



CONSTRUCTION FRAMEWORKS FOR YORKSHIRE & HUMBER

This Presentation

- Background
- YORbuild
- How it works
- Benefits / Success Criteria





The Journey So Far

- The YORbuild Project has been in development for last 2 years and originates from a Regional Construction Collaboration Project funded by the Yorkshire and Humber Centre of Excellence.
- During the Regional Construction Collaboration Project it was clear that the Yorkshire and Humber regions Local Authorities, Public Sector Bodies and Third Sector Organisations did not have open access to regionally focused Construction Frameworks.



Construction Frameworks

- The South East Centre of Excellence (SECE) Framework hosted by Hampshire County Council has trailblazed the model for a regional Construction Framework's pursued closely in the East of England and East Midlands.
- Regionally the East Riding of Yorkshire Council and Rotherham Metropolitan Borough Council have previously formed Construction Frameworks however they have not been widely available to Local Authorities, Public Sector Bodies and Third Sector Organisations across Yorkshire and Humber.

The Opportunity

- Local Authorities within Yorkshire and Humber region spend approximately £1.2 billion per annum on Construction Services.
- In Local Government Construction is the largest spend category representing 30% of total spend.
- Collectively Local Authorities are the largest single Construction Client Body spending approximately £14 billion per annum on Construction Services.





Project Development

- Following a regional consultation event in October 2007 a Project Team was formed to develop the concept of a Construction Framework aimed at the regions Local Authorities, Public Sector Bodies and Third Sector Organisations.
- The YORbuild Project Team consisted of Officers from 10 of the regions 22 Local Authorities with additional resources provided by the Yorkshire and Humber Centre of Excellence and developed the Project through its first 2 stages.



YORbuild Project Development



Project Phase	Oct 07	Dec 07	Jan 08	Jun 08	Sept 08	Oct 08	Oct 09	→
<i>Construction Collaboration Project - Complete</i>	▼							
Stage 1 – PID development & Regional Engagement	█							
Stage 2 – Business Plan development & Stakeholder Communication			█		▼	Funding Approval from LGYH		
Stage 3 – Framework Procurement						█		
Stage 4 – Framework Launch & Operation					We are at this stage		█	



Project Approval and Funding

- The Regional Improvement and Efficiency Partnership (RIEP) hosted by Local Government Yorkshire and Humber recognised the potential of the YORbuild Project in March 2008.
- The YORbuild Project forms an integral part of the Regional Improvement and Efficiency Strategy for Yorkshire and Humber.
- In September 2008 Funding to take the YORbuild Project through stage 3 (Framework Procurement) was approved by the RIEP.



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YORbuild Framework Procurement

- This YORbuild Framework Procurement provides Construction Works:
 - New Build
 - Refurbishment
 - Design and Build
- Projects subsequently procured via the YORbuild Framework will be awarded under the NEC3 Form of Contract and its various options.





