

Introduction to the user guide  
For the use of the  
LCP Major Works 2014  
(LCP W1 – MW14)  
Framework Agreement

(To be read in conjunction with the Step by Step  
Guide; the Brief User Guide; Templates and Guidance  
Notes to Templates)

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# Foreword

This document is an Introduction to the User Guide for the Use of the LCP Major Works 2014 (LCP W1 & MW14) Framework Agreement. It contains an overview of the framework and details how the User Guide is structured to enable users to access the framework easily.

This document is part of a suite of documents which are detailed in Section 3 below 'Structure of the User Guide'.

# 1 Introduction to the LCP W1 MW14 Framework Agreement

## 1.1 Introduction

The London Construction Programme (LCP) W1 – MW14 Major Works Contractors Framework is a multiple lot managed framework for use by London Commissioning Organisations (COs) set up by Haringey Construction Procurement Group (CPG). Therefore Haringey is the Contracting Party in this framework.

This framework aligns with the Southern Construction Framework (SCF) which, in London is recommended for use for works over £10m in value where two stage tendering is required.

The LCP W1 – MW14 framework contains 30 separate lots and covers general construction works from £100,000 upwards. The Lots are split by works areas (Housing, and Education and Others) and by different value bandings.

## 1.2 The Value Bands

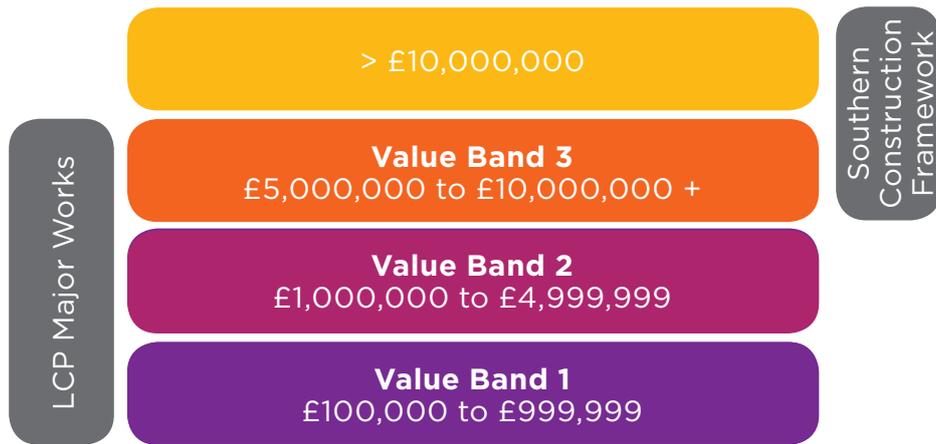
The Value Bands are as follows:

- Housing (new build and refurbishment) £ Value Band 1 £100,000 – £999,999 (H1)
- Education and Others £ Value Band 1 £100,000 – £999,999 (E1)
- Housing (new build and refurbishment) £ Value Band 2 £1,000,000 – £4,999,999.99 (H2)
- Education and Others £ Value Band 2 £1,000,000 – £4,999,999.99 (E2)
- Housing (new build and refurbishment) £ Value Band 3 Over £5,000,000 (H3)
- Education and Others £ Value Band 3 Over £5,000,000 (E3)

These are split into regional lots as detailed in the LCP Major Works Framework Brief User Guide contained on the LCP website:

<http://Londonconstructionprogramme.co.uk>

**Table 1 LCP Contractor Frameworks**



### 1.3 Tender Evaluation

The contractors tendered for the LCP W1 - MW14 framework on the basis of 60% quality and 40% price. The contractors with the highest combined quality/price (60/40%) scores were appointed to the framework. The tender price was a percentage.

The framework tender pricing section was based on a Building Cost Information Service (BCIS) Schedule of Rates which the contractors adjusted; together with percentage add ons for overheads, profit and preliminaries. The following were also required for Two Stage (Level 1) Procurement (Early Contractor Involvement (ECI) pricing: design fees (design and build only) and management fees (pre and post contract) fees. Refer to Section 2 - 'Proposed Procurement Routes' below for further details.

