

# New Prisons Projects (NPP)

## Schedule 4 – Allocation Procedure

## SCHEDULE 4

### ALLOCATION PROCEDURE

This following sets out the procedure that the Client and Alliance Members will follow in relation to the allocation of the Full Sutton Main Works Package during Phase 1B, setting out the evaluation procedure in response to the Alliance Members' response to the specification provided by the Client for the Full Sutton Main Works Package. It is during this procedure that the Alliance Members are required to undertake the Phase 1B services requirements in connection with the initial Allocation Procedure that will determine which Alliance Member will be allocated the Full Sutton Main Works Package and which other Main Works Packages will be allocated to the other Alliance Members.

The Client will notify the Alliance Members once the Allocation Procedure has commenced and concluded.

At the conclusion of the Phase 1A Services, a Phase 1A Conclusion Notice will be issued (which may take the form of an email), following which the Alliance Manager will issue the following documents to the Alliance Members (as part of the **"Full Sutton Project Brief"**):

- The draft "Contract Data: Part One" that will be annexed to the Notice to Proceed to Phase 2 in respect of the Full Sutton Main Works Package following the conclusion of the Allocation Procedure.
- The "Scope" that will be referred to in such "Contract Data: Part One" (and which will set out the Client's specification and other requirements in connection with the design and construction of the Full Sutton Main Works Package).
- Any ancillary information that the Client intends to include and/or refer to in such "Contract Data: Part One" (e.g. "Site Information" etc.).
- A draft form of "Contract Data: Part Two" that will be annexed to the Notice to Proceed to Phase 2 in respect of the Full Sutton Main Works Package following the conclusion of the Allocation Procedure and which each Alliance Member will be required to populate with its responses to the same as part of the Allocation Procedure.
- A submission pack. (Including compliance / submission requirements).

The Alliance members will be required to review and respond to the Full Sutton Project Brief within the time period specified by and in accordance with any requirements specified by the Alliance Manager when issuing the Full Sutton Project Brief to the Alliance Members (with this document being the **"Full Sutton Response"**).

The Full Sutton Response submitted by an Alliance Member in respect for the Allocation Back must include the following information (in addition to any specific requirements that are specified by the Alliance Manager when issuing the Full Sutton Project Brief to the Alliance Members):

- Confirmation that it accepts the "Contract Data: Part One" document forming part of the Full Sutton Project Brief (including all documents referred to and forming part of the same) as drafted (subject to the resolution of any clarification requests that are raised during the period referred to in the Alliance Manager's instructions when issuing the Full Sutton Project Brief).
- A fully populated "Contract Data: Part Two" that includes, amongst the other "to be

completed" sections of such document, its Full Sutton Project Proposals, confirmation of the Alliance Member's fixed price lump sum for the construction of the Full Sutton Main Works Package that complies with the requirements of the "Pricing Methodology" table below.

- Fixed lump sums for elements identified for the Main Works Packages that are not the Full Sutton Main Works Package in accordance with the requirements of the "Pricing Methodology" table below.
- Further to the above, its proposed Agreed Main Works Package Prices for the Full Sutton Main Works Package.
- Logistics plan, detailing off site manufacturing production plans and methodology.
- Detailed programme.
- Staff breakdown including organograms and CV's.
- Health and safety methodology.
- Full breakdowns of all packages including full visibility of all package price build ups. Analysis and supportive quotations.

Full details of the requirements for the Full Sutton Responses (including the timescale within which the Alliance Members will be required to submit their Full Sutton Responses, any submission and response time periods in respect of clarification questions and, as may be required by the Client, meetings with each Alliance Member to discuss the content of their Full Sutton Response (for clarification and not assessment purposes only) will be detailed in the Alliance Manager's instructions as accompanied by the Full Sutton Project Brief.

The following information is an outline of the requirements of the pricing-related elements of the Full Sutton Response as referred to above (and which, in the context of the Full Sutton Main Works Package, will comprise and inform the fixed price submitted by each Alliance Member):

<b>Allocation Procedure - Pricing Methodology</b>	
<b>Cost Element</b>	<b>Pricing Requirement from Alliance Members</b>
<b>Part A – the Full Sutton Main Works Package</b>	
Preliminaries – management and staff	Determined by reference to the relevant prices and fee percentages set out in in the Alliance Member's FAC-1 Prices to be submitted as fixed costs for the duration of the Full Sutton Works Package as set out in the Timetable for Full Sutton as set out in the Full Sutton Brief Each Alliance Member may, on the advance written approval of the Alliance Manager, recalculate these prices to reflect any extended durations to which the fees relate should the actual construction programme (referred to as the "Programme" in the

