

# SCF6 Preliminary Market Engagement



# Presentation Overview

**01** Housekeeping

**02** Session principles

**03** About SCF

**04** Our expectations of suppliers

**05** Current structure

**06** Challenges

**07** Procurement goals

**08** SCF6 lotting proposals

**09** Procurement format

**10** Commercial model

**11** Comprehensive accreditation

**12** Tender declarations

**13** Tender timeframes

# Disclaimer

We are using our best endeavours and most up to date thinking and information to brief you on what to expect from our ITT and SCF6.

But the ITT Guidance/Content will supersede any information given in this presentation

Therefore, rely on what is in the ITT when submitting and not the contents of the presentation today.

# Want to ask a question?

Scan the QR code to ask your questions!



During the presentation we will be using SliDo to capture questions.

Please be aware that questions will be transparent to all participants

We will endeavour to answer as many questions as possible - if we cannot answer a question, we will add a response to our published Q & A material.

# Session Principles

The ideas presented today are for early market engagement only and do not constitute a commitment or guarantee of future procurement

Everything presented is subject to change and refinement

Questions can be asked during this presentation via Slido.

All and any queries following this supplier briefing should be submitted via HCCs e-tendering portal “in-tend”

All future updates and notices will be published via FTS and in-tend

# About SCF

SCF is a Joint Working arrangement between Hampshire and Devon County Councils. For SCF6, HCC & DCC are the host authorities and procuring entities. The Authorities have mutual commitments and goals that are achieved through SCF operations:



# Our Organisation





# Our History



Projects Supported  
**906**



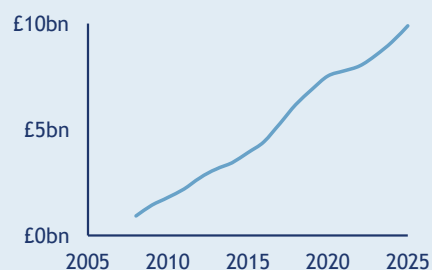
Value Procured  
**£9.9bn**



Average Value  
**£11m**



Over £500m of projects supported every year since 2005



Over 200 public sector clients supported across the South



Lasting Relationships



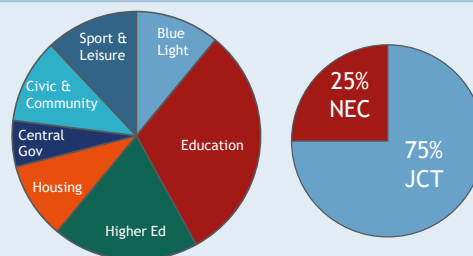
**120**

Repeat Clients

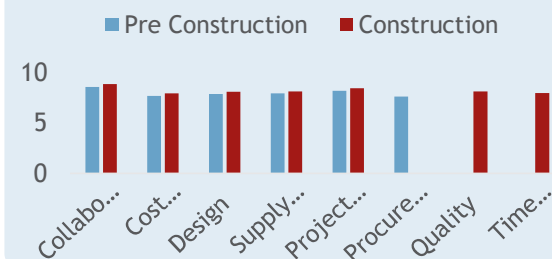
**4**

Average 4.4 projects per Client

All sectors, all contracts

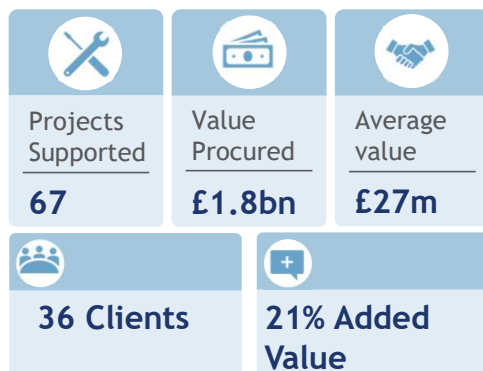


Consistently high contractor performance

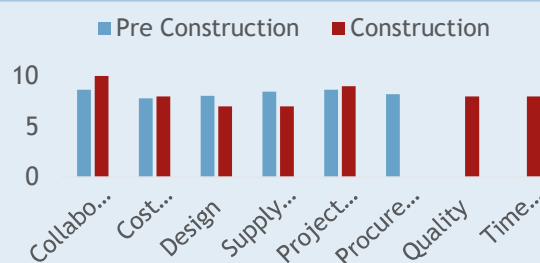




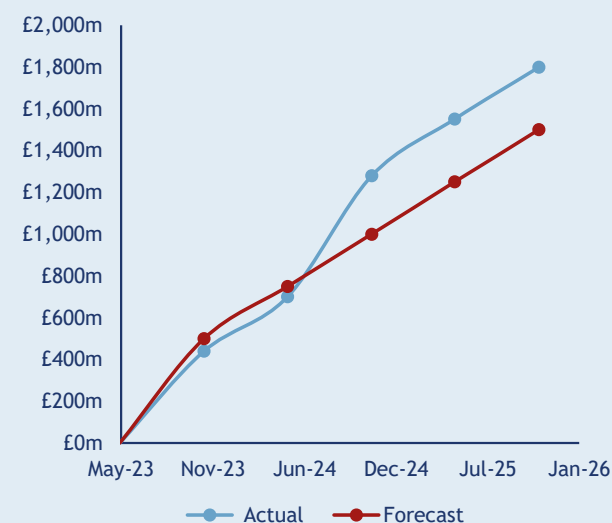
# SCF5 performance to date



Consistently high contractor performance



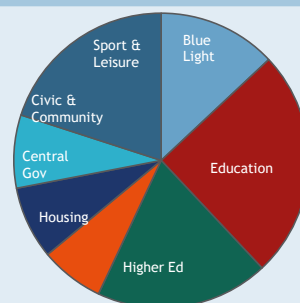
Predictable delivery every year.  
Outperforming initial framework estimates during SCF5.



