract and the Data Protection Acts

a) the *Client* is the Data Controller,

b) the *Supplier* is the Data Processor; and

c) this section and Annex 5together constitute a data processing agreement where required by the Data Protection Acts.

4.8 The *Supplier* processes the Data in accordance with the Data Protection Acts and only to the extent necessary for the purpose of performing its obligations under the framework contract or any Work Order.

4.9 The *Supplier* does not knowingly do anything or permit anything to be done which might lead to a breach of the Data Protection Acts by either Party.

4.10 The *Supplier* obtains and maintains until the *end date* all registrations and notifications that it is obliged to obtain and maintain pursuant to the Data Protection Acts in respect of performing its obligations under the framework contract or any Work Order.

4.11 The *Supplier* only processes Data to the extent it relates to:

a) the types of Data,

b) the categories of Data Subject; and

the nature and purpose.set out in Annex 5 and only for the duration specified in Annex 5.

4.12 Without prejudice to paragraph 4.8, the *Supplier* processes the Data only in accordance with the instructions of the *Client's Representative*, unless the *Supplier* is required to process the Data for other reasons under the laws of the European Union (or a member state of the EEA) to which the *Supplier* is subject. If the *Supplier* is required to process the Data for these other reasons, it informs the *Client's Representative* before carrying out the processing, unless prohibited by relevant law.

4.13 The *Supplier* immediately informs the *Client's Representative* if it believes that an instruction infringes the Data Protection Acts or any other applicable law.

4.14 The *Supplier* has in place and maintains for as long as it holds any Data in accordance with then current good industry practice, taking into account the state of the art, the costs of implementation and the nature, scope, context and purposes of processing

a) appropriate technical and organisational measures (having regard to the nature of the Data) to protect the Data against accidental, unauthorised or unlawful processing, destruction, loss, damage, alteration or disclosure and

b) adequate security programmes and procedures to ensure that unauthorised persons do not have access to the Data or to any equipment used to process the Data,

in each case to ensure that the *Supplier's* processing is in accordance with the Data Protection Acts and protects the rights of the Data Subjects.

4.15 The *Supplier* ensures that all persons authorised to process Data are bound by obligations equivalent to those set out in clause 13.3 and this

section and are aware of the *Supplier's* obligations under the framework contract and the Data Protection Acts.

4.16 The *Supplier* ensures that access to the Data is limited to those persons who need access in order for the *Supplier* to perform its obligations under any Work Order and (in each case) to such parts of the Data as are strictly necessary for performance of that person's duties.

4.17 On request, the *Supplier* takes all necessary actions and provides the *Client's Representative* with all reasonable assistance necessary for the *Client* to comply with its obligations under the Data Protection Acts in relation to the rights of Data Subjects, including

a) the provision of access to, and information relating to, Data,

b) the rectification of inaccurate Data,

c) the permanent erasure of Data,

d) the restriction of processing of Data,

e) the provision of a copy of Data in machine readable format; and

f) the transfer of Data to a third party.

4.18 The *Supplier* immediately notifies the *Client's Representative* if it receives

a) a request from any Data Subject whose Personal Data it holds to access their Personal Data,

b) a complaint or request relating to the *Client's* obligations under the Data Protection Acts or

c) a request from any Supervisory Authority for assistance or information, unless prohibited by relevant law.

4.19 The *Supplier* assists and co-operates with the *Client's Representative* in relation to any complaint or request received, including

a) providing full details of the complaint or request,

b) complying with the request within the time limits set out in the Data Protection Acts and in accordance with the instructions of the *Client's Representative;* and

c) promptly providing the *Client* with any Personal Data and other information requested by it to enable it to respond to the request.

4.20 The *Supplier* does not process the Data outside the EEA (other than in the United Kingdom) without the agreement of the *Client*. Where the *Client* agrees, the *Supplier:*

a) provides evidence (acceptable to the *Client*) of appropriate safeguards as required by the Data Protection Acts; and

b) complies with the instructions of the *Client's Representative*.

4.21 The *Supplier* does not engage any Sub-Processor without the prior consent of the *Client's Representative*.

4.22 Prior to allowing a Sub-Processor to process any Data, the *Supplier* enters into a written agreement with the Sub-Processor under which the Sub-Processor is obliged to comply with the terms of this section. The *Supplier* remains fully liable to the *Client* for any acts or omissions of any Sub-Processors.

4.23 The *Supplier* complies with the requirements of the *Client* in relation to the storage, dispatch and disposal of Data in any form or medium. Any requirement for the *Supplier* to destroy or delete copies of the Data is subject to any law of the European Union (or a member state of the EEA) to which the *Supplier* is subject that requires the Data to be retained.

4.24 The *Supplier* notifies the *Client's Representative* within 24 hours of becoming aware of a Security Incident or any other breach of this section. The notification includes, as far as possible

a) a description of the nature of the Security Incident, including the categories and approximate number of Data Subjects concerned,

b) the likely consequences of the breach; and

c) the measures taken or to be taken to address the breach, including measures taken to mitigate any possible adverse effects.

4.25 In the event of a Security Incident, the *Supplier* provides the *Client's Representative* with full co-operation and assistance in dealing with the Security Incident, in particular in notifying individuals affected by the Security Incident or a Supervisory Authority as required by the Data Protection Acts.

4.26 On request (but not more than once in any 12-month period) the *Supplier* provides to the *Client's Representative* all necessary information to demonstrate the *Supplier's* compliance with this section.

4.27 The *Supplier* promptly provides all assistance and information requested by any Supervisory Authority or required by the *Client's Representative* requires in order for the *Client* to ensure compliance with its obligations under the Data Protection Acts, including in relation to

a) security of processing

b) preparation of any necessary data protection impact assessments; and

c) undertaking any necessary data protection consultations.

4.28 The *Supplier* maintains electronic records of all processing activities carried out on behalf of the *Client*, including:

a) the information described in paragraph 4.11,

b) the different types of processing being carried out (if applicable),

c) any transfers of Data outside the EEA or the United Kingdom, identifying the relevant country or international organisation and any documentation required to demonstrate suitable safeguards; and

d) a description of the technical and organisational security measures referred to in paragraph 4.14.

4.29 The *Supplier* makes these records available to the *Client's Representative* promptly on request.

4.30 If it is or becomes a requirement that, under the Data Protection Acts or other applicable laws, this section must be governed by the laws of a member state of the European Union, and the law of the contract does not or ceases to satisfy this requirement, this section is governed by and construed in accordance with the laws of Ireland.

Discrimination

4.31 The *Supplier* does not discriminate directly or indirectly or by way of victimisation or harassment against any person contrary to the Discrimination Acts.

4.32 In performing its obligations under the framework contract or any Work Order, the *Supplier* co-operates with and assists the *Client* to satisfy its duty under the Discrimination Acts to

a) eliminate unlawful discrimination, harassment and victimisation and any other conduct prohibited by the Discrimination Acts;

b) advance equality of opportunity between people who share a protected characteristic and people who do not; and

c) foster good relations between people who share a protected characteristic and people who do not.

4.33 Where any employee or Subcontractor employed by the *Supplier* is required to carry out any activity on the *Client's* premises or alongside the *Client's* employees on any other premises, the *Supplier* ensures that each

such employee or Subcontractor complies with the requirements of the Discrimination Acts and with the *Client's* employment policies and codes of practice relating to discrimination and equal opportunities (included at Annex 1).

4.34 The *Supplier* notifies the *Client's Representative* as soon as it becomes aware of any investigation or proceedings brought against the *Supplier* under the Discrimination Acts in connection with the framework and

a) provides any information requested by the investigating body, court or tribunal in the timescale allotted,

b) attends (and permits a representative from the *Client* to attend) any associated meetings,

c) promptly allows access to any relevant documents and information; and

d) co-operates fully and promptly with the investigatory body, court or tribunal.

4.35 The *Supplier* ensures that any subcontract (at any stage of remoteness from the *Supplier)* contains provisions to the same effect as this provision.

4.36 The *Supplier* complies (and ensures that any subcontractor complies) with the *Client's* policies relating to bullying and harassment (included at Annex 1). If the *Client's Representative* considers that the presence or conduct of any of the staff at any location relevant to the performance of the service is undesirable or in breach of the *Client's* policies, the *Client's Representative* instructs the *Supplier* to implement corrective action.

Official Secrets Acts

4.37 The Official Secrets Act 1989 applies to the framework from the date of award of the framework contract until all the works to be carried out under all Work Orders have been completed.

Anti Bribery and Anti Fraud

4.38 The *Supplier* complies (and ensures that any person employed by it or acting on its behalf complies) with the *Client*'s Anti Bribery Code of Conduct and Anti Fraud Code of Conduct, collectively "the Codes" (Included at Annex 1). The *Supplier* complies with the Codes until the *end date* and with

a) paragraph 4 of the *Client*'s Anti Bribery Code of Conduct; and

b) paragraph 3 of the *Client*'s Anti Fraud Code of Conduct

until 12 years after the *defects date* under the last completed Scheme Contract.

4.39 The *Supplier* ensures that any subcontract (at any stage of remoteness from the *Supplier)* contains provisions to the same effect as this provision.

Records and Audit Access

4.40 The *Supplier* keeps documents and information obtained or prepared by the *Supplier* or any Subcontractor in connection with the framework contract or any Work Order for a period of 12 years after the *defects date* under the last completed Scheme Contract.

4.41 The *Supplier* permits the *Client's Representative* and the Comptroller and Auditor General to examine documents held or controlled by the *Supplier* or any Subcontractor and provides such oral or written explanations as the *Client's Representative* or the Comptroller and Auditor General considers necessary.

4.42 This clause does not constitute a requirement or agreement for the purposes of section 6(3)(d) of the National Audit Act 1983 for the examination, certification or inspection of the accounts of the *Supplier*.

Limitation of Liability (Scheme Contracts)

4.43 Where Option X18 Limitation of Liability is used the *Client* populates the liability limitations in the Scheme Contract Data as follows

a) **The *Supplier's* liability to the *Client* for indirect or consequential loss is limited to:**

i) for Schemes up to £100million = £10million for each and every occurrence,

ii) for Schemes over £100million up to £250million = £20million for each and every occurrence,

iii) for Schemes over £250m up to £450million = £50million for each and every occurrence

b) **For any one event, the *Supplier's* liability to the *Client* for loss or damage to the *Client's* property is limited to:**

i) for Schemes up to £100million = £10million

ii) for Schemes over £100million up to £250million = £20million

iii) for Schemes over £250million up to £450miliion = £50million

c) **The *Supplier's* liability for Defects due to its design which are not listed on the Defects Certificate is limited to**

i) for Schemes up to £100million = £10million for each and every occurrence,

ii) for Schemes over £100million up to £250million = £20million for each and every occurrence,

iii) for Schemes over £250million up to £450million = £50million for each and every occurrence.

d) **The *Supplier's* total liability to the *Client* for all matters arising under or in connection with the contract, other than the excluded matters listed in clause X18.5, is limited to**

i) twice the Estimated Capital Value.

5 Framework Operation

Framework Management

5.1 The *Supplier*'s Partnership Director is the senior point of contact with the *Client* for matters associated with

a) the delivery of framework requirements, including contract award procedures, and

b) framework performance, including the *Supplier's* input to and benefits from the Centres of Excellence.

5.2 The *Supplier* provides the resources to deliver the framework quality plan and to meet the *Client's* vision and key objectives for the framework contract taking into account the *Client*'s framework management arrangements.