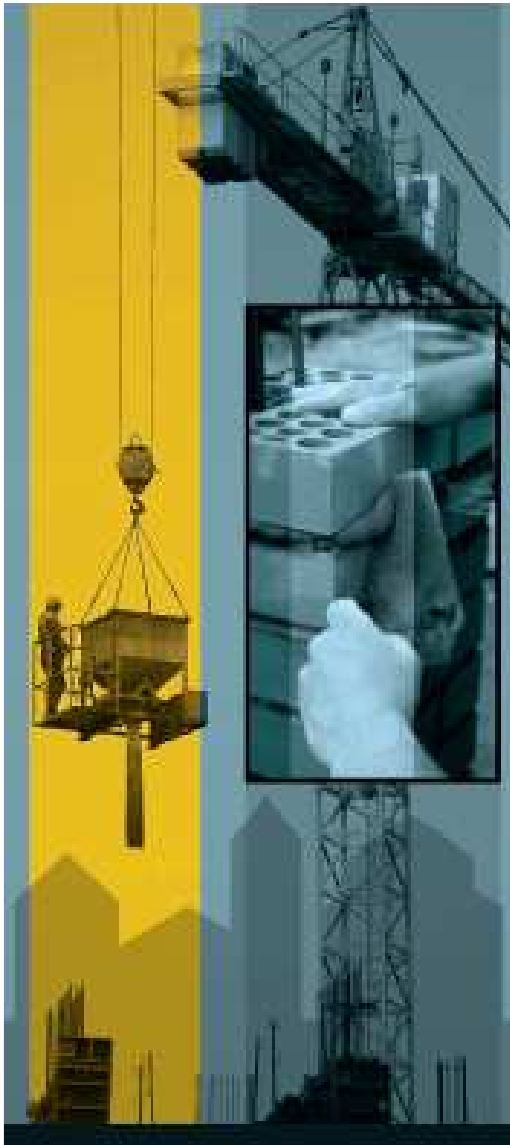
YORbuild Framework Procurement Team

- The procurement of the YORbuild Framework is delivered by a collaborative cross Local Authority team.





YORbuild Framework Structure



	North Sub-region	East Sub-region	South Sub-region	West Sub-region
Works Value Bands	Lot 1 Up to £100k	Lot 1 Up to £100k	Lot 1 Up to £100k	Lot 1 Up to £100k
	Lot 2 Above £100k up to £500k	Lot 2 Above £100k up to £500k	Lot 2 Above £100k up to £500k	Lot 2 Above £100k up to £500k
	Lot 3 Above £500k up to £1000k	Lot 3 Above £500k up to £1000k	Lot 3 Above £500k up to £1000k	Lot 3 Above £500k up to £1000k
	Lot 4 Above £1000k up to £3500k	Lot 4 Above £1000k up to £3500k	Lot 4 Above £1000k up to £3500k	Lot 4 Above £1000k up to £3500k
	Lot 5 Above £3500k up to £10000k	Lot 5 Above £3500k up to £10000k	Lot 5 Above £3500k up to £10000k	Lot 5 Above £3500k up to £10000k
	Lot 6 Above £10000k	Lot 6 Above £10000k	Lot 6 Above £10000k	Lot 6 Above £10000k



Panel Numbers

	North Sub-region	East Sub-region	South Sub-region	West Sub-region
Works Value Bands	17 Contractors	16 Contractors	11 Contractors	13 Contractors
	15 Contractors	10 Contractors	9 Contractors	13 Contractors
	10 Contractors	5 Contractors	7 Contractors	10 Contractors
	4 Contractors	4 Contractors	6 Contractors	7 Contractors
	4 Contractors	4 Contractors	6 Contractors	7 Contractors
	4 Contractors	4 Contractors	4 Contractors	7 Contractors



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YORbuild Framework Procurement

- This YORbuild Framework is open to all Local Authorities, Public Sector Bodies and Third Sector Organisations located within Yorkshire and Humber.
- There is a nominal fee to use the YORbuild Framework which is included within the Contract Sum and therefore is funded from Capital Budgets.
- The fee is offset by the efficiencies generated by using a collaborative construction framework.





YORbuild Framework Management

- Following procurement and population of the YORbuild Framework a Management Team will be in post to offer procurement (Core Services) to Client Member Local Authorities, Public Sector Bodies and Third Sector Organisations that require them located within Yorkshire and Humber.
- The Framework will also offer flexibility for organisations to call off from the framework themselves if they have the capacity and competence to do so.