36 public sector clients supported across the South



All sectors



# Gold Standard, Managed Framework



Demonstration of Framework  
benefits & successes



Champion **integrated team**  
approach



Proactive client & supplier  
relationship management



Promotion of the framework +  
securing projects



Quality assurance and  
performance management



Trusted advisor / critical  
friend



Leading Industry best practice  
through partnerships with  
NACF, CE and more

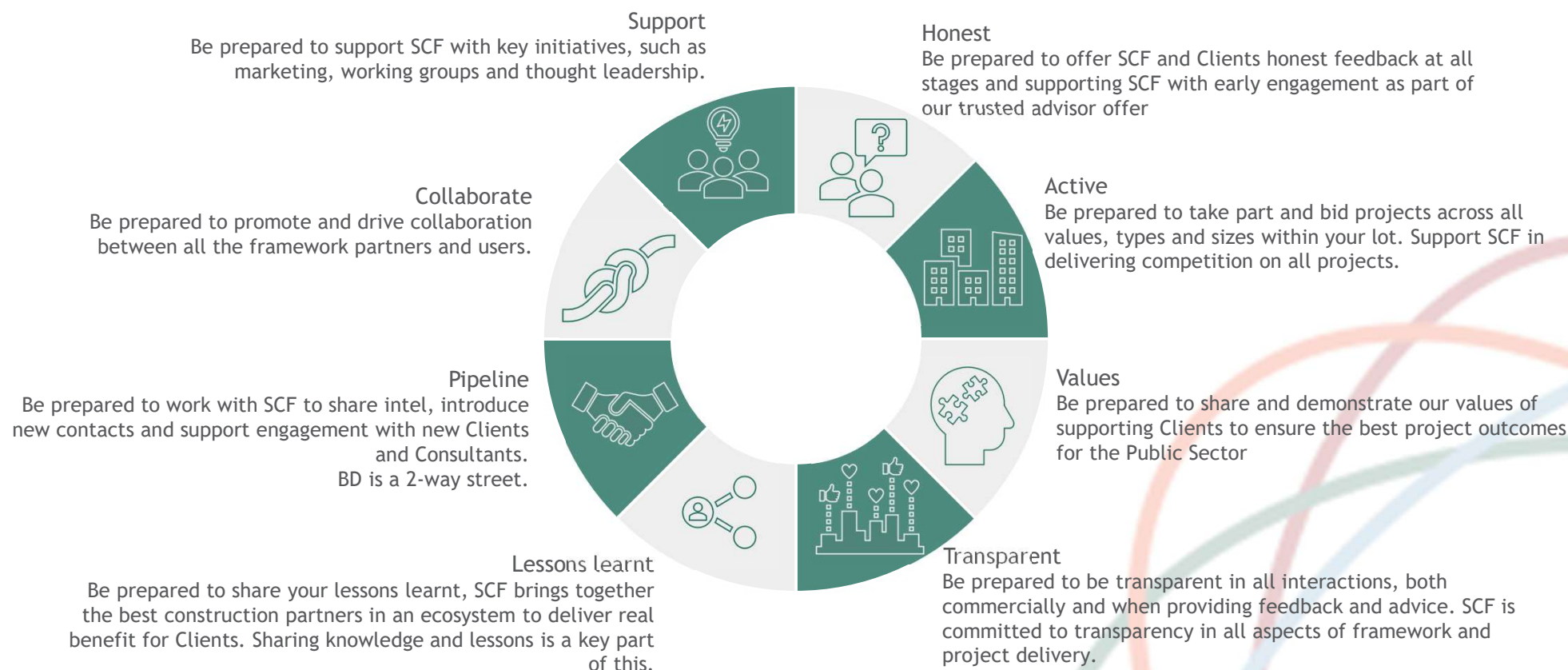


Thought leadership and best  
practice



Use of data to drive  
improvements

# Our Expectations of Suppliers



# Your Framework Representatives

SCF offers a managed framework service for Clients. This is supported by supplier framework management to ensure processes and governance are adhered to at all stages. Contractors securing a place will be expected to ensure the following 3 roles are in place at the outset of the framework. In addition, it is expected that suppliers will support the business development and marketing activities of the framework through regular engagement with your specialist teams.

## Framework Director

- ✓ Authorised to make strategic decisions for their organisations
- ✓ Influence at board level
- ✓ Able to actively influence project teams across entire SCF region
- ✓ Actively contribute to the development of the framework
- ✓ Accountable, with peers and FMT, for the success of SCF

## Framework Manager

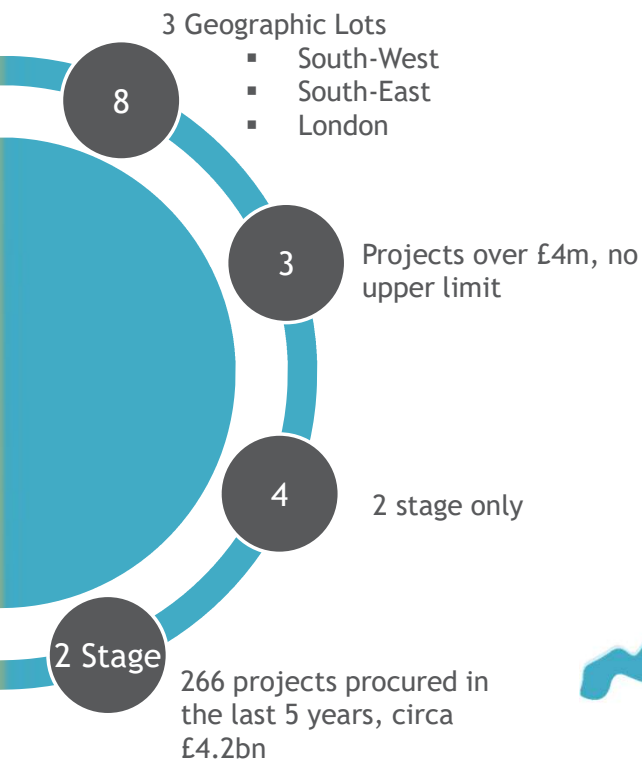
- ✓ Operational Accountability including at project level (including commercials)
- ✓ Authority to speak for their organisation at operational level
- ✓ Coordinate all activities across regions
- ✓ Resourced to deliver performance, data, and process requirements.

## Framework Apprentice

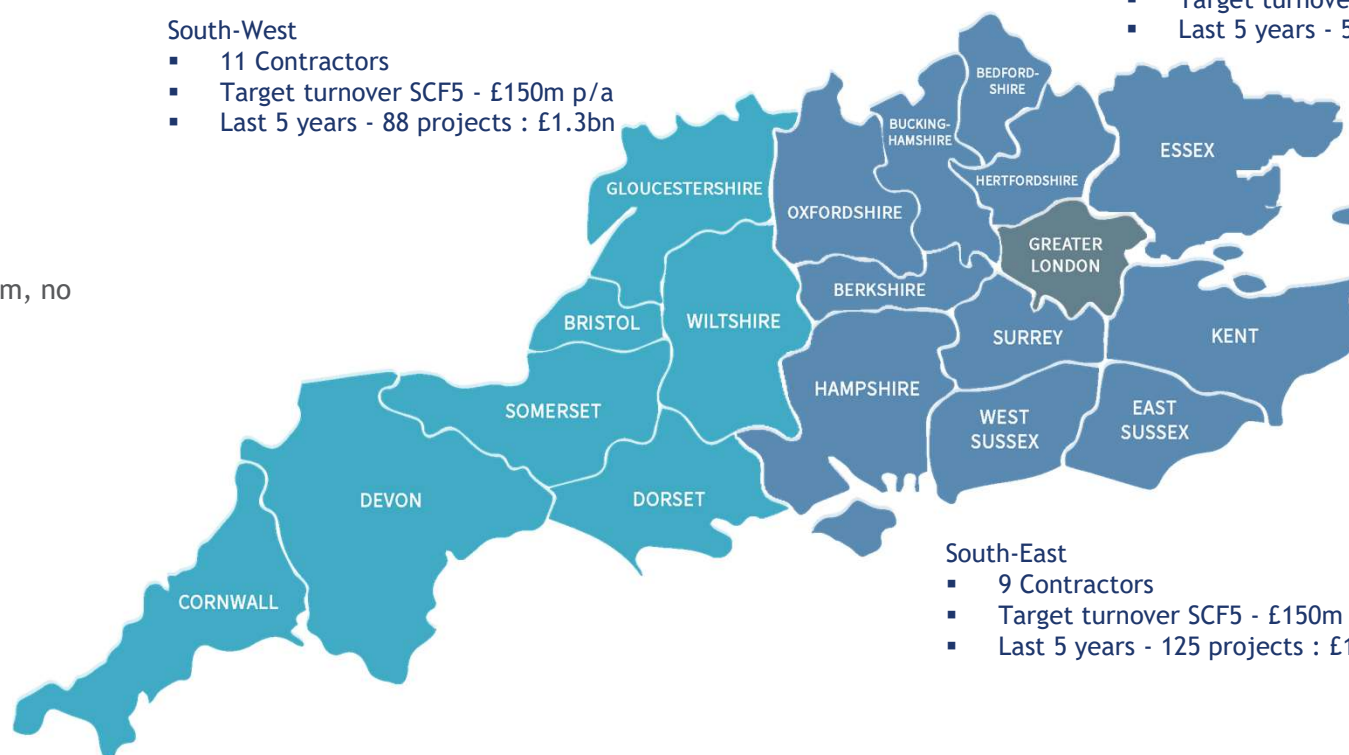
- ✓ Support Framework Manager with operational duties
- ✓ Lead data capture
- ✓ Lead LSC compliance
- ✓ Administrative tasks