The quality section of the tender was based on a set of qualitative delivery proposal questions which related to the operation and delivery of the framework.

### 1.4 Levy

The framework is free at the point of use. The cost of setting up and managing the framework is paid for by means of a levy collected from the contractors. There is an annual subscription paid by the contractors plus a 0.25% (subject to adjustment) levy on all projects. Further details are available from CPG.

## 1.5 Contract Start Dates

The contract start dates are as follows, please note that this is a four year framework:

12th May 2015	24th August 2015	15th October 2015
H1 Lots: 13,19 & 25 H2 Lots: 8, 14, 20 & 26 H3 Lots: 9, 15, 21 & 27 E2 Lots: 5, 11, 17, 23 & 29 E3 Lots: 6, 12, 18, 24 & 30	H1 Lot: 7 E1 Lots: 4, 10, 16, 22 & 28	H1 Lot: 1 H2 Lot: 2 H3 Lot: 3

## 1.6 Use of Portals

There are three electronic portals used under this framework:

- Supplying London – for use by CO’s and their agents (access to be arranged)**

Supplying London contains all of the relevant tender documentation. The complete set of User Guides and documentation templates are also contained in this portal.
- M2i (Measure to Improve) D for use by CO’s, their agents, consultants and contractors**

M2i is a portal which will host and record Key Performance Indicator (KPI) returns and record the work pipeline.
- Delta EDSourcing – for use by Haringey and their consultants only**

Delta EDSourcing contains all of the User Guides for use by Haringey CRCS 2012 consultants.

## **2 Proposed Procurement Routes under this Framework and Underlying Forms of Contract**

The Government recommendation is for use of the new forms of procurement where possible. These include Two Stage tender processes, Target Cost and Integrated Project Insurance (IPI).

The projects which will be procured through this Framework for works over £1,000,000 (Value Bands 2 and 3) are expected to be delivered predominately using Two Stage Tendering, however, other routes can be used.

For this Framework, the LCP will recommend a tiered approach for procurement routes. There will be two levels of procurements: Level One and Level Two. These are defined as follows:

The term Level One Procurement applies to all Early Contractor Involvement (ECI) types of procurements. This will include Two Stage Design and Build, Two Stage Traditional procurement and also Cost Led procurement; Integrated Project Insurance (IPI) and Target Cost. A recognised gateway process will be followed for these procurements. Under this Framework the preference of ECI procurement is for the use of Two Stage Open Book procurements which includes Two Stage Design and Build. The term Level Two Procurement applies to all other forms of procurement (in particular Single Stage Traditional and Single Stage Design and Build). The term 'Level Two Procurement' will be used throughout the term of this Framework to describe these procurements.

This means for certain Value Bands, the preferred procurement route will be designated as follows:

- **Lots under Value Bands H2, H3, E2, and E3 (Value Band 2 - £1,000,000-£4,999,999.99, Value Band 3 - Over £5,000,000)**

The preferred procurement route is a Level One Procurement with the preference being a Two Stage Open Book approach. Any variance to this must be agreed by the LCP with the CO by means of a Business Case as contained in the Project Notification Form. The use of IPI and Cost Led Procurement (and any other ECI procurements), will also be encouraged on these bandings.

- **Lots under Value Band H1 and E1 (Value Band 1 £100,000 - £999,999)**

The preferred procurement route will be Level Two Procurement route, i.e. a Single Stage Traditional approach. There may be cases where a Single Stage Design and Build route will also be used, or a Two Stage process in certain circumstances (i.e. Level One Procurement). An Open Book procedure may be used on procurements, especially on direct call-offs. This approach enables KPI's to be collected on different methods of procurement and compared.

The following procurement methods can therefore be used on this Framework:

- Single stage Traditional
- Two stage Open Book Traditional (Construct only)
- Single stage Design and Build
- Two stage Open Book Design and Build (Develop and Construct)
- Cost Led Procurement
- Target Cost
- IPI (The Integrated Project Insurance Model)

although there may be situations where other models may be considered.