Delivery Model

5.3 The Regional Investment Programme delivery model reflects the *Client's* programme and the objectives in Section 2. The Regional Investment Programme delivery model, shown in Figure 5.1, illustrates the relationship between the Client (Highways England) as Network Owner, the *Client's* Technical Advisor and the *Supplier* (Delivery Integration Partner) at a regional level.

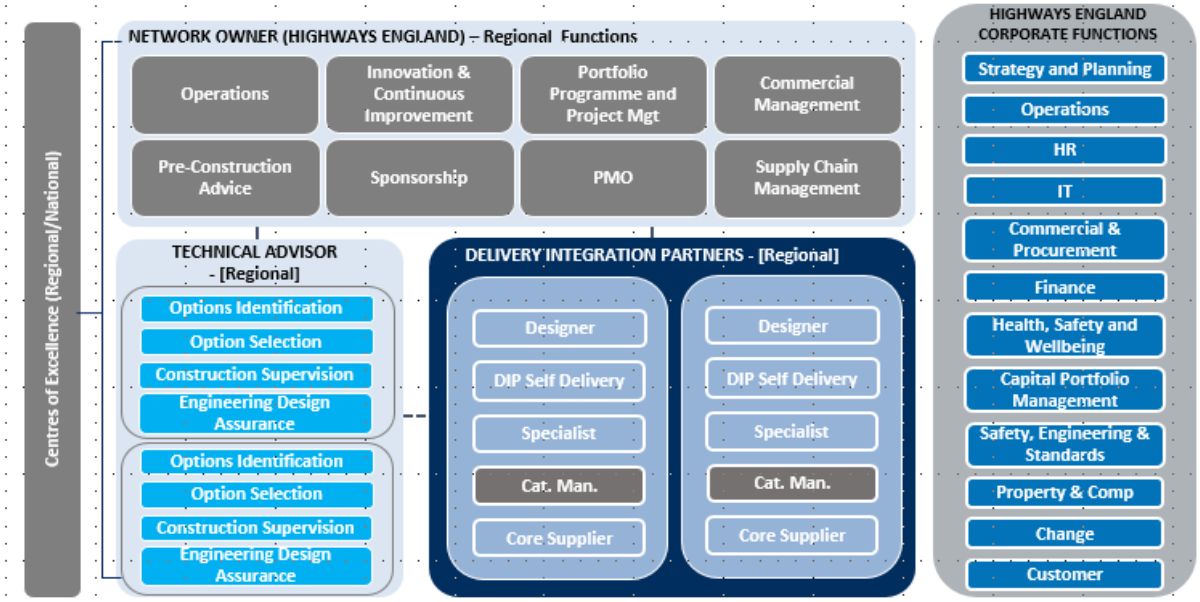


Figure 5.1Regional Investment Programme Delivery Model

Supplier Key Role at Framework Level

5.4 Operating within the Regional Investment Programme delivery model, the key role of the *Supplier* at framework level is to enhance productivity, effectiveness and efficiency via full engagement with the following contract forums.

a) **National Centre of Excellence** – a strategic body that considers sector wide capability to deliver value and drive innovation to grow capability and capacity across the whole community. The main purpose of this forum, which will involve all Suppliers and meet quarterly, is:

i) to drive delivery of the RIP strategy,

ii) to drive change through the RIP community and develop organisational maturity to support the future use of an enterprise business model for future delivery,

iii) to drive programmatic delivery for the RIP capital investment programme,

iv) to support development and implementation of value chain plans across the RIP community,

v) to agree to joint funding of agreed R&D activities and be accountable for delivery of the intended benefits,

vi) to share knowledge, good practice/improvement opportunities across the RIP community and other *Client* programmes,

vii) to share value engineered design solutions developed in the regional centres,

viii) to share continuous improvement with other infrastructure sectors,

ix) to translate leading indicator data and plan to deliver RIP in the context of the infrastructure market of the UK,

x) to develop and implement a national skills and employment strategy that will deliver programme skills and capacity needs, and support wider aspirations to promote industry diversity, inclusion [relative to protected characteristics] and an industry of choice for the national employment market,

xi) to implement improvements, including existing and future categories to support development of strategic category management the *Client*.

The National Centre of Excellence will set and manage improvement targets. Initiatives will be generated by the community of *Client*, Suppliers and supply chain across the framework. In the development of ideas, the National Centre of Excellence makes reference to wider initiatives within the *Client's* organisation to ensure that ideas are captured and communicated as widely as possible and benefits are maximised. For example, an opportunity to drive improvement in the offsite manufacturing of bridge elements could have wider beneficial applications across the *Client's* organisation.

b) **Regional Centres of Excellence** – a regional body dealing with regional cohesion, including consistency of technical issues across the region. The main purpose of this forum, which will bring together the Suppliers within each region (Band A and Band B) and will meet quarterly, is

i) to support the *Client* in the efficient and effective delivery of the RIP delivery programme within the region,

ii) to optimise opportunities for improved planning and delivery of schemes, eliminate duplication and improve the potential impacts any works may have on users of the road network,

iii) to drive delivery of the RIP strategy at the regional level,

iv) to drive change through the regional RIP community and support development of organisational maturity to support the future use of an enterprise business model for future delivery,

v) to drive programmatic delivery for the regional capital investment programme,

vi) to work with the Sustainable Improvement Hub in the use of programme and forecast demand data to identify improvement opportunities, i.e., through sharing resources, use of common supply chain, mitigating supply chain risks, elimination of waste in processes and improved alignment to delivery of the *Client's* objectives,

vii) to develop and implement a regional skills and employment strategy that will deliver programme skills and capacity needs, and support wider aspirations to promote industry diversity, inclusion (relative to protected characteristics) and an industry of choice for the regional employment market,

viii) to share data on agreed improvements and improvement opportunities with other Regional Centres of Excellence for consideration and adoption,

ix) to share data on agreed improvements/improvement opportunities with the National Centre of Excellence for consideration for the whole of RIP and potentially across Highways England,

x) to assist in the development of business cases for joint funding of R&D activities for approval from the National Centre of Excellence,

xi) to implement improvements, including existing and future categories to support development of strategic category management for the *Client,*

xii) to share value engineered design solutions developed in the regional centres,

xiii) to generate and interpret leading indicator data to inform long-term regional planning,

xiv) to share continuous improvement data with other regions,

xv) to support the work undertaken by the Sustainable Improvement Hubs in reviewing programmes and demand to identify improvement opportunities and

xvi) to manage and address concerns with sharing data considered commercially confidential that may prevent development of regional community and associated improvement opportunities.

c) **Sustainable Improvement Hub** – at a programme level the *Client*, Suppliers and other key stakeholders work together to sustainably optimise the supply chain and construction logistics for the benefit of the programme. The main purpose of this forum, which will meet monthly, is

i) to increase productivity,

ii) to manage an agreed annual improvements programme,

iii) to design and deliver a procurement plan to optimise delivery,

iv) to propose to the Regional Centre of Excellence opportunities for improving regional delivery and implement all agreed improvements within their respective organisation,

v) to optimise opportunities for R&D activities to support productivity improvement,

vi) to identify innovations and promote these with the Regional Centre of Excellence,

vii) to share ideas and practices to support co-ordinated regional delivery and promote these with the Regional Centre of Excellence,

viii) to share demand data across the extended supply chain,

ix) to develop the supply chain within the region,

x) to develop and manage a programme-wide employment and skills plan,

xi) to share package and scheme demand and delivery data, including supply chain management methods, to develop category management at the regional level and

xii) to eliminate waste from delivery processes.

5.5 The Centres of Excellence and Sustainable Improvement Hubs support the efficient and effective delivery of the regional and national RIP programme. This is supported by a range of factors including

a) collaborative exchange of information between the *Client*, Suppliers and the supply chain,

b) programme optimisation through improved network planning, sharing of resources and risk management,

c) value based decision-making,

d) standardisation of designs and modularisation of construction elements and development of standard products; and

e) improved supply chain management including logistics, category management and lean processes.

5.6 The *Client*, *Supplier* and, by *Client* invitation, the extended supply chain, are members of the Centres of Excellence and the Sustainable Improvement Hubs. All members operate collaboratively and share programme, supply chain and delivery data. The Centres of Excellence and Sustainable Improvement Hubs identify, develop and deliver continual improvements to the way the RIP programme is delivered.

5.7 The Centres of Excellence aim to provide a focal point for the regional supplier communities to identify innovation and value improvement opportunities at regional and national levels. The proposed approach for how the Centres of Excellence will feed into the *Client's* governance is shown in Figure 5.2.

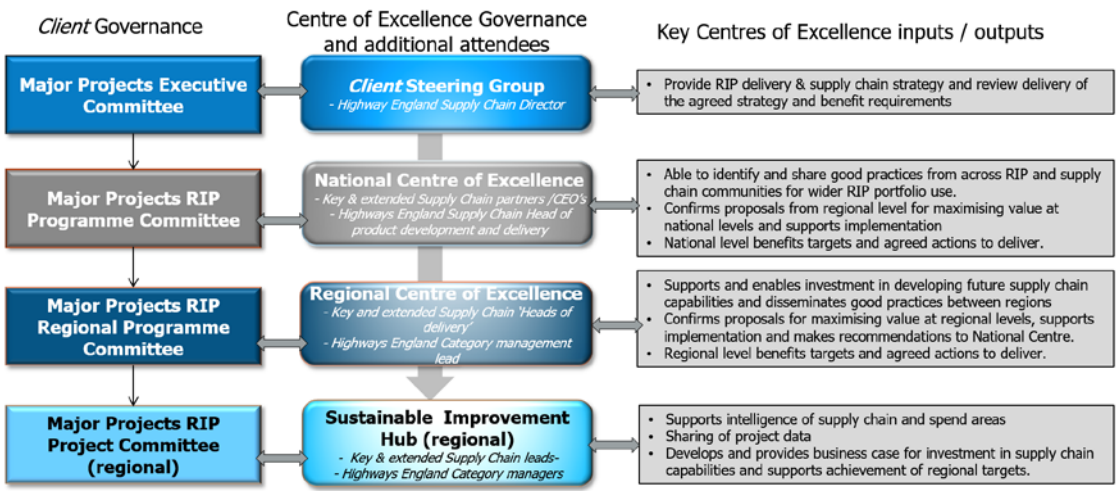


Figure 5.2 Centres of Excellence proposed links to *Client* governance

<u>Integration</u>

5.8 Integration is fundamental to driving significantly improved results under the framework. The *Supplier* demonstrates its commitment to integration by

a) supporting, contributing and delivering a significant improvement in the *Client's* project, programme and portfolio management capability and

b) innovating to drive efficiency and to share best practice.

5.9 Integration extends across the *Client* organisation (one team, one agenda), between the *Client* and the *Supplier* and other Suppliers.

5.10 The *Supplier* supports integration through an open, transparent and honest commercial approach.

5.11 The *Supplier* co-operates with other Suppliers in obtaining and providing information which is needed in connection with work under the framework.

5.12 Integration operates at both a regional level and at a national level. Suppliers identify opportunities to do things differently and in the most efficient manner, sharing best practice and learning and supporting the *Client* in driving efficiencies.

Quality Management

5.13 The *Supplier* complies with and provides certification for the following management systems in accordance with paragraph 5.14

a) OHSAS 18001,

b) ISO 9001 and CEN/TS 16880, and

c) ISO 14001.