# Current Structure - SCF



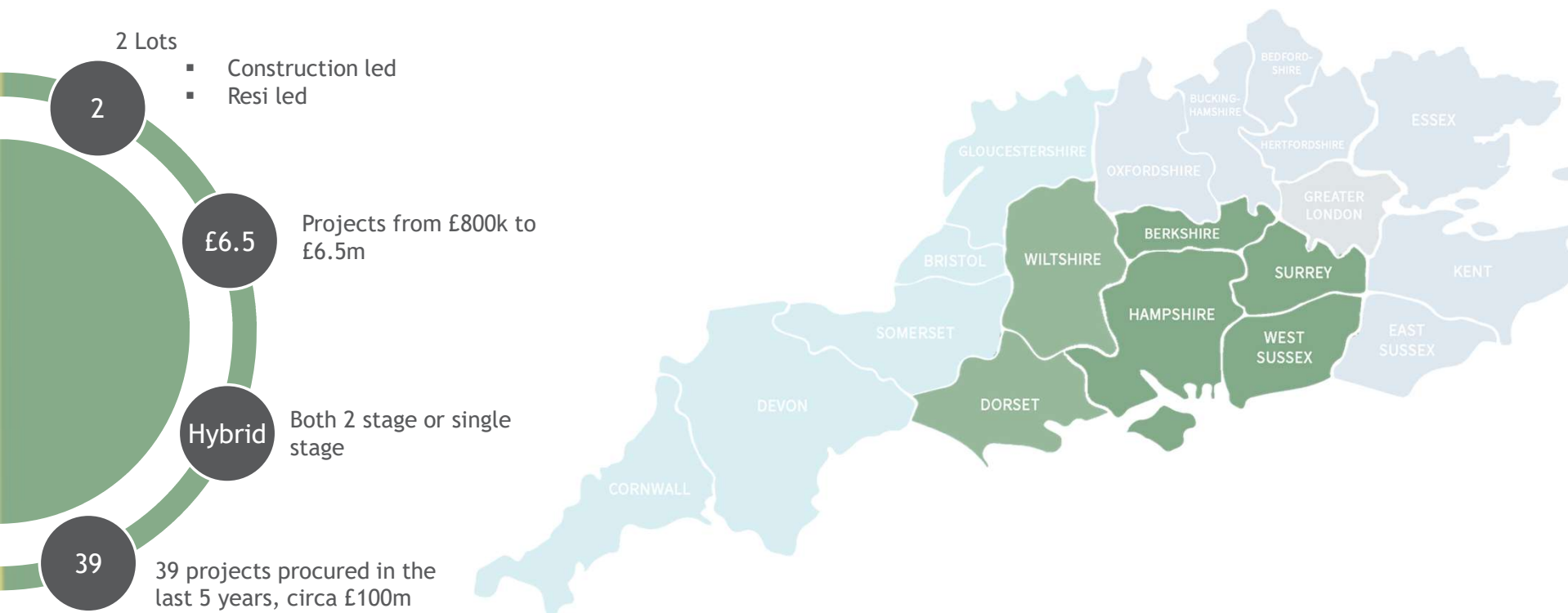
- South-West
- 11 Contractors
  - Target turnover SCF5 - £150m p/a
  - Last 5 years - 88 projects : £1.3bn



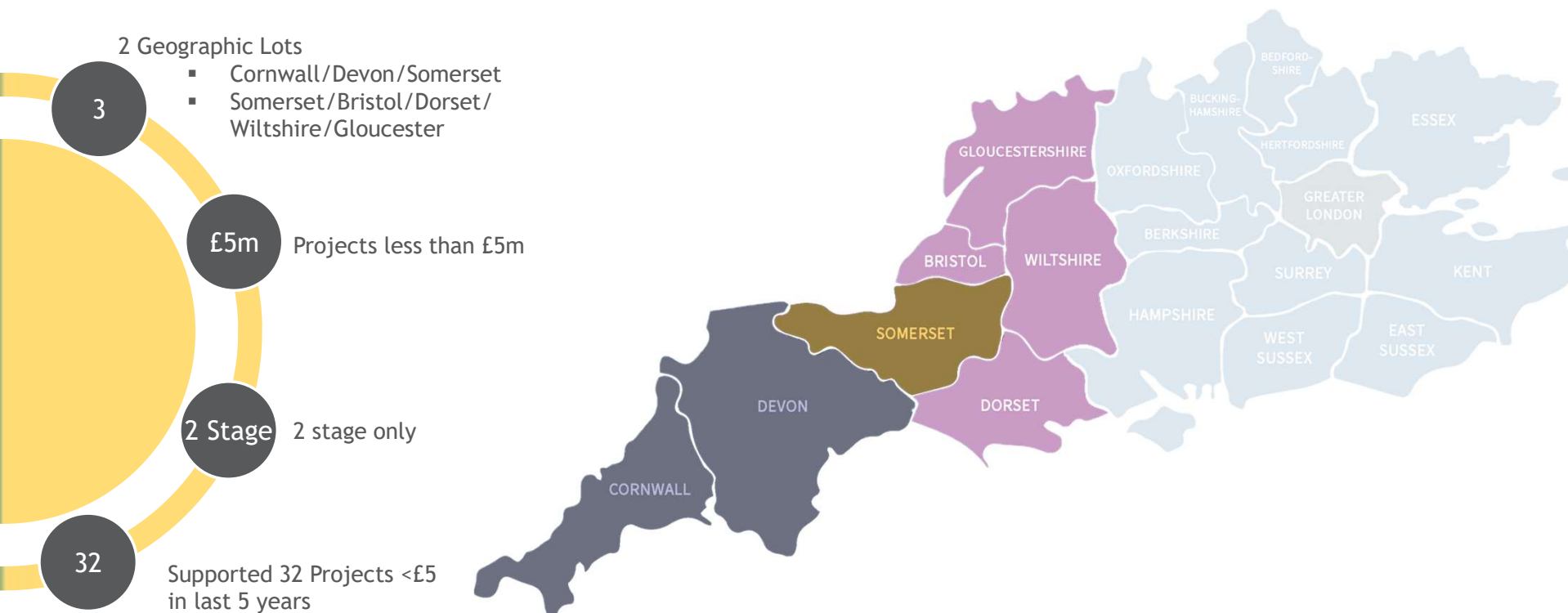
- London
- 9 Contractors
  - Target turnover SCF5 - £200m p/a
  - Last 5 years - 53 projects : £1.3bn