The procurement method will be determined in each mini competition or direct call off, by the CO or their agents.

Please note that for some projects the Design Team may be novated from the Employers' Consultants. The CO is expected to make the required contractual arrangements in the tender documents if this is the case including the use of a Novation Agreement and clarity of the roles and responsibilities of the novated consultant.

## 2.1 Types of ECI Procurements

- **2SOB – Two Stage Open Book Procurement**

Please refer to the latest version of the on the [www.gov.uk](http://www.gov.uk) website for information and guidance in relation to this method of procurement.

<https://www.gov.uk/government/collections/new-models-of-construction-procurement>

- **CLP – Cost Led Procurement**

Please refer to the latest version of the Guidance at the time of tendering on the [www.gov.uk](http://www.gov.uk) website for information and guidance in relation to this method of procurement.

<https://www.gov.uk/government/collections/new-models-of-construction-procurement>

- **IPI – Integrated Project Insurance**

Please refer to the latest version of the Guidance at the time of tendering on the [www.gov.uk](http://www.gov.uk) website for information and guidance in relation to this method of procurement.

<https://www.gov.uk/government/collections/new-models-of-construction-procurement>

## 2.2 Contracts

The following contract suites, and any such amendments or successions may be used on any projects from this Framework Agreement. Please note all standard templates are based on the JCT form of contract, if you are intending to use other forms of contract, please contact CPG in advance of preparing your documentation:

- Joint Contracts Tribunal (JCT) including JCT Public Sector Supplement
- Term Partnering Contract (TPC)
- Project Partnering Contracts (PPC)
- New Engineering Contract (NEC) ECC
- Institution of Civil Engineers (ICE)
- Joint Contracts Landscape Institute (JCLI)
- Other Bespoke Contracts or GC Works contracts (as amended)

For further details of the Single and Two Stage mini-competition process, refer to Part 4 of this User Guide where you will find templates and guidance around the use of these forms of procurement.

## 3 Structure of the User Guide

This User Guide provides new users of the LCP W1-MW14 with information to enable them to understand the concepts behind the procurement routes used under the framework, outlines the documentation within the framework and provides templates together with template guidance notes to carry out a mini-competition process under the framework.

The users of this framework are called Commissioning Organisations (COs) throughout. These are the organisations within London who procure works or services. The Commissioning Organisation may be a Local Authority (LA) or any other organisation as contained in the OJEU as being able to access this framework (refer to the link contained in the website as follows (Guidance Section:

<http://Londonconstructionprogramme.co.uk>

The documents contained in this User Guide are the copyright of the London Borough of Haringey and must not be used for any other framework without the written permission of the London Borough of Haringey. The templates contained in this pack can only be reproduced for use on projects let under this framework (where the LCP Project Number and LCP Logo must be used on all documentation where indicated).

All LCP information and documentation is offered in good faith by the LCP which COs can use for their mini-tenders and are for general guidance. COs must review all of the information within this pack and obtain specialist procurement or legal advice if required, to ensure compliance and ensure that the process meets all of the requirements of the COs CSOs and the Public Contracts Regulations 2006 (not 2015) which are applicable to the LCP Framework. The CO must satisfy itself by its own investigations as to the accuracy of any such information provided by these documents.

The following documents comprise the documentation which must be referred to prior to using the framework:

- **Brief User Guide**

This is contained in the following link to the LCP website:

<http://Londonconstructionprogramme.co.uk>

- **User Guide**

The User Guide comprises:

- Part 1** Introduction
- Part 2** Contractor Details
- Part 3** Project Initiation Documentation
- Part 4** Call Off Documentation
- Part 5** Documentation Included in the Framework Tender Documents

