

# Work Package Scope

## Cost Planning Service Provider Framework

### P105 – Preconstruction Cost Model

## 1 Introduction & Background

The Commercial Services Division (CSD), within the Commercial and Procurement Directorate support the delivery directorates to achieve good business outcomes by developing cost, time and supplier intelligence required for effective decision making.

The Cost Planning team provide cost plans to Major Projects (MP) and the Operations Directorate (OPs), to support investment decision making and associated scheme delivery.

The Cost Planning Framework provides CSD, the additional service capacity to deliver Cost Plans and other cost planning services.

This document describes the work package scope for the service required from the Cost Planning Service Provider Framework.

## 2 Scope

### 2.1 Objectives

To create a model that accurately maps the drivers, factors and relationships associated with the development of any Pre-Construction Cost (Pre-Options (stage 0), Options & Development Phase) estimate for Highways England.

The purpose of the model is to record the cost estimating relationships associated with the estimation of Pre-Construction works, for this exercise, these works are defined by but not limited to:

Project Control Framework (PCF) Stage 0 to 5 costs incurred by Highways England including

- Technical Advisor
- Technical Assurer
- Project Controls (Commercial Assurer)
- Delivery Integrated Partner (DIP) / Designer
- NEC Project Manager & Admin Support (RDP schemes only)
- Development Consent Order (DCO) Legal Fees
- DCO Examination Costs – Advertisement
- DCO Examination Costs - Venue Hire (per Day)
- Other HE costs
- Surveys Costs (DIP / Designer)
- Engagement and mobilisation of Delivery Partner

### 2.2 Scope

The basic scope of work is to develop a blueprint, recording all preconstruction PCF and project support activities related to delivering a Major Project scheme in MS Excel. In addition, the scope is to update the format and contents to reflect current and future delivery solutions. The model should include the most contemporary resource assemblies, delivery approaches, PCF requirements, programme requirements (RIP, SMP etc), project types and scales found in delivering a Highways Project for Highways England. The scope of work extends to delivering a three-point rate library without Three Point Estimate (TPE) function that forms the source of the first principle items rates to be used by the model.

First principles rates for the development of the items library may be formed in an estimating package for ease but the resource build, productivity and relationships are considered in scope and are to be replicated in Excel as part of the deliverable.

The model should be able to accept common drivers for estimating cost throughout the maturing project lifecycle including schedule and complexity data produced by Highways England's RIP Sponsorship and Development team.

The model will output at PCF product level but roll up to current CERT report lines. The model outputs will cover the most common preconstruction cost activities encountered on delivered HE projects. The model will cover all estimating requirement between a PCF Stage 0 and Stage 5 estimate. It should provide scope coverage to 95% of likely construction scenarios.

The model will populate the same BOQ for any stage of estimate. The purpose of this model is to generate scope to populate the BOQ through parameter led relationships to the detail equivalent of a PCF Stage 5 estimate.

The model will output minimum, most likely, and maximum costs with the differentiator in the range being the rate only.

In parallel with developing the base cost estimate, the model will generate a separate risk appraisal output. This risk appraisal will match line by line the estimated outputs and demonstrate by cost, impact of scope change to the modelled output. In addition to scope, the model is required to link schedule impact to this risk appraisal, from P6 outputs.

### 3 Timescale

The task covers the period from [1<sup>st</sup> April 2020 to 31<sup>st</sup> December 2020](#).

### 4 Additional information

n/a

### 5 Contact Information

Role	Location	Phone
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