- South-East
- 9 Contractors
  - Target turnover SCF5 - £150m p/a
  - Last 5 years - 125 projects : £1.6bn

# Current Structure - ICF



# Current Structure - Lots 4/5





# SCF Challenges



## Changing bidding behaviour

Lower levels of competition on calls offs, particularly at lower values



## Changes in project value

Average value increasing, reflecting make up of contracting partners



## Client requirements

Need to offer single stage, particularly at lower values



## Competition

Increased competition in the framework market, offering more choice, particularly at lower values

# Procurement Goals

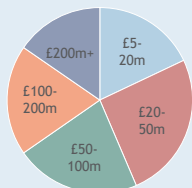
## Market Engagement Summary

100+  
Contractors  
engaged

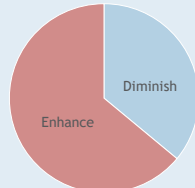
50+ Clients  
engaged

150+ hours of  
market  
engagement  
sessions  
conducted

Contractor respondent  
size?



Will incorporating single stage  
enhance or diminish SCF?



Clients want

- ✓ Flexibility
- ✓ More competition
- ✓ Regional contractors
- ✓ Single stage

Contractors want

- ✓ Consistency
- ✓ Framework support
- ✓ DA
- ✓ Pipeline visibility



Provide greater choice for clients by providing access to tier 2, regional or SME contractors.



Provide greater competition across all value bands with a wider pool of suppliers



Provide greater flexibility for clients by providing single stage at lower values



Provide a national offer for Clients with wider portfolios

# Intermediate Proposals

Lot 1A - Cornwall



Typical Projects £5m - £10m



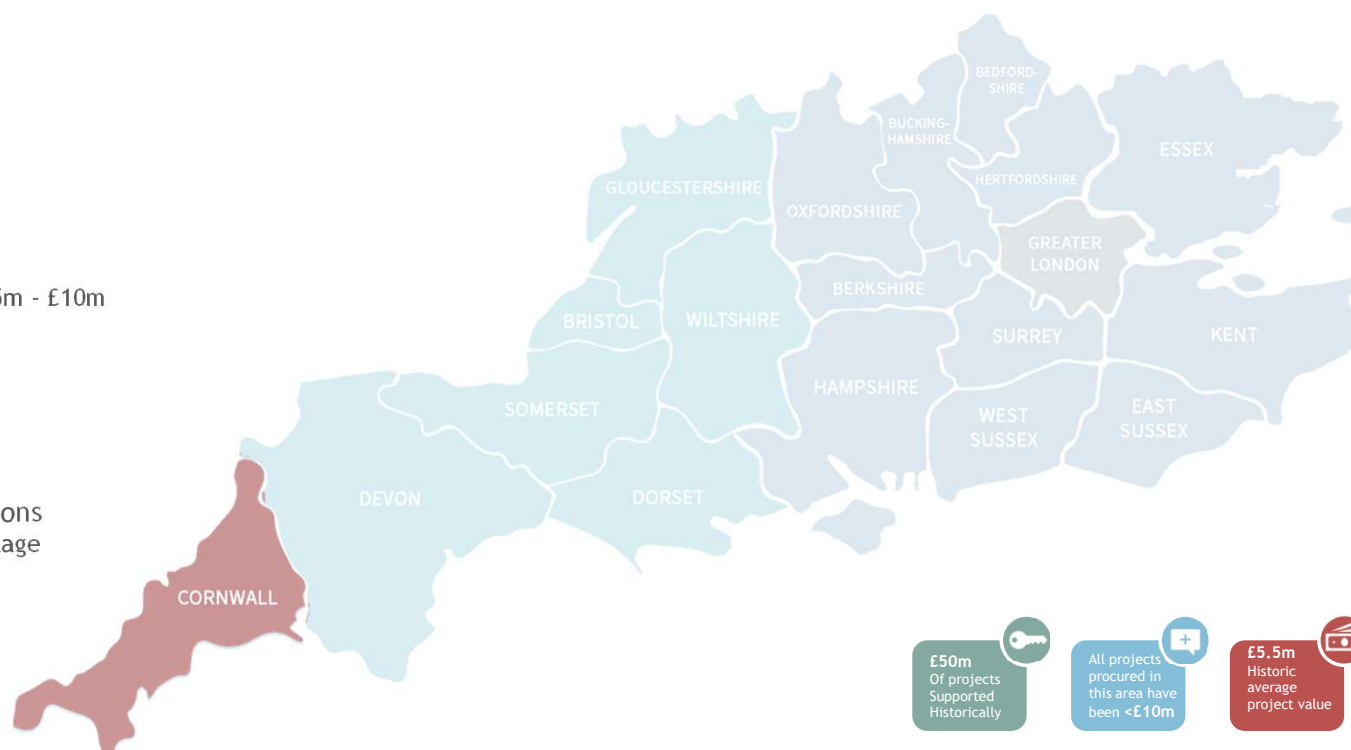
## Contracting Options

### Predominantly 2 Stage



### Call off Options

Mini Competition or Direct Award



£50m  
Of projects  
Supported  
Historically

All projects procured in this area have been <£10m

£5.5m  
Historic  
average  
project value

15+ Significant Public sector organisations

**Feedback**  
Over 20 supplier that took part cover this region. Of these, 17 are considered SMEs with an average turnover of less than £60m