**Table 2 User Guide Details**

<p><b>PART 1</b>  <b>Introduction to use of Framework, Background and details of documents included in pack</b>            Background information on frameworks and structure of documents</p>	<p><b>For use by:</b>  <b>Commissioning Organisations</b></p>
<p><b>PART 2</b>  <b>Contractor Details</b>            List of contractors and contact details for each region            Contractors tender returns for Overheads and Profit</p>	<p><b>For use by:</b>  <b>Commissioning Organisations</b>            Commissioning Organisations's Agent</p>
<p><b>PART 3</b>  <b>Project Initiation Documentation</b>            Templates and Guides to enable a CO to set up a project and send out an Expression of Interest and shortlist contractors on each lot</p>	<p><b>For use by:</b>  <b>Commissioning Organisations</b>            Commissioning Organisations's Agent</p>
<p><b>PART 4</b>  <b>Call-Off Documentation</b>            Templates and Guides to enable a COs agent form the tender (to call-off mini-tenders from the framework on each lot). Includes: Direct Call-off and Mini Competition templates (Two Stage and Single Stage)</p>	<p><b>For use by:</b>  <b>Commissioning Organisations</b>            Commissioning Organisations's Agent</p>
<p><b>PART 5</b>  <b>Documentation Included In Framework Tender Documents – For Information Only</b>            Background documentation included within the overarching Framework Agreement for information</p>	<p><b>For use by:</b>  <b>Commissioning Organisations</b>            Commissioning Organisations's Agent</p>

Please note that Part 3 of the User Guide contains templates which should be read in conjunction with the Project Initiation Guidance Notes. Part 4 contains templates and other information which should be read in conjunction with the 'Mini-Competition

Guidance Notes' for the particular call off arrangement. These templates are suggested documents. However, there may be circumstances where it is necessary to alter the format of these templates to comply with a specific project and/or the requirements of the CO.

### 3.1 Templates

#### 3.1.1 Use of Templates

Templates have been included in this User Guide for Guidance purposes and to assist Commissioning Organisations (COs) in filling in and completing their mini-competitions etc.

- Templates may be adapted by the Commissioning Organisations (CO) but the format, including the LCP Logo must be used for all LCP documentation including tender documents.
- The CO must comply with the principles of the framework agreement. Please review the framework agreement tender documents and the User Guides prior to using these templates.
- Templates are to be read in conjunction with the Project Initiation Guidance Notes and the Mini-Competition Guides.
- All items within the templates which are in blue bold font, grey highlights parentheses **(xxx)** are for guidance only and must be deleted on filling in the template.
- All items within the templates which are capitalised in red bold font, yellow highlights and square brackets: **[xxx]** are used where insertions or deletions are to be made by the COs. These must also be deleted on filling in the template, even if it is just removal of the highlights/red font.
- All LCP Templates are offered in good faith by the LCP which COs can use for their mini-tenders and are for general guidance. There may be instances where you may need to alter the content of these documents is subject to your Mini Competition, form of contract and your own internal contract Standing Orders (CSOs)( please note this may affect the contractor's profit and overheads). Refer to Section 2 above for further details.

There are two sets of templates.

### 3.1.2 Templates used in Association with the Project Initiation (Included in Part 3 of the User Guide)

These are a set of templates designed for use by the CO and comprise documents required to set up a call-off from the LCP W1 - MW14 Framework Agreement.

Documents comprise:

- Project Notification Form (this is required for a project number)
- Forms to set up an Expression of Interest
- Expression of Interest Feedback Forms
- Project Award Form
- User Guide for Project Initiation Forms

### 3.1.3 Templates used in connection with call offs from the framework (direct or minicompetition) (Included in Part 4 of the User Guide)

These are a set of templates designed for use by the COs agent (specifically the COs Quantity Surveyor (QS - internal or external consultant) and comprise documents required to set up a call-off from the LCP W1 - MW14 Framework Agreement.

Documents are split as follows:

- Direct Call-Off: A call-off from the framework for the top ranking contractor (Most Economically Advantageous Tender (MEAT))
- Call-Off using Mini-Competition: Two Stage Tender Documents (Two Stage Level 1 Early Contractor Involvement Procurement) for projects over £1,000,000

OR

- Call-Off using Mini-Competition: Single Stage Tender Documents (Level 2 Procurement) generally used for projects under £1,000,000

A guide accompanies these templates for each of the above types of call-off.