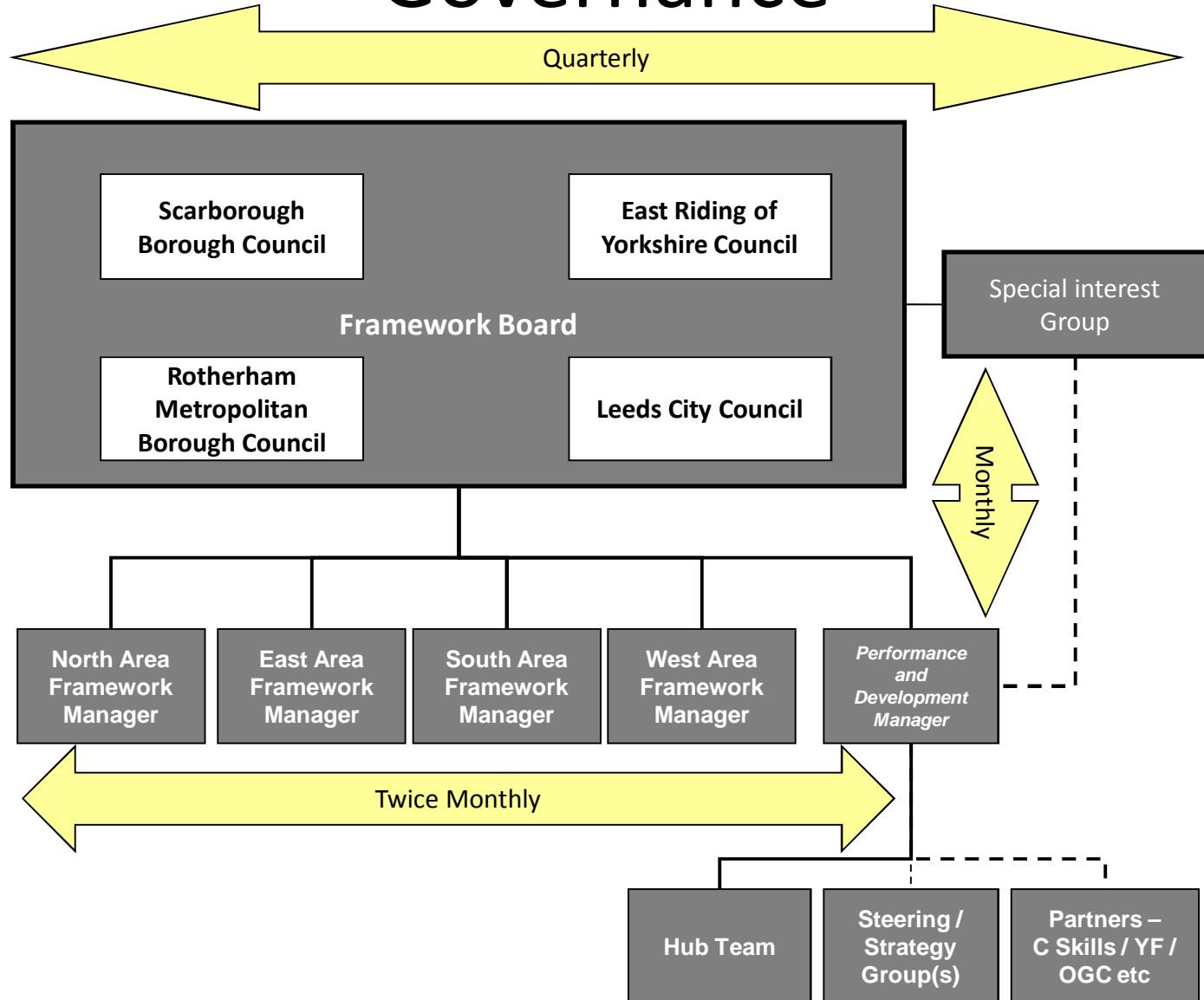


YORbuild Framework Management

- The Framework Management Team will be part of the YORbuild Organisation which will be a governed by Framework Board.
- The Framework Board consists of a Lead Member Local Authority with additional Founder Member Local Authorities / Public Sector Bodies.
- The Framework Board have agreed common terms of reference for the management of the framework.



YORbuild Framework Governance





YORbuild Framework Management

- The Framework Management Team will be led by a Framework Manager and consist of Founder Member Local Authority secondees and supplemented by consulting resource as necessary and approved by the Framework Board.
- If required additional services (Premium Services) can be provided by the YORbuild Framework a Management Team in pursuit of the NEC3 Form of Contract and its various options.