# Intermediate Proposals

Lot 1B - Devon & Somerset excl. N Somerset



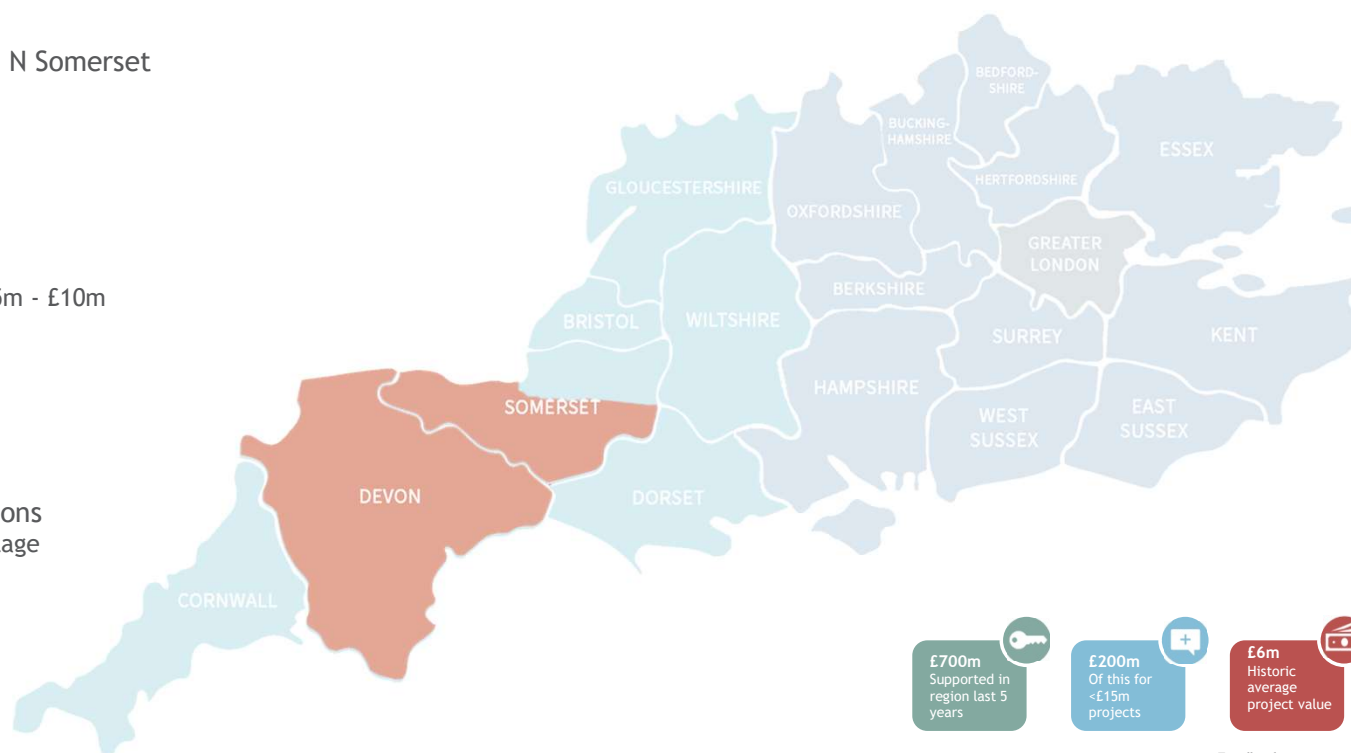
Typical Projects £5m - £10m



Contracting Options  
Predominantly 2 Stage



Call off Options  
Mini Competition or Direct Award

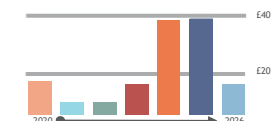


**£700m**  
Supported in region last 5 years

**£200m**  
Of this for <£15m projects

**£6m**  
Historic average project value

**30+**  
Significant Public sector organisations within area



**Feedback**  
36 respondents covered this geographic area, with 28 representing SMEs. Average turnover of these suppliers was under £60m

# Intermediate Proposals

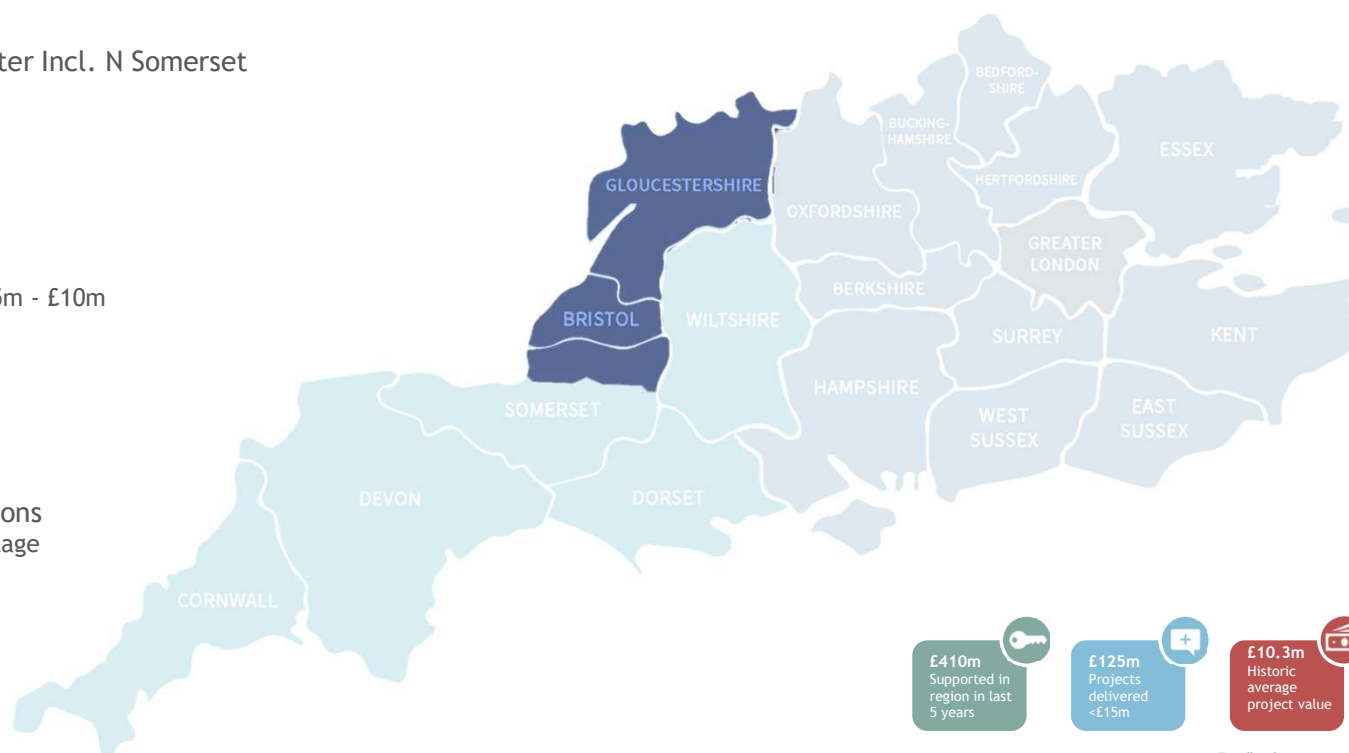
Lot 1B - Bristol, BANES, Gloucester Incl. N Somerset