5.14 Unless the *Supplier* already holds such certification at the date of award of the framework contract, the *Supplier* obtains third party certification from a UKAS approved accreditation body accepted by the *Client* of its health and safety, quality and environmental management and risk management systems not later than 12 months after the date of award of the framework contract.

5.15 The *Supplier* implements a system that follows ISO 44001, which includes a collaboration framework that encompasses the behaviours, organisational culture and management processes that provide a common platform to support effective collaborative business relationships. The *Supplier* must also implement a system that follows the guidelines contained in ISO 31000 in relation to risk management.

5.16 The *Supplier* operates processes for delivering innovation and continual improvement/lean following the guidance in ISO 9004 and as set out in the continual improvement/lean procedure (see Annex 1). The *Supplier* measures its adoption of a continual improvement/lean culture using the *Client's* Lean Maturity Assessment – Highways England Lean Maturity Assessment (HELMA) at framework and Scheme level (see Annex 1).

5.17 The *Supplier* submits to the *Client* a copy of each certificate within one week after it is obtained.

Framework Quality Plan

5.18 The framework quality plan covers framework level activities and is additional to the quality plan required for each Scheme Contract. The framework quality plan details how the *Supplier* delivers the requirements set out in this Framework Information to meet the *Client's* vision, key objectives and ambition for the framework contract. The framework quality plan includes

a) arrangements for quality management across the framework,

b) framework management and workforce planning,

c) developing collaboration and behavioural maturity,

d) fulfilment of the *Supplier* key role at framework level,

e) production and management of the Supply Chain Health and Safety Maturity Matrix (SCMM) Action Plan,

f) production and management of the Inclusion Action Plan,

g) arrangements for StART3 development action,

h) arrangements for supporting category management and

i) arrangements for maximising performance across the framework.

5.19 The framework quality plan is sufficiently detailed to demonstrate how the *Supplier* achieves the commitments contained within the commitments register that apply at framework level.

5.20 The framework quality plan includes an annex that references all framework level and Scheme delivery commitments made in the tendered quality statement (agreed with the *Client* prior to framework contract award). The *Supplier* structures the commitments annex of the framework quality plan in accordance with the template provided in Annex 6. The Scheme delivery commitments tabulated in the framework quality plan are included in every Scheme quality plan.

5.21 The *Supplier* prepares the framework quality plan within 4 weeks of the award of the framework contract. The *Supplier* maintains the framework quality plan and keeps a controlled copy available for inspection by the *Client* and its representatives at all times.

5.22 The *Client's Representative* notifies the *Supplier* if it considers that the framework quality plan does not comply with the requirements of the framework contract. Following such notification, the *Supplier* reviews the framework quality plan and reports to the *Client's Representative* setting out its proposed changes. If the *Client's Representative* accepts the

proposals, the framework quality plan is changed. If the proposed changes are not accepted, then the *Client's Representative* informs the *Supplier* of the aspects of the framework quality plan that are not acceptable, and the *Supplier* updates the framework quality plan for acceptance within 1 week.

Supply Chain Health and Safety Maturity Matrix (SCMM) Action Plan

5.23 The *Supplier* prepares a Supply Chain Health and Safety Maturity Matrix Action Plan (the SCMM Action Plan) and submits it to the *Client* not later than 6 weeks following the award of the framework contract.

5.24 The SCMM Action Plan is based on the Supply Chain Health and Safety Maturity Matrix (SCMM) and the associated implementation plan produced by the *Supplier* (or, where the *Supplier* is a joint venture, by each Consortium Member). It details the specific actions to be taken under the framework contract and any Work Order by the *Supplier* and its subcontractors (at any stage of remoteness from the *Client*) in order to support delivery of the improvements identified in the implementation plans for the *Supplier* or each Consortium Member.

5.25 The *Supplier* updates the SCMM Action Plan

a) when it receives a Work Order,

b) as needed to support delivery of the improvements identified in the implementation plans and, in any case,

c) on each anniversary of the award of the framework contract.

The annual updates are based on the updated SCMM and implementation plans produced by the *Supplier* (or, where the *Supplier* is a joint venture, by each Consortium Member).

5.26 The *Supplier* keeps a controlled copy of the SCMM Action Plan available for inspection by the *Client* and its representatives at all times.

5.27 The *Client* notifies the *Supplier* if it considers that the SCMM Action Plan

a) does not comply with the requirements of the framework contract or

b) is not capable of delivering the improvements identified in the implementation plans.

Following such notification, the *Supplier* reviews the SCMM Action Plan and reports to the *Client* setting out its proposed changes. If the *Client* accepts the proposals, the SCMM Action Plan is changed.

5.28 The *Client* may carry out audits from time to time to verify that the *Supplier* is taking the actions detailed in the SCMM Action Plan. The *Supplier*

allows access at any time within working hours to any place where it or any Subcontractor carries out any work under the framework contract or any Work Order for the *Client* to carry out such audits. The *Supplier* provides all facilities and assistance necessary to allow such audits to be carried out. The *Client* may require the *Supplier* to produce an action plan following any audit.

Confidential and Proprietary Information

5.29 Within two weeks after the expiry or termination of the framework contract for any reason and the completion of work under all Work Orders or (if earlier) when it is no longer required, the *Supplier* returns to the *Client* any confidential or proprietary information belonging to or provided by the *Client* in the *Supplier's* possession or control and deletes (and procures that any Subcontractor deletes) any electronic information or data held by the *Supplier* or any Subcontractor relating to the *Client* or the framework contract in a manner that is compatible with the requirements for data protection that are set out in this Framework Information.

Inclusion Action Plan

5.30 The *Supplier* prepares an Inclusion Action Plan in accordance with Annex 7 and submits it to the *Client's Representative* for acceptance within 12 weeks of the award of the framework contract. If the Inclusion Action Plan is not accepted, then the *Supplier* amends the plan in response to the comments received from the *Client's Representative* and resubmits the plan to the *Client's Representative* within 1 week. Following acceptance, the *Supplier* provides the *Client's Representative* with a quarterly report of progress against the Inclusion Action Plan.

5.31 A reason for the *Client's Representative* not to accept the Inclusion Action Plan is

a) it does not demonstrate how the requirements will passed down the supply chain,

b) it does not meet or evidence how the *Supplier* will:

i) attract, recruit and retain a greater diversity of new entrants to the sector,

ii) ensure the working culture, practice and environment is inclusive,

iii) consider and understand the diverse needs of customers and neighbouring communities,

iv) hold itself and the supply chain to account in delivering the plan and,

v) monitor and evidencing year on year improvements.

c) it does not meet the aims of the equality duty contained within the Equality Act to pay due regard to the need to

i) eliminate unlawful discrimination, harassment, victimisation and any other conduct prohibited by the Equality Act,

ii) advance equality of opportunity between people who share a protected characteristic and people who do not share it and

iii) foster good relations between people who share a protected characteristic and people who do not share it.

5.32 The Inclusion Action Plan names an individual from the *Supplier* to act as the Equality, Diversity and Inclusion (EDI) lead to

a) be responsible for ensuring the implementation, on-going development of the Inclusion Action Plan,

b) ensure quarterly reports and information are provided as required,

c) facilitate continuous improvement reviews and

d) act as a single point of contact on all matters concerning EDI.

<u>Change in Circumstances</u>

5.33 The *Supplier* immediately informs the *Client* of any material changes in the *Supplier's* circumstances that would change the *Supplier's* original response to the Selection Questionnaire. Material changes in circumstances of the *Supplier* include:

a) It:

i) is subject to a winding up order,

ii) has had a bankruptcy order made against it,

iii) has made an arrangement with its creditors,

iv) has had a receiver appointed over its assets,

v) has had a provisional liquidator appointed to it,

vi) has passed a resolution for winding-up (other than in order to amalgamate or reconstruct),

vii) has had an administration order made against it, or

viii) has had a receiver, receiver and manager, or administrative receiver appointed over the whole or a substantial part of its undertaking or assets.

b) its economic and financial standing has substantially changed,

c) a conflict of interest in relation to its framework contract activities has or is expected to arise,

d) any of the mandatory exclusion grounds set out in regulation 57 of The Public Contract Regulations 2015 applies,

e) any of the discretionary exclusion grounds set out in regulation 57 of The Public Contract Regulations 2015 applies and

f) it has breached of the Modern Slavery Act.

5.34 If requested by the *Client,* the *Supplier* confirms whether there has been a change in the *Supplier's* circumstances that would change the *Supplier's* original response to the Selection Questionnaire.

5.35 The *Client* reserves the right to review any changes to the *Supplier's* circumstances by requesting and evaluating updated responses to any of the questions asked in the Selection Questionnaire.

5.36 If there is a change in circumstances during the life of the framework contract and the *Supplier* no longer passes a selection criterion set out in the Selection Questionnaire, using the evaluation methods of the original competition, the *Client* may decide to exclude the *Supplier* from participation in the allocation procedure, quality award procedure, contingency procure and direct award procedure under this framework contract.

<u>Strategic Alignment Review Tool (StART3)</u>

5.37 Unless a StART3 score has already been obtained, the *Supplier* (or, where the *Supplier* is an unincorporated joint venture, every consortium member) submits within 3 months of framework contract award the part 1 and part 2 documents required as part of the *Client's* StART3 assessment process. The *Supplier* co-operates with the *Client* to enable the completion of the StART3 assessment process within 6 months of framework contract award.

5.38 Within 6 months of framework contract award the *Supplier* (or, where the *Supplier* is an unincorporated joint venture, any consortium member) prepares and submits for acceptance by the *Client's Representative* a StART3 development plan that is in accordance with the *Client's* published guidelines and sets out how corporate alignment with the *Client* will be maintained and improved over the duration of the framework contract. If the StART3 development plan is not accepted, then the *Supplier* amends the plan in response to the comments from the *Client's Representative* and resubmits the plan to the *Client's Representative* within 2 weeks. A reason

for not accepting the StART3 development plan is that it does not align with the *Client's* published guidelines.

5.39 The *Client's Representative* monitors the *Supplier's* ongoing commitment to improving corporate alignment with the *Client*'s key strategies and plans on the basis of the StART3 framework principles. A failure of the *Supplier* to demonstrate commitment includes

a) on-going lack of engagement with the *Client* on StART matters,

b) failure to produce an acceptable StART3 development plan and

c) not taking actions to implement the accepted StART3 development plan.

Category Management

5.40 The *Client's* existing category management contracts, and any new category management contracts awarded during the term of the framework contract, are mandated for use by the *Supplier* in the delivery of Scheme Contracts unless the *Client* accepts a business case for an alternative proposal. If required by the *Client,* the *Supplier* enters into an appropriate confidentiality agreement in relation to the operation of the category management contracts.

5.41 Category management products that are under development by the *Client* or are proposed as part of the work of the Sustainable Improvement Hub, are discussed through engagement at the Centres of Excellence and directly with the *Client.*

5.42 The *Supplier* provides feedback and advice to the *Client* to help maximise the value for money obtained from the *Client's* category management contracts and processes.

Performance Management

5.43 The *Client* gathers, reviews and records the *Supplier's* performance across all Scheme Contracts using the RIP/Ops Annual Balanced Scorecard v1.0, which forms part of this Framework Information, and is available via the link provided in Annex 1.

5.44 The performance data is aggregated to package and framework level on a quarterly basis and a single overall Framework Performance Score is calculated using the methodology set out in the RDP Annual Balanced Scorecard v1.0.