**Table 3 Call-Off Templates (refer to Indices for each Call-Off for further details)**

<p><b>Direct Call-Off Templates</b></p>	<p><b>Mandatory Documents - Unaltered and Included from Overarching Framework Agreement</b></p>	<p><b>Mandatory Appendices - Documents Included from Overarching Framework Agreement</b></p>
<p>Index Form of Tender Instructions for Tendering (some sections mandated - refer to CPG) Pricing Document Tender Return Checklist</p>	<p>Additional Conditions of Contract Guarantee Undertaking Alternative Guarantee Undertaking (for organisations without a seal) Parent Company Guarantee</p>	<p>Minimum Standards KPI List Performance Bond (if required)</p>
<p><b>Mini-Competition Single Stage Templates</b></p>	<p><b>Mandatory Documents - Unaltered and Included from Overarching Framework Agreement</b></p>	<p><b>Mandatory Appendices - Documents Included from Overarching Framework Agreement</b></p>
<p>Index Form of Tender Instructions for Tendering (some sections mandated - refer to CPG) Pricing Document Tender Return Checklist Tender Evaluation</p>	<p>Additional Conditions of Contract Guarantee Undertaking Alternative Guarantee Undertaking (for organisations without a seal) Parent Company Guarantee</p>	<p>Minimum Standards KPI List Performance Bond (if required) Collateral Warranty (if required) Employment and Skills Strategy (if required)</p>

<b>Mini-Competition 2 Stage Templates</b>	<b>Mandatory Documents - Unaltered and Included from Overarching Framework Agreement</b>	<b>Mandatory Appendices - Documents Included from Overarching Framework Agreement</b>
<ul style="list-style-type: none"> <li>Index</li> <li>Form of Tender</li> <li>Instructions for Tendering (some sections mandated - refer to CPG)</li> <li>Pre and Post Contract Services Requirements</li> <li>Project Cost Summary</li> <li>Qualitative Delivery Proposals</li> <li>Tender Return Checklist</li> <li>Tender Evaluation</li> </ul>	<ul style="list-style-type: none"> <li>Additional Conditions of Contract</li> <li>Guarantee Undertaking</li> <li>Alternative Guarantee Undertaking (for organisations without a seal)</li> <li>Parent Company Guarantee</li> <li>Preconstruction Agreement</li> <li>Novation Agreement (if required)</li> </ul>	<ul style="list-style-type: none"> <li>Tier 2 and 3 Contractors Works Package Procurement Schedule</li> <li>Performance Bond (if required)</li> <li>Collateral Warranty</li> <li>KPI List</li> <li>Core Team Report</li> <li>Design and Build/Construct only</li> <li>Employment and Skills Strategy</li> </ul>

## 4. Outline introduction to Call-Off Arrangements

Works shall be procured for all three Value Bands on a ‘mini competition’ or a ‘direct call off’ basis. Projects in the higher banding will be procured using a 2 stage tender process using the underlying contract selected by the CO or their agents. The call off contract will be entered into by the CO with the Contractor. This can be for a single project or a programme of works.

Please note that, in relation to Housing (Work Areas H1, H2 and H3), that for mini competitions/tenders, the COs leaseholders may nominate a contractor who may be added to the tender list. This is to enable compliance with Section 20 legislation. The preferred method of selection of the Contractor is through the route of mini competition.

### 4.1 Mini Competitions

All contractors on the specific lot list may be approached (subject to the check on Minimum Standards (refer to Part 5 of this User Guide Framework Documentation) or a shortlisting process using an Expression of Interest (refer to Part 3 of this User Guide – Project Initiation) may be used to reduce the number of contractors tendering. This may be reduced to 3 contractors or more depending on the project size and any CO Contract Standing Order (CSO) requirements. Contractors may choose to opt out of the tendering process, this will not affect their future ability to tender but a persistent refusal to tender will be reviewed and queried by the LCP.