Typical Projects £5m - £10m

Contracting Options  
Predominantly 2 Stage

Call off Options  
Mini Competition or Direct Award

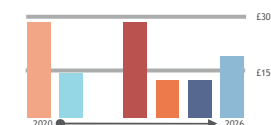


£410m  
Supported in  
region in last  
5 years

£125m  
Projects  
delivered  
<£15m

£10.3m  
Historic  
average  
project value

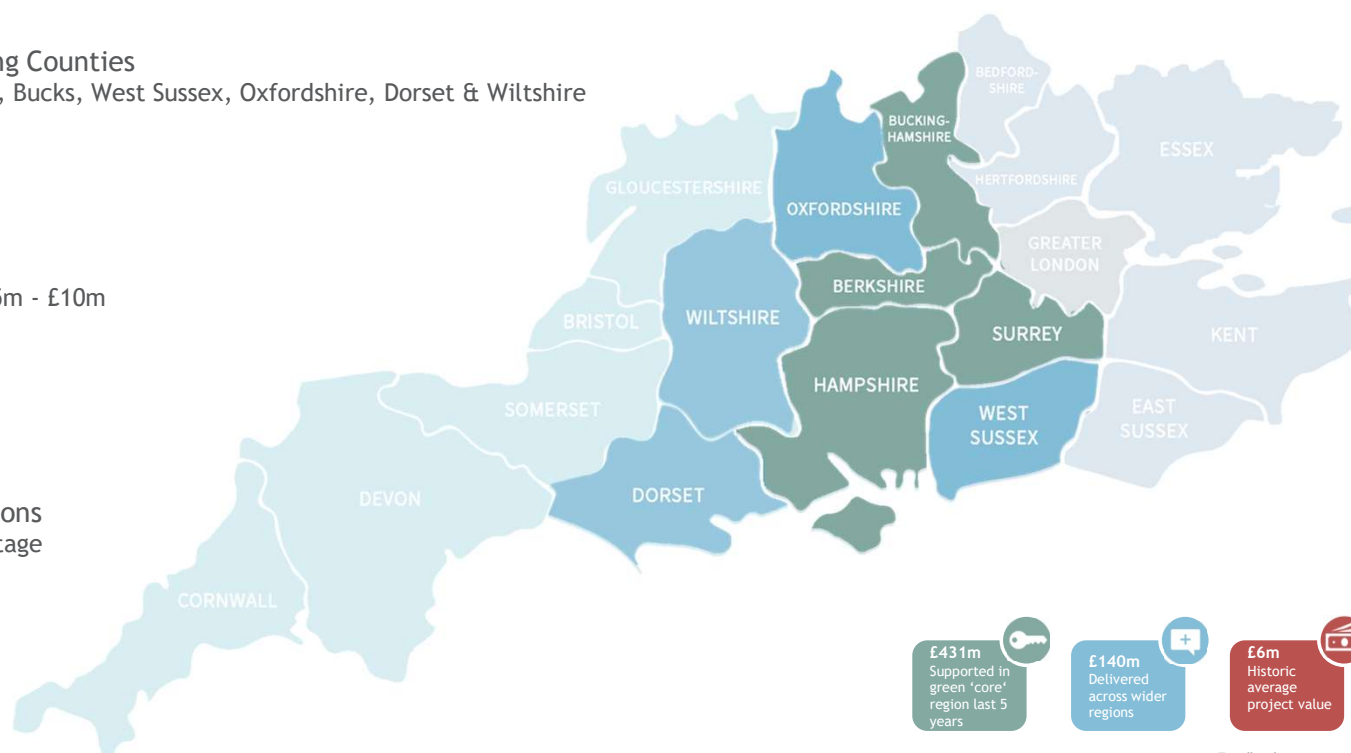
30+  
Significant  
Public sector  
organisations  
within area



**Feedback**  
39 respondents covered this geographic area, with 33 of those being SMEs. Average turnover for these suppliers was less than £60m

# Intermediate Proposals

Lot 2A - Hampshire & Surrounding Counties  
(Hampshire & IOW, Surrey, Berks, Bucks, West Sussex, Oxfordshire, Dorset & Wiltshire)



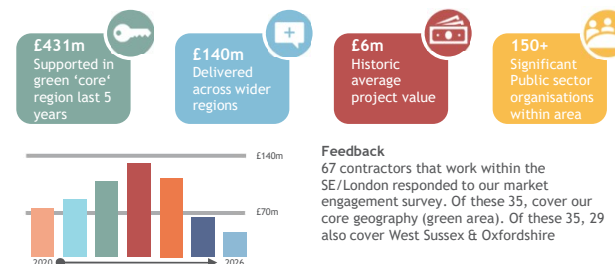
Typical Projects £5m - £10m



Contracting Options  
Single Stage or 2 Stage



Call off Options  
Mini Competition or Direct Award





# Intermediate Proposals

Lot 2B - London & Surrounding Counties  
(London, Herts, Beds, Essex, Kent & East Sussex)