5.45 The Framework Performance Score is used to inform the Suppliers' future opportunities in relation to Tranche 2 Scheme packages. At the time of Tranche 2 packaging, the Suppliers with the highest Framework

Performance Score per Lot are given first choice of the Tranche 2 Scheme packages that are available within their Lot. For Lots with three Suppliers the Suppliers with the second highest Framework Performance Score per Lot are given second choice of the Tranche 2 Scheme packages that are available within their Lot.

5.46 The Framework Performance Score will be used to determine a star rating. Suppliers with performance scores less than 60% of the available points are awarded 1 star, Suppliers with performance scores between 60% and 80% of the available points are awarded 2 stars and Suppliers with performance scores more than 80% of the available point are awarded 3 stars.

6 Work Orders - Overview

6.1 There are three types of Work Order that the *Client* may enter into with the *Supplier* under the framework contract, which are summarised in Table 6.1

6.2 The *Client* awards the *Supplier* Work Orders under the framework contract in the form of a Package Contract, an Early Order or a Scheme Contract. The terms and conditions of Package Contracts, Early Orders and Scheme Contracts are set out in the framework contract.

Table 6.1
Work Orders

Contract Type	Key Characteristics
Package Contract	Form of Agreement based on the NEC4. Identifies the one or more Schemes that comprise the Package. The Package Contract allows the *Client* to enter into Early Orders and Scheme Contracts associated with the Schemes within the Package.
Scheme Contract	Based on the NEC4 engineering and construction contract (ECC). Scheme Contracts may be entered into from the framework contract (Standalone Scheme Contracts) or a Package Contract. The Scope Part One is fixed and there is a template for the Scope Part Two in the framework contract.
Early Order	Based on the NEC4 engineering and construction short contract (ECSC). Early Orders may be entered into from a Package Contract only.

Table 6.1 - Work Orders

6.3 The framework contract creates an environment that focuses on quality, innovation and efficiency within funds available. The *Client* fixes and

publishes the Statement of Funds Available (SOFA) for each Scheme prior to any proposals being requested from Suppliers.

6.4 The following award procedures do not include any secondary price competition. As required, prices are determined strictly in accordance with the procedures set out in the *quotation information*.

7 Award of Package Contracts

Background

7.1 A contract award to each successful Supplier pursuant to this procurement process will include

a) the award of a Tranche 1 Package Contract and associated Scheme Contracts,

b) the award of a Tranche 2 Package Contract (and associated Scheme Contracts (subject to the terms and conditions set out in this Volume 2); and

c) the appointment to the framework for the opportunity to be allocated Standalone Scheme Contract in certain circumstances

in each case subject the terms and conditions set out in this Volume 2.

7.2 While the procurement process results in an award of both Tranche 1 and Tranche 2 Package Contracts, the Tranche 1 Package Contracts have been more fully developed prior to contract award.

7.3 The *Client* develops in more detail the second round of Package Contracts (Tranche 2) following the identification and entry of the Schemes into Road Period 2 (2020 to 2025) however the scope, type and nature of the works and pricing mechanisms will remain the same.

Packaging Process (Tranche 2)

7.4 The *Client* provisionally allocates Scheme Contracts to the appropriate Lots using the procedure set out in section 3.4. The *Client's* shall create a number of Package Contracts that matches the number of Suppliers in each region and Lot that have a performance rating higher than 1 star.

7.5 The Tranche 2 packaging process will be undertaken using objective factors based on the characteristics of the Road Period 2 Scheme. To support efficient and effective delivery the *Client* allocates the Schemes into Tranche 2 Package Contracts for each Lot in accordance with the following factors

a) estimated Scheme value - to suit the value banding of the Lots, i.e., lower value Schemes are likely to suit Band A Package Contracts,

b) geographical relationship of Schemes - packaging together Schemes that are geographically close to facilitate resource sharing,

c) technical characteristics of Schemes - packaging together Schemes that have any similar special technical requirements to facilitate continual improvement,

d) scheme interfaces - minimising any complex interfaces between Schemes; and

e) scheme programmes - smoothing out peaks and troughs in Supplier workload.

7.6 The *Client* may seek information from Suppliers to support its consideration of the packaging of Schemes to maximise delivery efficiency and effectiveness to optimise value for money.

Procurement Route

7.7 Package Contracts are awarded to Suppliers by the *Client* using the allocation procedure set out in section 11.

7.8 A flow chart that illustrates the award procedures for Tranche 2 Package Contracts is included in Annex 8.

8 Award of Standalone Scheme Contracts

Background

8.1 Ad hoc Schemes that emerge from the RIP or OD, or as a result of poor performance or a failed Supplier, or for any other reason stated in the framework contract, are delivered via a Standalone Scheme Contract. The *Client* expects that the occurrence of Standalone Schemes should be exceptional and that the majority of work delivered under this framework contract will be in the form of Package Contracts. The earliest stage at which the *Client* awards a Standalone Scheme Contract is after completion of the *Client's* PCF Stage 2.

Procurement Route

8.2 The *Client* provisionally allocates a Standalone Scheme to the appropriate regional Lots using the procedure set out in section 3.4.

8.3 Following the allocation of Standalone Schemes to regional Lots the *Client* uses Table 8.1to identify the relevant regional Suppliers that may participate in the award procedure.

Table 8.1Package Contract for a Standalone Scheme Supplier Identification	
Estimated Capital Value	**Relevant Regional Suppliers**
Less than £50 million	Band A Suppliers of the regional Lot
From £50 million to £100 million	Band A and Band B Suppliers of the regional Lots
More than £100 million	Band B Suppliers of the regional Lot

Table 8.1 Package Contract for a Standalone Scheme

8.4 Subject to 8.7 and 8.8 below, if Framework Performance Scores are available, then the best performing Supplier (determined in accordance with Framework Performance Scores) from the Suppliers in the region identified in accordance with Table 8.1 is invited to provide the *Client* with the information necessary for the *Client* to complete the allocation procedure for Standalone Schemes described in section 11. If the best performing Supplier is found to be not eligible (in accordance with Section 10) or is not willing to provide a proposal or does not provide an acceptable proposal for the Standalone Scheme, then the other Suppliers in the region (identified in accordance with Table 8.1) will be invited to participate in the award procedure using the process set out in paragraph 8.5. If the best performance score is the same for two or more Suppliers, then those Suppliers will be invited to participate in the quality award procedure described in section 12. If none of the relevant regional Suppliers are found to be eligible (in accordance with Section 10) or are not willing to provide a proposal or do not provide an acceptable proposal for the Standalone Scheme, then the Suppliers across all framework Lots are engaged in accordance with the contingency procedure described in section 13.

8.5 If Framework Performance Scores are not available, then the regional Suppliers (identified in accordance withTable 8.1) provide the *Client* with the information necessary to complete the eligibility procedure described in section 10. Following completion of the eligibility procedure

a) if two or more of the relevant regional Suppliers are eligible then they are invited to submit a proposal in accordance with the quality award procedure described in section 12,

b) If only one of the relevant regional Suppliers is eligible then it is invited to provide the *Client* with the information necessary for the *Client* to complete the allocation procedure described in section 11,

c) if none of the relevant regional Suppliers are eligible then the Suppliers across all framework Lots are engaged in accordance with the contingency procedure described in section 13.

8.6 A flow chart that illustrates the award procedures for Standalone Scheme Contracts is included in Annex 8.

Standalone Schemes arising from poor performance

8.7 If a Standalone Scheme arises due to the poor performance of a Supplier, then the poorly performing Supplier is excluded from the contract award process for that Standalone Scheme. If the poorly performing Supplier is a consortium then any member of the consortium is excluded from the contract award process. If the poorly performing Supplier is a single company then any consortium containing that company is excluded from the contract award process.

8.8 If Scheme requirements arise from poor performance or a failed Supplier, and the Scheme has commenced PCF stage 6, the *Client* may undertake a new procurement outside the framework contract.

9 Award of Early Orders

Background

9.1 Early Orders may include Budget setting, specialist advice on planning and constructability and surveys.

Procurement Route

9.2 Early Orders may only be awarded to Suppliers by the *Client* following the award of a Package Contract. Early Orders are awarded using the procedures set out in the Package Contract.

10 Eligibility Procedure

Exclusion – Change in Circumstances

10.1 The *Supplier* is ineligible and excluded from the contract award process if

a) there has been a material change in the *Supplier's* circumstances and the *Client* excludes the *Supplier* in accordance with paragraph 5.36 and

b) the *Supplier* (or, where the *Supplier* is a joint venture, any consortium member) is taken over by, or merges with, another Supplier (or any consortium member of another *Supplier*) and pending termination of either framework contract, the *Client* decides to exclude the *Supplier* from any award procedure that it would otherwise have issued (or been obliged to issue) to the *Supplier*.

Exclusion – Inadequate Performance

10.2 Good on-going performance of the *Supplier* is a prerequisite to the award of new Work Orders. The *Supplier* is ineligible and excluded from the contract award process if

a) it fails to submit an acceptable Inclusion Action Plan in accordance with paragraph 5.30,

b) it fails to set a StART3 development plan that is in accordance with the *Client's* published guidelines, as outlined in 5.38 (a joint venture *Supplier* will be excluded if any Consortium Member fails to submit a StART3 development),

c) it has a 1 star performance rating as defined in paragraph 5.46,

d) it has a score of 0 for any Performance Metric,

e) it has not produced an SCMM Action Plan in the form which the framework contract requires,

f) it is not taking action at all to reduce the total number of Quality Management Points in effect under any Scheme Contract to below the Threshold Level following the issue of a quality warning notice,

g) it fails to provide the required UKAS approved accreditation not later than 12 months after the date of contract award and

h) it is subject to a Consult Notice.

11 Allocation Procedure

11.1 The *Client* does not use the allocation procedure until a minimum of 18-months of full performance data is available for each supplier under the relevant Lot of the framework contract.

Standalone Scheme Contracts

11.2 The *Client* prepares a draft contract using the template documents included within the framework contract. The *Client* fixes and publishes the SOFA for the Standalone Scheme. The *Supplier* (identified in paragraph 8.4) reviews the draft Standalone Scheme Contract and the SOFA for the Standalone Scheme and confirms whether it will provide a proposal.

11.3 The Supplier prepares and submits a Standalone Scheme proposal in the timescale set by the *Client*. The proposal comprises

a) a quality submission in accordance with Annex 9, incorporating the Standalone Scheme commitments included in the framework quality plan,

b) a cash flow forecast for the Development Phase Activities in accordance with the *quotation information* and

c) information required to enable the *Client* to fulfil its obligations under the CDM Regulations relating to the *Supplier's* appointment as Principal Designer and Principal Contractor for the Standalone Scheme.

11.4 The procedure for accepting the cash flow forecast for the Development Phase Activities is set out in the *quotation information*.

11.5 The *Client* replies to the other aspects of the proposal within 2 weeks of the Supplier's submission. If the reply is not acceptance, the *Client* states the reasons. A reason for not accepting the other aspects is that the submission:

a) does not contain all the information required by Annex 9,

b) is not in accordance with the framework contract; or

c) does not include all the information required to enable the *Client* to fulfil its obligations under the CDM Regulations.

11.6 The *Supplier* makes a revised submission taking account of the *Client's* reasons. The *Client* replies within two weeks either

a) accepting the revised submission; or

b) notifying the *Supplier* that the revised submission is not accepted for a reason stated in paragraph 11.5 above.