**Table 4 Initial Contractor Selection**



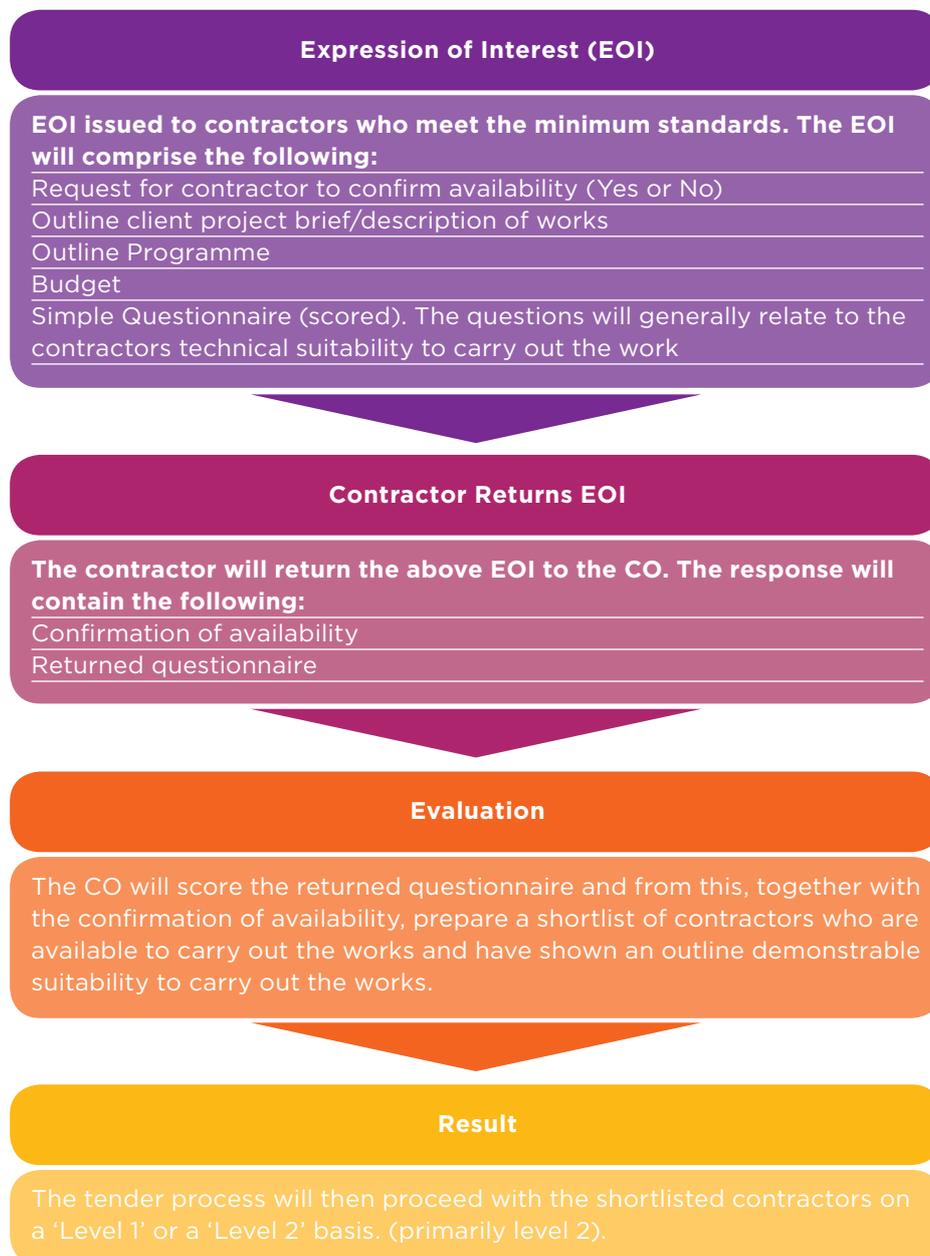
Standard templates should be used for this process. The tender documents must include the Additional Conditions of Contract (refer to Part 4 of this User Guide – Call-Off). You may add to these clauses but you may not delete any clauses.