	<p>Main Works Terms) materially change from the period(s) relevant to the Full Sutton Main Works Package as set out in the Timetable as at the date of the Full Sutton Response</p>
Preliminaries – plant, accommodation etc	<p>Alliance Member to provide full details of its proposals in respect of this element of the</p> <p>design and construction of the Full Sutton Main Works Package on an Open Book basis.</p>
Alliance Member design fees	<p>Alliance Member to provide full details of its proposals in respect of this element of the design and construction of the Full Sutton Main Works Package on an Open Book basis.</p>
Work packages (nett trade value)	<p>Alliance Member to provide full details of its proposals in respect of this element of the design and construction of the Full Sutton Main Works Package on an Open Book basis.</p> <p>Alliance Members will need to demonstrate a minimum of three compliant bids from their selected Supply Chain members for the Full Sutton Main Works Package, design fees and preliminaries (plant, accommodation etc) and provide an assessment of each.</p> <p>Key component pricing agreed with key tier 2 and 3 suppliers engaged during Phase 1A to be carried forward into the pricing element of the Full Sutton Response (e.g. cell, windows, cell doors, precast works, MEP elements, prefabricated elements).</p> <p>Alliance members are to note that this information as appropriate may be carried forward and used as part of the Main Works Package Procedure.</p>
Insurances	<p>Each Alliance Member is required to price for taking out and maintaining the insurances that are referred to in the "Contract Data: Part One" document forming part of the Full Sutton Project Brief, using its proposals and costs in respect of the same in the FAC-1 Prices as a benchmark in the event that the requirements in such document materially change from what is set out in the template "Contract Data: Part One" document set out in the FAC-1 Contract as at the FAC-1 Contract Commencement Date.</p>

Alliance Member / contractor risk	Each Alliance Member is to provide a fully populated risk register as required by the Main Works Terms and as set out in the Full Sutton Project Brief
Fee Percentage	Determined by reference to the relevant prices and fee percentages set out in each Alliance Member's FAC-1 Prices and/or its FAC-1 Proposals (as applicable), without any further adjustments.
<b>Part A - FULL SUTTON PRICE DETERMINATION</b>	
Part B - Additional Elements that maybe required on the Main Works Packages that are not the Full Sutton Main Works Package:  Package:	
Design derogations on the Main Works Packages that are not the Full Sutton Main Works Package only as described in the Full Sutton Project Brief including  but not limited to the following:  - pitched roofs on houseblocks  - additional house block	Alliance Member to provide full details of its proposals in respect of this element of the design and construction of such Main Works Packages on an Open Book basis.
Site specific design on the Main Works Packages that are not the Full Sutton Main Works Package only as described in the Full Sutton Project Brief	Using the data from the Allocation Procedure where applicable. Provide an audit trail of the pricing submissions submitted by the Alliance Members (as part of their Full Sutton Responses) to demonstrate best value for money carried forward.
Location factor adjustment	Any proposed adjustment to the prices submitted by the Alliance Member should it be allocated a Main Works Package pursuant to the Allocation Procedure that is located in the South of England (based upon but not exceeding the "Location Factor Adjustment" in the CCS Framework Agreement).
Inflation (NB this supersedes the indexation clause in the CCS Framework Agreement):	If there is a change in the AWE (Average Weekly Earnings), Private Sector Total Weekly Earnings (KAC4) index between the FAC-1 Contract Commencement Date (the "base date") and the date on which the Alliance Members are required to submit their Allocation Responses (the " <b>submission date</b> ") (resulting in an "indexation adjustment percentage")

	<p>(this being the difference between the value of that index as at the base date and its value as at the submission date), an Alliance Member may choose (but is not obliged) to apply the indexation adjustment percentage in whole or in part to its management and staff rates included in each Alliance Member's FAC-1 Prices and/or FAC-1 Proposals (as applicable) in order to increase the same to account for the change</p>
<p>Part B – MAIN WORKS PACKAGES</p> <p>THAT ARE NOT THE FULL SUTTON MAIN WORKS PACKAGE OPTIONS</p>	

Following receipt and assessment of the Full Sutton Responses, the Client and the Alliance Manager will evaluate the same in accordance with the instructions that were issued to the Alliance Members with the Full Sutton Project Brief and the Alliance Member with the lowest and fully compliant Full Sutton Response in respect of the Full Sutton Main Works Package will, subject to the Client's internal approval process and the pricing elements of its Full Sutton Response being within the Client's approved budget for the Full Sutton Main Works Package, be allocated the Full Sutton Main Works Package and, in accordance with the procedure set out in the Contract Terms, will be issued with a Notice to Proceed to Phase 2 in respect of the same.

The Main Works Packages that are not the Full Sutton Main Works Package, as set out in the instructions that were issued to the Alliance Members with the Full Sutton Project Brief will be allocated as between the other Alliance Members by reference to the ranking of the Alliance Members as part of the above-mentioned procedure following the evaluation of their compliant Full Sutton Responses.

The second ranked Alliance Member will be allocated the Main Works Package with the designation "Main Works Package Site #2" in the Full Sutton Project Brief. The third ranked Alliance Member will be allocated the Main Works Package with the designation "Main Works Package Site #3" in the Full Sutton Project Brief. The fourth ranked Alliance Member will be allocated the Main Works Package with the designation "Main Works Package Site #4" in the Full Sutton Project Brief.

Refer to the Main Works Package Procedure in respect of the procedure that will govern the finalisation of, amongst other things, the agreed specification, price and programme for the Main Works Packages other than the Full Sutton Main Works Package that have been allocated to the Alliance Members pursuant to and in accordance with this Allocation Procedure.