11.7 If the proposal fails to meet the requirements of 11.5 following a maximum of three submissions, then the *Supplier* will be deemed to have rejected the offer of a contract and will not be offered it further. In this circumstance, the *Supplier* is excluded from the award procedure for the Standalone Scheme and the procedure in paragraph 8.4 is repeated without the excluded Supplier.

11.8 On acceptance of the *Supplier's* proposal, the *Client* awards the Standalone Scheme Contract to the Supplier in accordance with the contract award procedure.

Package Contracts

11.9 The *Client* prepares a draft Package Contract using the template documents included within the framework contract. The *Client* publishes the SOFA for each Scheme within the Package Contract.

11.10 The provisional allocation of Package Contracts is based on the *Supplier's* Framework Performance Score with the highest scoring Supplier in each Lot given the first preference of the available Package Contracts. Following provisional allocation and the application of preferences, the *Supplier* reviews the draft Package Contract and the SOFA for each Scheme and confirms whether it will provide a proposal to deliver the Package Contract.

11.11 Eligibility checks in accordance with Section 10 are undertaken by the *Client*. If the exclusion grounds apply, then the *Supplier* is excluded from the allocation of the Package Contract either in whole or in part depending whether the exclusion grounds apply to every Scheme within the Package Contract.

11.12 The Supplier prepares and submits a Package Contract proposal in the timescale set by the Client. The proposal comprises

a) a lump sum for the mobilisation Early Order in accordance with the *quotation information.*

11.13 The procedure for accepting the lump sum for the mobilisation Early Order is set out in the quotation information.

11.14 On acceptance of the *Supplier's* proposal, the *Client* awards the Package Contract to the Supplier in accordance with the contract award procedure.

11.15 Schemes removed from a provisional Package Contract are procured as Standalone Schemes using the contingency procedure described in section 13. The *Supplier* from which the Scheme has been removed is

excluded from participating in the award process for the Standalone Scheme.

12 Quality Award Procedure

12.1 The quality award procedure involves partly re-opening the competition based on quality only criteria for the award of Standalone Scheme Contracts in the circumstances set out in the first bullet of paragraph 8.5 or the first bullet of paragraph 13.2. There will not be any price competition.

12.2 As set out in paragraph 11.2 the *Client* fixes and publishes the SOFA for the Standalone Scheme. The *Client* prepares a Standalone Scheme Contract using the template documents included within the framework contract. The selected Suppliers review the draft Standalone Scheme Contract and the maximum budget for the Standalone Scheme and confirm whether they will provide a proposal. If only one of the selected Suppliers is willing to provide a proposal, then the Standalone Scheme allocation procedure in section 11 will be used to award the Standalone Scheme Contract.

12.3 The selected Suppliers submit a quality submission in accordance with Annex 9 and a lump sum price in accordance with the *quotation information*.

12.4 The *Supplier's* methodology statement incorporates the Scheme commitments included in the framework quality plan.

12.5 A *Client* quality panel assesses the proposal and determines its acceptability using the assessment criteria given in Annex 9 and calculates the *Supplier*'s score using the methodology in Annex 9.

12.6 The Standalone Scheme Contract is awarded to the supplier with the highest quality score.

12.7 If a Standalone Scheme Contract is not capable of being awarded in accordance with this procedure's terms, then the contingency procedure will be applied.

13 Contingency Procedure

13.1 Where the contingency procedure applies pursuant to paragraph 8.5 the *Client* uses Table 13.1to identify the relevant national Suppliers (from across all Lots) that may participate in the award procedure for the Standalone Scheme.

Table 13.1 **Package Contract for a Standalone Scheme (no regional capacity)** **Supplier Identification**	
Estimated Capital Value	**Relevant National Suppliers**
Less than £50 million	Band A
From £50 million to £100 million	All Suppliers
More than £100 million	Band B

Table 13.1 - Package Contract for a Standalone Scheme (no regional capacity)

13.2 The relevant national Suppliers identified in accordance with Table 13.1provide the *Client* with the information necessary to complete the Standalone Scheme eligibility procedure described in section 10. Following completion of the Standalone Scheme eligibility procedure

a) if two or more relevant national Suppliers are eligible then they are invited to submit a proposal in accordance with the quality award procedure described in section 12,

b) If only one of the relevant national Suppliers is eligible then it is invited to provide the *Client* with the information necessary for the *Client* to complete the allocation procedure described in section 11 and

c) if none of the relevant national Suppliers are eligible then the *Client* may commence a new public procurement exercise, outside the framework contract.

14 Direct awards

14.1 A direct award procedure may only be used where emergency works are required for example for health and safety reasons such that timescales does not allow the *Client* to follow the allocation procedure, quality award procedure or contingency procedure. The duration of directly awarded contracts is no longer than necessary to allow the *Client* to award a contract in accordance with the allocation procedure, quality award procedure or contingency procedure.

14.2 The procedure to be used for direct award is as follows:

a) The *Client* provisionally allocates the Work Order to the appropriate regional Lots based on the geographical characteristics of the Scheme using the procedure set out in section 3.4.

b) The Work Order is allocated to the Supplier within the appropriate Lots that

i) has the resources available to respond immediately,

ii) is the best performing Supplier or if performance data is not available

iii) attained the highest overall score in the original framework competition.

c) The Supplier is appointed on an Option E cost reimbursable basis. The relevant fees and percentages in the *quotation information* are used to complete the Contract Data part two.

15 Contract Awards

15.1 Contract awards under the framework contract relate to Package Contracts, Standalone Scheme Contracts, Early Orders (following the award of a Package Contract) and direct awards only.

15.2 When satisfied that the correct procedures have been followed, and the *Client's* internal governance is completed, the *Client's Representative* notifies all the Suppliers that participated in the allocation procedure, quality award procedure, contingency procedure of direct awards of the outcome of the procedure and states which Supplier will be awarded the Work Order.

15.3 If the *Supplier*'s proposal is accepted the *Client* awards the contract to the *Supplier*. All suppliers on the Lot are notified of the contract award or, in the case of an award on a contingency basis, all Suppliers will be notified of the contract award.

15.4 The *Client* reserves the right not to proceed with any proposal made in response to an invitation under the allocation procedure, quality award procedure or contingency procedure.

Annex 1 Policies & Guidelines

1.1.1 Table A1.1 provides hyperlinks to documents referenced within the Framework Information. Documents unavailable as a hyperlink can be found in an additional document folder on Bravo.

Table A1 **Policies & Guidelines**

Document Name	Link
Client's Anti Bribery Code of Conduct	See Volume_2_DIP_Index
Client's Anti-Fraud Code of Conduct	See Volume_2_DIP_Index
Client's employment policies and codes of practice relating to discrimination and equal opportunities	See Volume_2_DIP_Index
Client's policies relating to bullying and harassment.	See Volume_2_DIP_Index
Crown Commercial Service Procurement Policy Note 13/1501/17, update to Transparency Principles dated February 2017	https://www.gov.uk/government/publications/procurement-policy-note-0117-update-to-transparency-principles
Highways England Lean Maturity Assessment (HELMA)	https://www.gov.uk/guidance/highways-england-lean-maturity-assessment-helma
Highways England Procurement Plan	https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/696655/LEE18_0038_Procurement_Plan_Issue7_March18_V2.pdf
LEAN Procedure	See Volume_2_DIP_Index
RIP/Ops Annual Balanced Scorecard	See Volume_2_DIP_Index
Strategic Business Plan 2015 – 2020	https://www.gov.uk/government/publications/highways-england-strategic-business-plan-2015-to-2020
Supply Chain Health and Safety Maturity Matrix (SCMM)	See Volume_2_DIP_Index
Selection Questionnaire	See Volume_2_DIP_Index

Table A 1-1 **Policies & Guidelines**

*Access to Highways England's Supply Chain Portal will require registration, the form can be found in the additional documents folder 'SharePoint (Supply Chain Portal) Application'.

Annex 2 Highways England (Client) Background

2.1 Highways England Role

2.1.1 Highways England Company Limited (the Client) is a corporate body established on 8 December 2014 as a company wholly owned by the Secretary of State for Transport. It was appointed as a strategic highways company by way of an Order made by the Secretary of State pursuant to section 1 of the Infrastructure Act 2015 (the Act).

2.1.2 Highways England is tasked by the Act with delivering the Road Investment Strategy (RIS) set by the Secretary of State, and to prepare and publish route strategies as directed by the Secretary of State. Highways England carries out its functions in accordance with directions and guidance given by the Secretary of State. The strategy for Road Period 1 (2015 to 2020) is set out in three parts

a) Part 1: Strategic Vision,

b) Part 2: Investment Plan and

c) Part 3: Performance Specification.

2.1.3 The Performance Specification sets out the Government's expectations for Highways England and the strategic road network that it operates, maintains and modernises. This consists of more than 4,300 miles of motorway and major A roads, including a highly complex asset base of more than 16,000 structures, 21,870 lane-miles of pavement, and 110,000 technology assets.

2.1.4 Highways England must align its objectives with the Performance Specification, which draws on specific aspects of Government's long-term vision for the network. The Performance Specification details eight areas on which Highways England must focus

a) making the network safer,

b) improving user satisfaction,

c) supporting the smooth flow of traffic,

d) encouraging economic growth,

e) delivering better environmental outcomes,

f) helping cyclists, walkers, and other vulnerable users of the network,

g) achieving real efficiency, and

h) keeping the Network in good condition.

2.2 Investment Programmes

2.2.1 As described in the Highways England Procurement Plan Road for Investment Strategy period one 2015-2020 (see Annex 1), the *Client* delivers improvements via four capital investment programmes:

i) Complex Infrastructure Programme (CIP) – the programme of very large and complex roads project,

j) Regional Investment Programme (RIP) - the programme for delivering schemes included in the government's Road Investment Strategy (RIS) that do not qualify for inclusion in CIP,

k) Smart Motorways Programme (SMP) - the programme of innovative technology to actively control the flow and speed of traffic and provide driver information on overhead signs and

l) Operations Delivery (OD) – the programme of maintenance and improvement activities comprising regional operations and maintenance contracts and major capital renewals (Ops) schemes.

2.3 Delivering the Regional Investment Programme and Ops Schemes

Vision

2.3.1 The *Client* is seeking to transform the way it delivers major projects, by moving from a project based, to enterprise model of delivery that drives time, cost and quality through the award and management of programmes. This change requires *Client* to develop the processes, systems, structure and culture to support this model of delivery. To support deeper integration between *Client* and the supply chain, it is imperative that Suppliers are aligned to the *Client's* maturity journey. Furthermore, Suppliers have the opportunity to calibrate resources and develop longer term growth plans over an extended period.

Principles

2.3.2 The principles guiding this framework and in the delivery of each Scheme are:

m) a programmatic approach to delivery that promotes long-term relationships, reduces overheads and transaction costs,

n) improved design (right first time) and schedule control to de-risk programme development and delivery,

o) trading relationships with the supply chain based on outcomes, to drive continuous improvement and achieve HE's strategic priorities,

p) regionally focused design and construction communities that share knowledge at the regional and national level to effectively deliver the programme,

q) optimised transition through the project lifecycle is informed by scheme maturity to improve retention of supplier knowledge, corporate knowledge and intelligence and

r) performance improvement focused on value and positioning the Client as the client of choice.