The standard templates can be adapted for your project.

**Please note that all documents are copyright to the London Construction Programme and may NOT be used or adapted for any other framework or project.**

## 4.2 Mini Competition – Short Listing Process (Optional)

The shortlisting process may be used on Level 1 and Level 2 procurements. The process is as indicated in Part 3 of the User Guide: **Project Initiation Guidance. Refer to Table 5 below.**



### 4.3 Project Notification to the Contractor

Soft market testing can be carried out with the contractors prior to the issue of the **Expression of Interest** to the contractors to determine the level of interest in the project on the specific lot. This should be in the form of a questionnaire or simply a phone call (Please discuss with CPG).

**Please refer to Part 3 Project Initiation Guidance and Templates for further details on the documents required to under this framework to undertake this process.**

### 4.4 LCP Mini Competition – Tender Process

The tender process will then proceed with the shortlisted Contractors on a two stage ‘Level 1’ or a single stage ‘Level 2’ basis. All projects under this framework should be let on a Quality/Price basis. There is a facility to use a lowest price only tender but this should only be used in exceptional circumstances. A Quality/Price tender is evaluated on the basis of the contractors submitted Qualitative Delivery Proposal and their pricing document.

**Please refer to Part 4 Mini Competition Level 1 and Level 2 Guides for further details on these procurements and the documents required to under this framework to undertake these procurements.**

**Table 6 Level 1 Mini Competition**



**Table 7 Level 2 Mini Competition**



#### 4.5 Contractor Unable to Resource

If a Contractor has already expressed an interest and been shortlisted or they are part of an agreed 'long' tender list (with no EOI), and is unable to resource a specific commission in a timely and professional manner, they must discuss this with the CO to agree the best way forward rather than to provide a reduced level of works quality.

The CO may suspend the contractor from further works until any issues are resolved with the above, without ending the agreement, to enable the Framework Contractor to tender for future work in such circumstances.

#### 4.6 Direct Call-Offs

Direct Call-Offs can be used in certain circumstances. In these instances, the Framework contractor with the highest ranking Most Economically Advantageous Tender (MEAT) will be selected from the relevant lot for the works required. **Please refer to Part 4.5 of the User Guide - 'Direct Call-Offs' for further details.**

## 5 Gateway Processes

Gateway Reviews provide quality assurance checks at key stages:

**Table 8 Gateway Reviews**

<b>Gateway 1</b>	At the end of the Strategic Definition – RIBA stage 0
<b>Gateway 2</b>	At the end of the Concept Design phase (or immediately after contractor selection) – RIBA stage 2
<b>Gateway 3</b>	At contract formation (following full design and procurement) – RIBA stage 3
<b>Gateway 4</b>	At Handover and Close out – RIBA stage 6
<b>Gateway 5</b>	At End of defects period – RIBA stage 7

A review is designed to ensure all parties have sufficiently and collectively made progress and agree the project/programme is fit to proceed to the next stage by seeking Commissioning Organisations approval to proceed.

Reviews shall be conducted in a workshop environment, with key Commissioning Organisations project staff attending and other stakeholders including end users. The relevant team member presents key reports on the status of the project summarising progress and highlighting outstanding actions. This might include appropriate project information i.e. drawings, risk registers, cost plans, etc. The Review is concluded with a formal Client sign off.

**Commissioning Organisations may also carry out reviews at the end of RIBA work stages or agree slightly different gateways stages at the commencement of the project, such as the (formerly known as) OGC Guidelines.**

## 6 Post Contract

### 6.1 Payment and Final Account

Final accounts for all projects should be completed and agreed by all parties within one month of completion of the work if applicable.

The Contractor must provide the named, nominated domestic Sub-Contractors and suppliers' invoices with the final account. The CO will require all Sub-Contractors' invoices to be made available to the Contract Administrator.

### 6.2 Disputes

Disputes will be dealt with according to the contract terms and conditions. However, CPG may mediate in relation to minor disputes which affect the framework conditions and issues of poor contractor's performance.



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