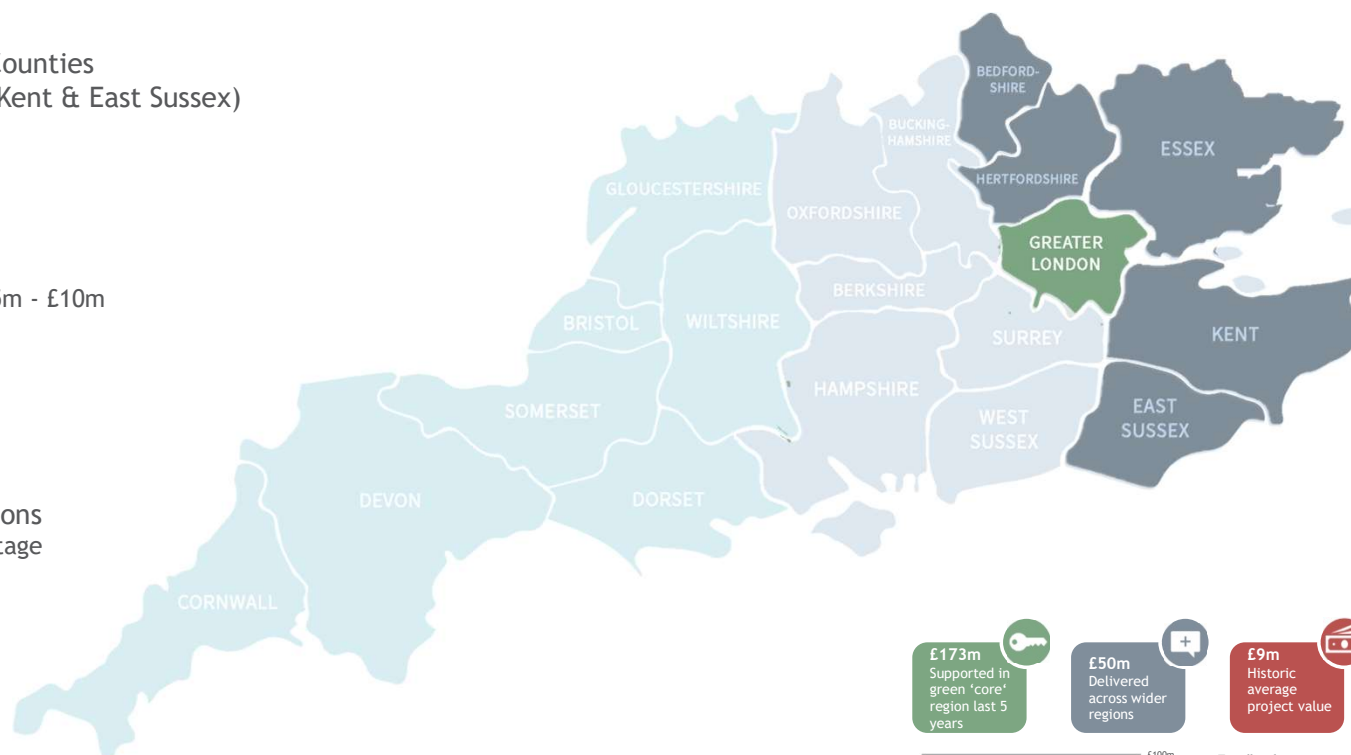
Typical Projects £5m - £10m



Contracting Options  
Single Stage or 2 Stage



Call off Options  
Mini Competition or Direct Award

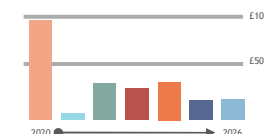


£173m  
Supported in  
green 'core'  
region last 5  
years

£50m  
Delivered  
across wider  
regions

£9m  
Historic  
average  
project value

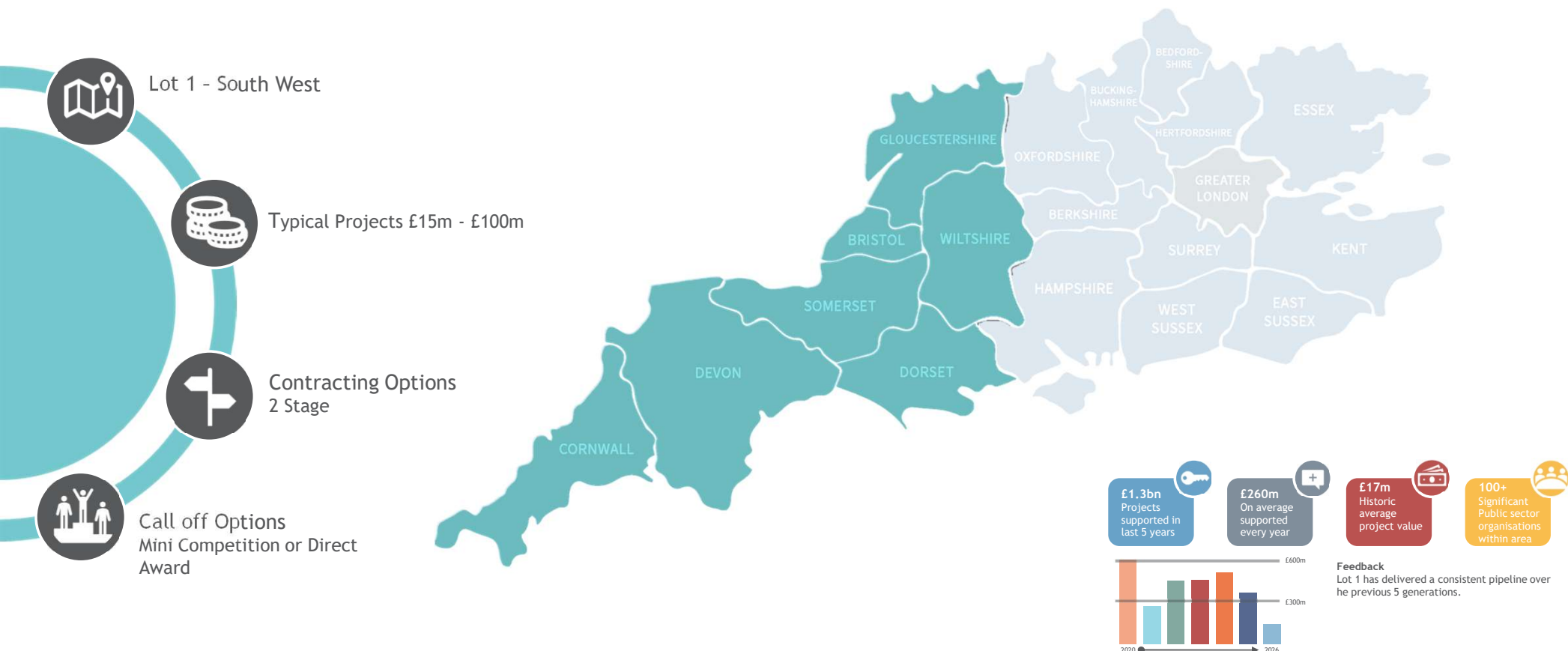
200+  
Significant  
Public sector  
organisations  
within area







**Feedback**  
46 contractors that work within the London  
responded to our market engagement survey.  
Of these 35 cover at least 4 of the other  
regions identified.

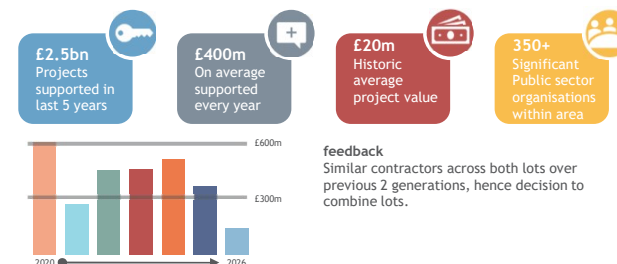
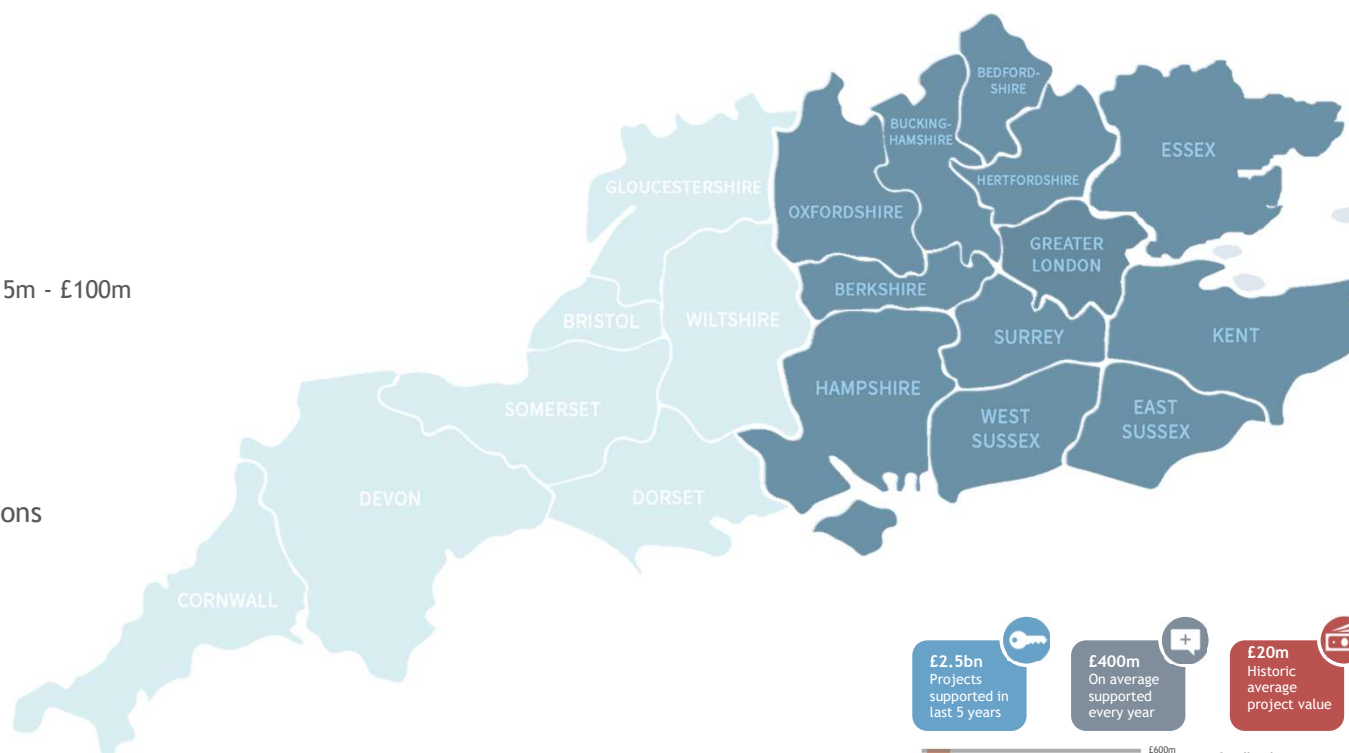


# Major Project Proposals



# Major Project Proposals

-  Lot 2 - London & South East
-  Typical Projects £15m - £100m
-  Contracting Options  
2 Stage
-  Call off Options  
Mini Competition or Direct Award



# Mega Project Proposals



Lot 3 - National



Typical Projects £100m +



Contracting Options  
2 Stage



Call off Options  
Mini Competition or Direct  
Award

# The ITT

SCF6 will be an **‘Open Procedure’**, to establish a standard 4-year Framework under the Procurement Act 2023. The following outlines the structure of the ITT.