Behaviours

2.3.3 There are a number of key drivers and benefits that the *Client* seeks to attain through a philosophy of collaboration:

s) shared ownership of delivery outcomes that releases the potential of the participants and results in exceptional levels of performance,

t) open and transparent culture – fostering innovation, considered risk-taking, controlled delivery, shared problem-solving and joint investment in solutions – resulting in the creation of dynamic, responsive team-working that delivers better outcomes for all,

u) understanding and maximising the strengths of the Client and its supply chain to maximise capacity and avoid duplication and wasted effort,

v) shared knowledge and innovation - teams that actively demonstrate how to accrue value from repeatability and certainty, and where to seek to innovate and

w) equitable relationships based on trust, fairness and constructive challenge resulting in value-adding outcomes.

Annex 3 Framework Scope

The regions referenced in this *framework scope* are aligned to Highways England's operational regions and to the Nomenclature of Territorial Units for Statistics (NUTS), details of which can be found on the National Archives website

(http://webarchive.nationalarchives.gov.uk/20160106064441/ http://www.ons.gov.uk/ons/guide-method/geography/beginner-s-guide/eurostat/index.html).

3.1 LOT 1: South West & Midlands (<£100 million)

3.1.1 The delivery of packages of work and Standalone Schemes with an estimated value up to £100m. Lot 1 schemes will be in the South West and Midlands regions of England. To provide a national contingency, Lot 1 Suppliers may deliver Standalone Schemes elsewhere in England in the circumstances described in the Framework Information.

3.2 LOT 2: South East and East (< £100m)

3.2.1 The delivery of packages of work and Standalone Schemes with an estimated value up to £100m. Lot 2 schemes will be in the South East and East regions of England. To provide a national contingency, Lot 2 Suppliers may deliver Standalone Schemes elsewhere in England in the circumstances described in the Framework Information.

3.3 LOT 3: North (< £100m)

3.3.1 The delivery of packages of work and Standalone Schemes with an estimated value up to £100m. Lot 3 schemes will be in the Yorkshire and the Humber, North East and North West regions. To provide a national contingency, Lot 3 Suppliers may deliver Standalone Schemes elsewhere in England in the circumstances described in the Framework Information.

3.4 LOT 4: South West (> £100m)

3.4.1 The delivery of packages of work with an estimated value above £100m and Standalone Schemes of any value. Lot 4 schemes will be in the South West region. To provide a national contingency, Lot 4 Suppliers may deliver Standalone Schemes elsewhere in England in the circumstances described in the Framework Information.

3.5 LOT 5: Midlands (> £100m)

3.5.1 The delivery of packages of work with an estimated value above £100m and Standalone Schemes of any value. Lot 5 schemes will be in the

Midlands region. To provide a national contingency, Lot 5 Suppliers may deliver Standalone Schemes elsewhere in England in the circumstances described in the Framework Information.

3.6 LOT 6: South East (> £100m)

3.6.1 The delivery of packages of work with an estimated value above £100m and Standalone Schemes of any value. Lot 6 schemes will be in the South East region. To provide a national contingency, Lot 6 Suppliers may deliver Standalone Schemes elsewhere in England in the circumstances described in the Framework Information.

3.7 LOT 7: East (> £100m)

3.7.1 The delivery of packages of work with an estimated value above £100m and Standalone Schemes of any value. Lot 7 schemes will be in the East region. To provide a national contingency, Lot 7 Suppliers may deliver Standalone Schemes elsewhere in England in the circumstances described in the Framework Information.

3.8 LOT 8: North (> £100m)

3.8.1 The delivery of packages of work with an estimated value above £100m and Standalone Schemes of any value. Lot 8 schemes will be in the Yorkshire and Humber, North East or North West regions. To provide a national contingency, Lot 8 Suppliers may deliver Standalone Schemes elsewhere in England in the circumstances described in the Framework Information.

3.9 All Lots

3.9.1 The scope of Lots 1 to 8 includes for RIP schemes and Ops schemes:

x) Support PCF Stage 2

i) specialist advice on planning and constructability; and where instructed Investigative and intrusive surveys.

y) Accountable for PCF stages 3-7

i) responsible for the detailed design and construction of the designated project.

ii) managing their designers to produce optimum solutions, in-house resource & specialist supply chain to construct scheme, ensuring the scheme is delivered to time, cost and performance outcomes.

iii) the DIP will act as the Regional integrator between the HE, TAP, DIP supply chain and key stakeholders to deliver an integrated solution. With specialisms including but not limited to

- Preliminary design,
- specialist advice on the whole-life-costing and future maintenance/inspection requirements and provisions,
- development of collaboration arrangements,
- Supply Chain Strategy,
- development of progress approvals & planning consents & DCOs,
- Constructability and Value Engineering reviews,
- Risk management,
- Development of H&S, Environmental, and Quality plans for executing works,
- construction and commissioning of enabling and construction works,
- Principal Contractor and Principal Designer under CDM duties,
- revision and agreement of final account,
- defects rectification and aftercare,
- hand over asset,
- Strategic Programme Office related services:
    - Planning & production strategy,
    - Regional Procurement strategy & materials logistics plan,
    - Commercial management,
    - Digital platform transformation,
    - Skills & capability strategy to minimise regional skills gap,
    - Performance Management Office,
    - Health, Safety & Welfare. Other duties as instructed by the Project Manager.

Annex 4 Parent Company Guarantee

HIGHWAYS ENGLAND COMPANY LIMITED

as Client

[●]

as Guarantor

PARENT COMPANY GUARANTEE

relating to the Regional Development Partnership Framework

for work in Highways England's [●] Region

DATED [●]

PARTIES

(1) **HIGHWAYS ENGLAND COMPANY LIMITED** (company no 09346363) whose registered office is at Bridge House, 1 Walnut Tree Close, Guildford, Surrey GU1 4LZ (the "**Client**")

(2) [●] (company no [●]) whose registered office is at [●] (the "**Guarantor**")

BACKGROUND

(A) By the Contract, the Client has employed the Contractor to provide certain works and services in relation to the Client's [●] Region.

(B) The Guarantor is the [ultimate][1] parent company of the Contractor.

(C) The Guarantor has agreed to guarantee the due performance by the Contractor of its obligations under the Contract in the manner set out in this deed.

OPERATIVE PROVISIONS

1 DEFINITIONS AND INTERPRETATION

1.1 Unless the contrary intention appears, the following definitions apply:

"**Contract**" means the framework contract dated [●] between the Client (1) and the Contractor (2) for the provision of works and services in relation to the Client's [●] Region and includes any work orders issued by the Client pursuant to the Contract.

"**Contractor**" means [●] (company no [●]) whose registered office is at [●].

"**Insolvency Event**" means the Contractor being unable to pay its debts (as defined by Sections 123(1) and 268(1) of the Insolvency Act 1986) or any corporate action, legal proceedings or other procedure or step is taken in relation to:

(a) suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of the Contractor other than a solvent liquidation or reorganisation of the Contractor;

(b) a composition, assignment or arrangement with any creditor of the Contractor;

(c) the appointment of a liquidator, receiver, administrator, administrative receiver, compulsory manager or other similar officer in respect of the Contractor or any of its assets; or

(d) enforcement of any security over any assets of the Contractor,

[1] Note to Procurement Officer: delete if not applicable.

or any analogous procedure or step is taken in any jurisdiction.

"**Works**" means the works (and ancillary services) to be carried out by the Contractor under work orders issued by the Client pursuant to the Contract.

1.2 The clause headings in this deed are for the convenience of the parties only and do not affect its interpretation.

1.3 Words importing the singular meaning include the plural meaning and vice versa.

1.4 Words denoting the masculine gender include the feminine and neuter genders and words denoting natural persons include corporations and firms and all such words shall be construed interchangeably.

1.5 References in this deed to a clause are to a clause of this deed.

1.6 References in this deed to any statute or statutory instrument include and refer to any statutory amendment or re-enactment for the time being in force.

2 GUARANTEE

2.1 In consideration of the Client agreeing to enter into the Contract with the Contractor, the Guarantor irrevocably and unconditionally guarantees and undertakes to the Client that:

a) the Contractor will perform and observe all its obligations under the Contract at the times and in the manner provided in the Contract; and

b) in the event of any breach of such obligations by the Contractor, the Guarantor shall procure that the Contractor makes good the breach or otherwise cause it to be made good and shall indemnify the Client against any loss, damage, demands, charges, payments, liability, proceedings, claims, costs and expenses suffered or incurred by the Client arising from or in connection with it.

2.2 The Guarantor shall also indemnify the Client against:

a) any costs, losses and expenses (including legal expenses) which may be suffered or incurred by the Client in seeking to enforce and enforcing (i) this Guarantee and/or (ii) any judgment or order obtained in respect of this Guarantee; and

b) any loss or liability suffered or incurred by the Client if any of the obligations of the Contractor under the Contract is or becomes illegal,

invalid or unenforceable for whatsoever reason as if such obligations were not illegal, invalid or unenforceable.

2.3 Any limitation or defence which would have been available to the Contractor in an action under the Contract shall likewise be available to the Guarantor in a corresponding action under this deed, provided that nothing in this clause shall:

a) prejudice or affect any liability of the Guarantor under clause 2.2; nor

b) allow the Guarantor to avoid liability if either of the events specified in clause 5 occurs.

3 GUARANTOR'S LIABILITY

3.1 The obligations of the Guarantor under this deed are in addition to and independent of any other security which the Client may at any time hold in respect of the Contractor's obligations under the Contract and may be enforced against the Guarantor without first having recourse to any such security.

3.2 The obligations of the Guarantor under this deed are in addition to and not in substitution for any rights or remedies that the Client may have against the Contractor under the Contract or at law.

3.3 The liability of the Guarantor under this deed shall in no way be discharged, lessened or affected by:

a) an Insolvency Event;

b) any change in the constitution, status, function, control or ownership of the Contractor or any legal limitation, disability or incapacity relating to the Contractor or any other person;

c) the Contract or any of the provisions of the Contract being or becoming illegal, invalid, void, voidable or unenforceable;

d) any time given, waiver, forbearance, compromise or other indulgence shown by the Client to the Contractor;

e) the assertion or failure to assert or delay in asserting any rights or remedies of the Client or the pursuit of any right or remedy of the Client;

f) the giving by the Contractor of any security or the release, modification or exchange of any such security or the liability of any person; or

g) any other act, event, omission or circumstance which but for this provision might operate to discharge, lessen or otherwise affect the liability of the Guarantor,

3.4 in each case with or without notice to, or the consent of, the Guarantor and the Guarantor unconditionally and irrevocably waives any requirement for notice of, or consent to, such matters.

3.5 Any decision of an adjudicator, expert, arbitral tribunal or court in respect of or in connection with the Contract and any settlement or arrangement made between the Client and the Contractor shall be binding on the Guarantor.

4 VARIATIONS TO THE CONTRACT

4.1 The Guarantor authorises the Contractor and the Client to make any addition or variation to the Contract, the due and punctual performance of which shall likewise be guaranteed by the Guarantor in accordance with the terms of this deed. The liability of the Guarantor under this deed shall in no way be discharged or lessened by any such addition or variation.

5 LIQUIDATION/DETERMINATION

5.1 The Guarantor covenants with the Client that:

a) if a liquidator is appointed in respect of the Contractor and the liquidator disclaims the Contract; or

b) if the Contractor's employment under the Contract is determined for any reason,

the liability of the Guarantor under this deed shall remain in full force and effect.

6 WAIVER

6.1 The Guarantor waives any right to require the Client to pursue any remedy (whether under the Contract or otherwise) which it may have against the Contractor before proceeding against the Guarantor under this deed.

7 RIGHTS OF GUARANTOR AGAINST CONTRACTOR

7.1 The Guarantor shall not by any means or on any ground seek to recover from the Contractor (whether by instituting or threatening proceedings or by way of set-off or counterclaim or otherwise) or otherwise to prove in competition with the Client in respect of any payment made by the Guarantor under this deed nor be entitled in competition with the Client to claim or have the benefit of any security which the Client holds for any money or liability owed by the Contractor to the Client. If the Guarantor shall receive any monies from the Contractor in respect of any payment made by the Guarantor under this deed, the Guarantor shall hold such monies in trust for the Client for so long as the Guarantor remains liable or contingently liable under this deed.

8 CONTINUING GUARANTEE

8.1 The terms of this deed are a continuing guarantee and shall remain in full force and effect until each part of every obligation of the Contractor under the Contract has been performed and observed and until each and every liability of the Contractor under the Contract has been satisfied in full.

9 THIRD PARTY RIGHTS

9.1 Unless the right of enforcement is expressly granted, it is not intended that any third party should have the right to enforce any provision of this deed pursuant to the Contracts (Rights of Third Parties) Act 1999.

10 NOTICES

10.1 Any notice or other communication required under this deed shall be given in writing and shall be deemed to have been properly given if compliance is made with section 196 of the Law of Property Act 1925 (as amended by the Recorded Delivery Service Act 1962 and the Postal Services Act 2000).

11 GOVERNING LAW

11.1 The application and interpretation of this deed shall in all respects be governed by English law and any dispute or difference arising under it shall be subject to the exclusive jurisdiction of the courts of England and Wales save that any decision, judgment or award of such courts may be enforced in the courts of any jurisdiction.

This deed has been executed as a deed and delivered on the date stated at the beginning of this deed.

EXECUTION PAGE

Executed as a deed by **[GUARANTOR]** acting by [*name of director*] in the presence of:

Director

Name of witness:

Signature of witness:

Address:

Occupation:

or

Executed as a deed by **[GUARANTOR]** acting by:))

tor

tor/Secretary

Annex 5 Data Processing

1 Type of Data to be processed

Data associated with land ownership and use.

2 Categories of Data Subject whose Data will be processed

Personal information such as names, addresses contact details etc. and more detailed information about the operation of business, use of property on the land and perceived impacts to the land.

3 Nature and purpose of processing

For discussion and agreement on land valuation.

4 Duration of processing

For the duration of the Development Consent Order process and for five years following receipt of the Development Consent Order.

Annex 6 Framework Quality Plan – Commitments Register

The *Supplier* completes the template commitments register (below) to incorporate all of the tendered commitments that are identified for inclusion by the *Client*.

Framework Quality Plan **Commitments Register**			
Commitment			**Application**
Ref.	**Description**	**Tender Reference**	[Describe how the commitment will be fulfilled, for example, by inclusion in the Scheme quality plan]

Annex 7 Inclusion Action Plan

Guidance for Suppliers

Highways England's objective is to embed the principles of equality, diversity and inclusion into all areas of our business, driving real change in how we work with our customers and communities, our supply chain and our employees. We believe that in order to achieve our vision of being the world's leading road operator we must better understand and meet the different needs of our large and diverse customer base and factor these needs in to the design and delivery of service.

This requires us to work collaboratively with partners so that our workplaces are inclusive, and the strategic road network is accessible and integrated for both our users and communities living alongside the network. We therefore require our suppliers to demonstrate how they develop an iterative approach in supporting Highways England in meeting its equality, diversity and inclusion objective through the life of the contract. We also believe that to achieve outstanding performance we must attract, recruit, develop and retain talented people from all groups within the active labour force and then work to ensure an inclusive environment in which all can thrive. Highways England expects our suppliers to share and promote the same values in terms of Equality, Diversity and Inclusion as well as supporting our wider vision.

The purpose of the Inclusion Action Plan is to cover the key areas of Equality, Diversity and Inclusion by fulfilling the objectives described above.

The Action Plan should be accompanied by some contextual information including reference to your key relevant policies. The Action Plan should relate specifically to the work you are contracted for.

All relevant information for the submission is to be included and the total Action Plan should not exceed 20 pages with the exception of any appendices. Any appendices should only include relevant policies as any other information is not considered. Within the action plan outline how you ensure that EDI requirements are met within your organisation and cross your team selected to deliver this service paying particular attention to how you

- attract, recruit and retain a greater diversity of new entrants to the sector,
- ensure the working culture, practice and environment is inclusive,
- consider and understand the diverse needs of customers and neighbouring communities,
- holding yourselves and your supply chain to account in delivering the above,
- monitor and evidence year on year improvements and
- describe what success looks like for your organisation.

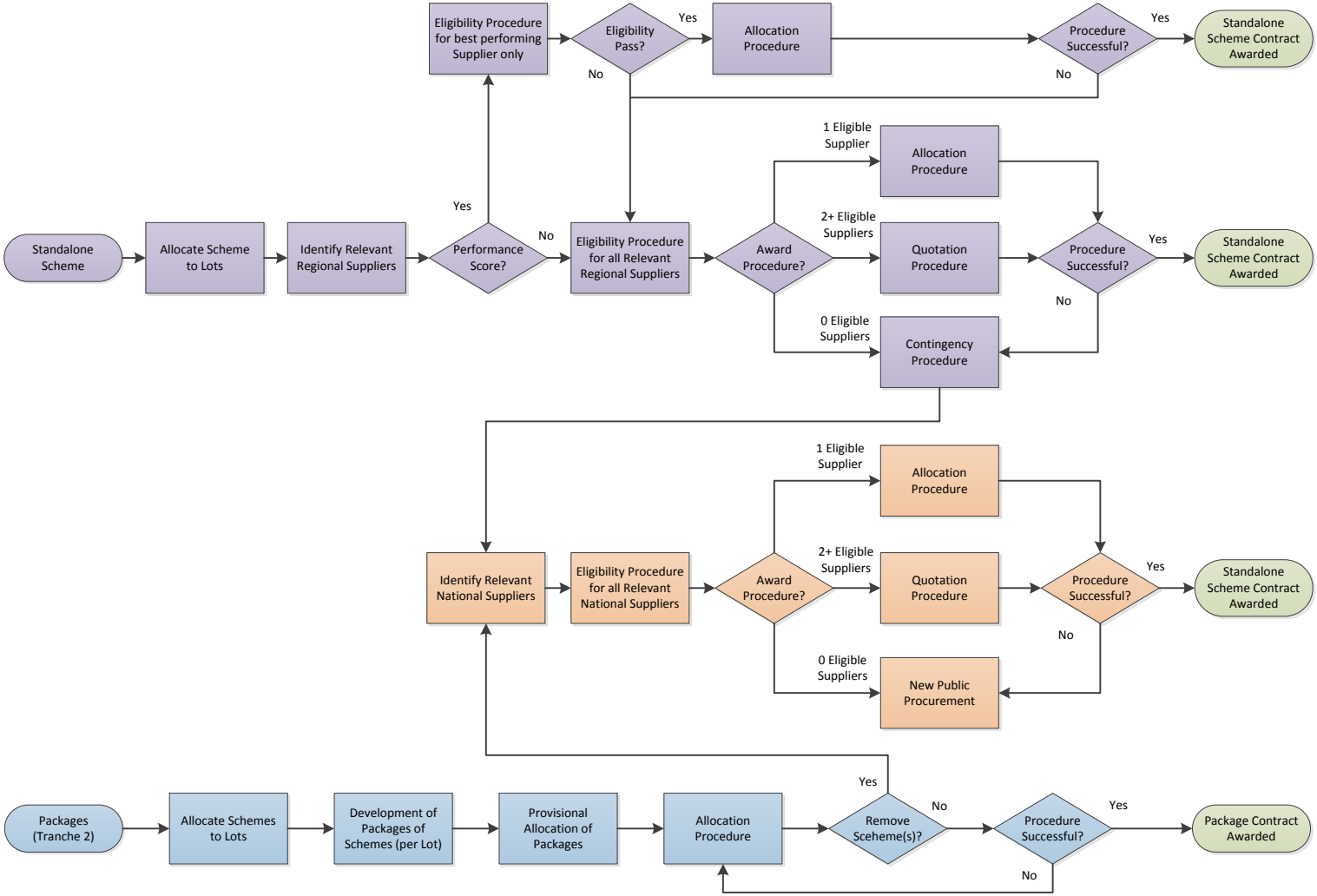
Action Plan Structure

- current position/Baseline - what does your baseline data say about where you are (this should provide some guidance as to the additional actions to be taken or actions to be dis/continued. The Equality Act's protected characteristic groups are: age, disability, gender, gender reassignment, pregnancy and maternity, race, religion/ belief and sexual orientation,
- action/task – what you do to meet the requirements,
- when does this happen – when do you take the action specified above,
- person responsible – who is responsible for this action and
- measure of success (outcome/PI's) – what does success look like, how do you know it has made a tangible difference and the difference this activity has made.

The areas covered below are inclusion areas that *Client*, as a minimum, requires Suppliers to include. Additional objectives can be added to those already included below. Any additional objectives vary depending on the situation of the company and in relation to the Scheme.

Inclusion Action Plan							
	Inclusion objective	**Baseline position – where are you now**	**Action/ task to meet requirements**	**When**	**Person responsible**	**Measure of success (MoS) – what difference has this made**	**Target position in 5 years**
1.0	**Employment -Outline the steps you will take to attract, recruit and develop a greater diversity of talent to meet the workforce needs of the Scheme**						
2.0	**Employment – outline the steps you will take to create a working environment and culture that enables everyone to perform to their potential**						
3.0	**Customer and communities – outline the steps you will take to genuinely consider the differing needs of customers and neighbouring communities when making decisions throughout the life of the project**						
4.0	**Governance and accountability- describe how you will hold yourselves and those in your supply chain to account in delivering the and monitoring the difference made in relation to the above**						

Annex 8 Selection and Award Procedures Flowchart


Standalone Scheme
Allocate Scheme to Lots
Identify Relevant Regional Suppliers
Performance Score?
Yes
No
Eligibility Procedure for best performing Supplier only
Eligibility Pass?
Yes
No
Allocation Procedure
Procedure Successful?
Yes
No
Standalone Scheme Contract Awarded
Eligibility Procedure for all Relevant Regional Suppliers
Award Procedure?
1 Eligible Supplier
2+ Eligible Suppliers
0 Eligible Suppliers
Allocation Procedure
Quotation Procedure
Contingency Procedure
Procedure Successful?
Yes
No
Standalone Scheme Contract Awarded
Identify Relevant National Suppliers
Eligibility Procedure for all Relevant National Suppliers
Award Procedure?
1 Eligible Supplier
2+ Eligible Suppliers
0 Eligible Suppliers
Allocation Procedure
Quotation Procedure
New Public Procurement
Procedure Successful?
Yes
No
Standalone Scheme Contract Awarded
Packages (Tranche 2)
Allocate Schemes to Lots
Development of Packages of Schemes (per Lot)
Provisional Allocation of Packages
Allocation Procedure
Remove Sceheme(s)?
Yes
No
Procedure Successful?
Yes
No
Package Contract Awarded

Annex 9 Quality Only Submissions and Assessment

The *Client* will not accept any tender costs associated with this process.