The ITTs for lower, medium & Mega value lots will be different.

## Open Procedure

The tender is open to any interested supplier who are able to express an interest and submit a tender response

## Central Digital Platform

All suppliers interested in tendering must be registered on the CDP and are required to provide their registration details as part of the tender process

## Participation Stage Questionnaire

PSG is where suppliers will demonstrate their ability to meet the Conditions of Participation

## Quality Criteria

The ITT will include quality questions worth a total of 80% of the marks available. These questions will test how best the suppliers meet the delivery requirements of the Framework

## Commercial Return

The ITT will include a commercial submission worth 20% of the scoring marks.

## Declarations & Undertakings

As part of their response, suppliers will need to declare their agreement to delivering binding commitments as part of the Framework Agreement

# Commercial criteria

## Should Cost Model



- SCF set a should cost model based on 20 years of bid data, alongside pre-market engagement feedback.
  - Offers in line with the Should cost will score 100%
- Commercial offers below this will gain no additional marks. At a specific point, they will be deemed abnormally low, scoring 0%
- Bids above the should cost model will receive a score, reducing the further above the model the offer is
- At a specific point, offers significantly over the should cost model will be considered uneconomical and score 0%

Bidders will be asked to submit % rates under the following headings:

- Pre Construction Fee
  - Design Fee
- Construction Fee
- Overhead & Profit

These fees will be totalled and then evaluated as a whole, and scored in line with the should cost model

# Comprehensive Accreditation

## Continually monitoring:

- ✓ Business Risk Score- minimum score of 45.
- ✓ Companies House Accounts
- ✓ Company Probity Checks
- ✓ Insurances, certificates, licenses at expiry
- ✓ Trade Accreditations
- ✓ HSE database
- ✓SSIP accreditation (Including company policies)
- ✓ Equality and Diversity
- ✓ Turnover verification

Accreditation is a condition of contract not tender. Suppliers will be permitted to bid even if accreditation is not in place. Accreditation must be in place if awarded to the Framework.

Failure to maintain accreditation can lead to suspensions/terminations

Accreditation is currently provided by Salus at a cost of £625 per organisation. Our partnership with Salus is subject to re-procurement, so the specific provider may change.

# Tender declarations

Suppliers will be required to sign up to several binding commitments as part of the ITT. The below outlines a few of these commitments, however, these and any additional commitments will be included and further detailed within the ITT.

## Legacy

Be signatories to the GLAA construction protocol

Include 1 VCSE on each awarded project

Be signatories to the building mental health charter

## Fair

Ensure adherence to the governments prompt payment, particularly 30 day payment terms.

Ensure transparency with regard to supply chain payments and subject to audit by SCF when requested.

se a project bank account where requested by contracting authority

## Care

Ensuring site manager or M&E co-ordinator remain on site for a minimum of:  
2 - 4 weeks post-handover depending on job complexity

Have a dedicated point of contact for clients for managing and resolving defects

## Intelligence

Ensure full compliance with LSC requirements on all projects

Ensure timely and accurate data completion on all projects and market intelligence

## Sustainable

Be signatories to the carbon reduction code for the built environment & UK steel charter

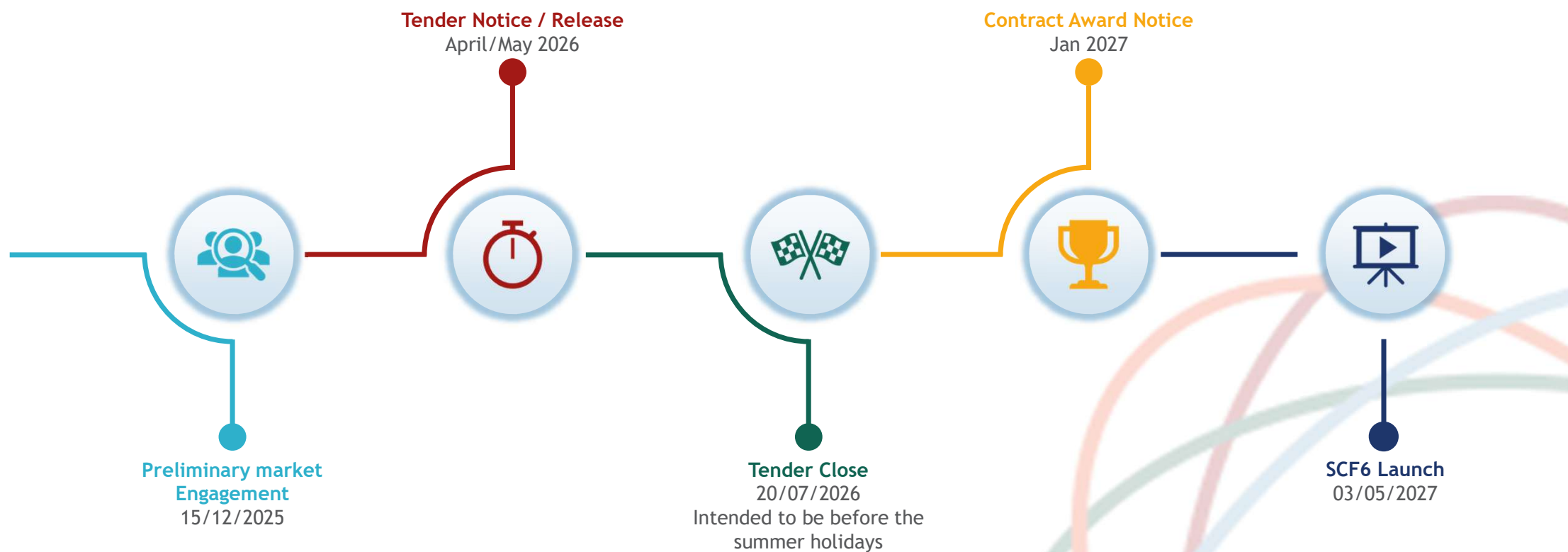
Record and submit type 1 and 2 emissions annually.

Submit project carbon data to NACF

Use FSC timber for direct and indirect purchases



# Indicative timetable



# Disclaimer

We are using our best endeavours and most up to date thinking and information to brief you on what to expect from our ITT and SCF6.

But the ITT Guidance/Content will supersede any information given in this presentation

Therefore, rely on what is in ITT when submitting and not the contents of the presentation today.

# Want to ask a question?

Scan the QR code to ask your questions!



During the presentation we will be using SliDo to capture questions.

Please be aware that questions will be transparent to all participants

We will endeavour to answer as many questions as possible - if we cannot answer a question, we will add a response to our published Q & A material.

**Q&A slides to follow**