The *Supplier* treats this process as private and confidential. *Suppliers* do not release information concerning the Quality Submission for publication in the press or on radio, television, screen or any other medium.

The Quality Submission is written in English.

The Quality Submission is submitted via Bravo and all queries are raised and answered via Bravo.

Quality Submission

General

The Quality Submission comprises:

- a method statement
- a resource submission (Key people)
- a health & safety submission

as set out in the table below:

Methodology 100%	Method Statement 60%	Programme Risk Management (20%)	22 sides A4
		Cost Management & Efficiency (20%)	
		Innovation (10%)	
		Customer Services & Communication (10%)	
	Resource Submission 40%	CVs	6 CVs
		Programme Resources	Response applicable to all schemes, 5 sides of A4

	Health & Safety Submission	2 Sides of A4

Method Statement

Supplier method statements will respond to a maximum of ten quality questions that will be provided by the *Client* and be related to the Scheme and the *Client's* imperatives. The method statement response will be incorporated into the successful *Supplier's* Scheme Contract and will become contractual obligations.

The method statement is consistent with the Framework Quality Plan and incorporates all relevant items from the Commitments Register.

Resource submission

The resource submission includes

- CVs for Key People listed below
  - Programme level:
    - TBC in line with the key people in the contract
  - Project Level
    - Project Manager
    - Stakeholder Manager
    - Operations Discipline Lead
    - Construction Interface Lead
    - Assessment Discipline lead
    - Infrastructure Discipline lead
    - Lean and Collaborative Planning lead
- A resourcing statement setting out the organisational structure, supply chain strategy and duration for each of the following
  - Programme Management
  - Commercial Management

- Design Management
- Construction Management
- Health & Safety Management
- Quality Management
- Organogram - the organogram should clearly demonstrate the internal reporting relationships and interfaces with the Employer, supply chain and other stakeholders. The organogram must show key roles and the names and proposed location of key people.

Suppliers resources must clearly define all resources to be self-delivered and all strategic sub-contractors to be used to support.

Suppliers should detail how resources will be integrated by your wider Regional Integration Partner role and what resources will be specific for the scheme and overall % to be spent on scheme

Specific resources identified as being critical to the completion of the Scheme Contract will need to be available when required. This will reflect resources already deployed on other Package Contracts within the framework and on other contracts and frameworks with the Employer and other employers. Confidence will be needed to ensure that the required resources are available when required throughout the course of the Package Contract.

Page limit and formatting of submission

The Scheme Allocation Delivery Plan must not exceed the page limit, which is

- twenty two sides of A4 paper for the method statement,
- five sides of A4 paper for the resource submission, excluding the key people CVs, which should be a maximum of two sides of A4 paper each,
- the programme is to be provided on one side of A0 paper and electronically in Primavera or equivalent.
- one side of A3 for the Organogram

Health and Safety Submission

The *Supplier* raises any scheme specific Health & Safety known information and/or risks.

The Health and Safety information is produced in line with the information submitted in the Package Delivery Plan.

The Health and Safety element will be restricted to 2 sides of A4 and will not be used for marking.

Scheme Allocation Delivery Plan Assessment Procedure

Evaluation Method

A Quality Evaluation Panel will mark the method statement using Table 1..

The Quality Evaluation Panel will determine which Quality Submission provides the *Client* with the most confidence that the *Client's* objectives will be delivered and continual improvement achieved.

General

Any uncertainty over the meaning of the Quality Submission will be removed via tender clarification queries and tender clarification responses before the Quality Evaluation Panel complete their marking. No further tender clarification queries on the Quality Submission will be made after the marking is completed.

If necessary to complete their marking, the Quality Evaluation Panel will seek clarifications from the *Supplier* via the Procurement Officer. Clarifications are statements requested from *Suppliers* by the Procurement Officer to remove any uncertainty over the meaning of the Quality Submission. Clarifications will be recorded in writing. If a clarification provides information not requested by the Procurement Officer then this information will not be accepted and may lead to the rejection of a Quality Submission.

Failure to provide satisfactory response within the required timescale for clarifications for any aspect of the Quality Submission may result in the submission being rejected.

If any element of the required submissions is missing then a Quality Submission may be rejected.

Each Annex question will be marked individually, and then averaged.

The minimum requirement is to reach a threshold of 60% in each aspect (method statement and resource submission) of the Quality Submission. A *Supplier* that has

failed to achieve the minimum requirement may not be considered further, and if excluded, the *Supplier* will be notified by the Procurement Officer.

All scores will be rounded to two decimal places.

Table 1 - Marking the Methodology

Banding	Mark	Does the Supplier have sufficient people, equipment and material sourcing to fulfil the needs of the proposed work?
Weak	1	Across **no aspects** of the area of assessment does the approach: • Provide any confidence that the available people resources have a satisfactory level of training, skills or experience. • Demonstrates any provision of equipment and material resources. • Propose/identify any key people available for the duration of this Package Contract.
Weak	2	Across **a minority** of aspects of the area of assessment the approach: • Provides limited level of confidence that the available people resources have a satisfactory level of training, skills or experience and • Provides limited level for provision of equipment and material resources. • Provides limited levels of key people available for the duration of this Package Contract.
	3	Across **approximately half** of the aspects of the area of assessment the approach: • Provides a limited level of confidence that the available people resources have a satisfactory level of training, skills or experience and • Provides limited level for provision of equipment and material resources. • Provides limited levels of key people available for the duration of this Package Contract.
	4	Across **most aspects** of the area of assessment, the approach: • Provides some confidence that the available people resources have a satisfactory level of training, skills or experience and • Partially identifies provision of equipment and material resources. • Some contribution of key people available for the duration of this Package Contract.
Acceptable	5	Across **most aspects** of the area of assessment, the approach: • Provides an adequate level of confidence that the available people

Banding	Mark	Does the Supplier have sufficient people, equipment and material sourcing to fulfil the needs of the proposed work?
		resources have a satisfactory level of training, skills or experience and • Adequate level for provision of equipment and material resources. • Adequate levels of key people available for the duration of this Package Contract
Good	6	Across **all aspects** of the area of assessment, the approach: • Provides an adequate level of confidence that the available people resources have a satisfactory level of training, skills or experience and • Adequate level for provision of equipment and material resources. • Adequate levels of key people available for the duration of this Package Contract
	7	Across **all aspects** of the area of assessment, the approach: • Provides a high degree of confidence that the available people resources have a satisfactory level of training, skills or experience and • High level for provision of equipment and material resources. • Adequate levels of key people available for the duration of this Package Contract
Very Good	8	Across **all aspects** of the area of assessment, the approach: • Provides a high degree of confidence that the available people resources have a satisfactory level of training, skills or experience and • Provides significant level for provision of equipment and material resources and includes contingency planning. • Provides evidence of Key people with relevant experience to the contract • Provides some confidence that the Package Contract will be delivered on time and within budget constraints and will mitigate risks
	9	Across **all aspects** of the area of assessment, the approach: • Provides a very high degree of confidence that the available people resources have a satisfactory level of training, skills or experience and • Significant level for provision of equipment and material resources. • Provides Significant evidence of Key people with relevant experience to the contract • Provides confidence that the Package Contract will be delivered on time and within budget constraints and will mitigate risks • Demonstrates innovation / continuous improvement to deliver

Banding	Mark	Does the Supplier have sufficient people, equipment and material sourcing to fulfil the needs of the proposed work?
		significant benefit / efficiency to Highways England.
Excellent	10	Across **all aspects** of the area of assessment, the approach: • Provides an **excellent degree** of confidence that the available people resources have a satisfactory level of training, skills or experience and • **Exceptional** level for provision of equipment and material resources. • Provides a **High degree** of confidence that the Package Contract will be delivered on time and within budget constraints and will mitigate risks • Demonstrates innovation / continuous improvement to deliver exceptional benefit / efficiency to Highways England.

Banding	Mark	How well do the proposals meet the contract requirements and demonstrate an understanding of the risks to the work?
Weak	1	Across **no aspects** of the area of assessment does the approach presented: • Provide confidence that the requirements are likely to be satisfied and fails to demonstrate appropriate cost and risk control • Provides **any** evidence of key people available for the duration of this Package Contract.
	2	Across **a minority** of aspects of the area of assessment the approach presented: • Provides a limited level of confidence that the requirements are likely to be satisfied; with limited evidence to demonstrate appropriate cost and risk control • Provides limited evidence of key people available for the duration of this Package Contract. • Contributes to the delivery of the project objectives to a limited extent.
	3	Across **approximately half** of the aspects of the area of assessment the approach presented: • Provides a limited level of confidence that the requirements are likely to be satisfied; with limited evidence to demonstrate appropriate cost and risk control • Provides limited evidence of key people available for the duration of this Package Contract. • Contributes to the delivery of the project objectives to a limited extent.

	4	Across **most aspects** of the area of assessment, the approach presented: • Provides some confidence that the requirements are likely to be partially satisfied; with limited evidence to demonstrate appropriate cost and risk control • Provides some evidence of key people available for the duration of this Package Contract. • Partially contributes to the delivery of the project objectives.
Acceptable	5	Across **most aspects** of the area of assessment, the approach presented: • Provides an adequate level of confidence that the requirements are likely to be satisfied; with adequate evidence to demonstrate appropriate cost and risk control • Provides adequate evidence of key people available for the duration of this Package Contract. • Adequately contributes to the delivery of the project objectives.
Good	6	Across **all aspects** of the area of assessment, the approach presented: • Provides an adequate level of confidence that the requirements are likely to be satisfied; with adequate evidence to demonstrate appropriate cost and risk control • Provides adequate evidence of key people available for the duration of this Package Contract. • Adequately contributes to the delivery of the project objectives.
	7	Across **all aspects** of the area of assessment, the approach presented: • Provides a high degree of confidence that the requirements are likely to be satisfied; and evidence to demonstrate appropriate cost and risk control • Provides adequate evidence of key people available for the duration of this Package Contract. • Adequately contributes to the delivery of the project objectives
Very Good	8	Across **all aspects** of the area of assessment, the approach presented: • Provides a high degree of confidence that the requirements are likely to be satisfied; and evidence to demonstrate appropriate cost and risk control • Provides evidence of key people with relevant experience to the contract • Provides some confidence that the Package Contract will be delivered on time and within budget constraints and will mitigate risks • Significantly contributes to the delivery of the project objectives.
	9	Across **all aspects** of the area of assessment, the approach presented: • Provides a very high degree of confidence that the requirements are likely to be satisfied; and evidence to demonstrate appropriate cost and risk control

		• Provides significant evidence of Key people with relevant experience to the contract • Provides confidence that the Package Contract will be delivered on time and within budget constraints and will mitigate risks, clearly demonstrating how collaborative working will be used to achieve the objectives. • Significantly contributes to the delivery of the project objectives; and • Demonstrates innovation / continuous improvement to deliver significant benefit / efficiency to Highways England.
Excellent	10	Across **all aspects** of the area of assessment, the approach presented: • Provides an excellent degree of confidence that the requirements will be satisfied; and evidence to demonstrate appropriate cost and risk control • Provides a High degree of confidence that the Package Contract will be delivered on time and within budget constraints and will mitigate risks, clearly demonstrating how collaborative working will be used to achieve the objectives. • Makes an exceptional contribution to the delivery of the project objectives; and • Demonstrates innovation / continuous improvement to deliver exceptional benefit / efficiency to Highways England.