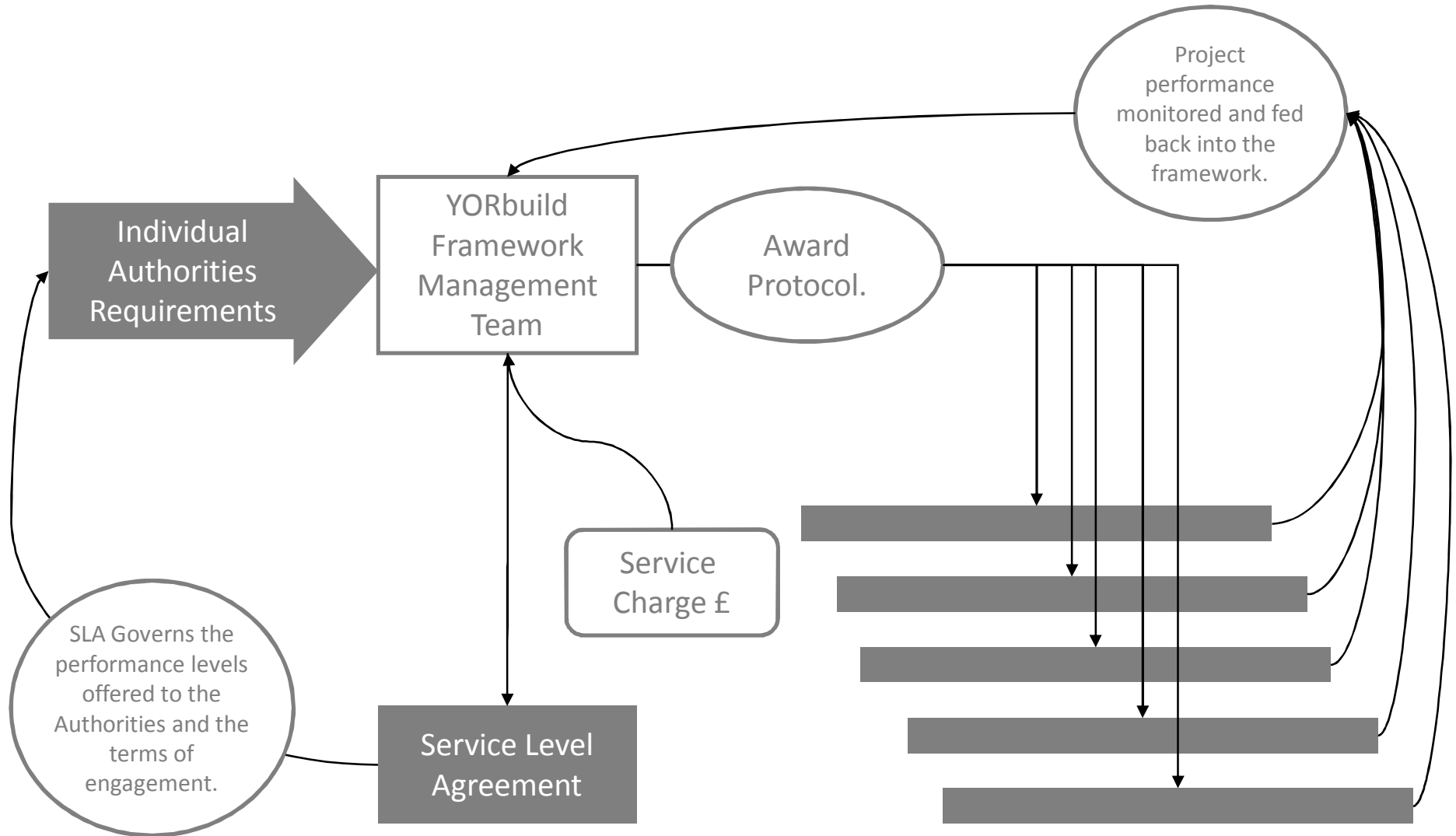
YORbuild Framework Management Core Services

- Feasibility / compatibility.
- Procurement – Mini ITT @ 2 - 12 weeks.
- Facilitation of contract administration.
- Mobilisation, pre-contract meeting.
- Initiative and development.
- Supply chain management.
- Standardisation.
- Performance Measurement and Management



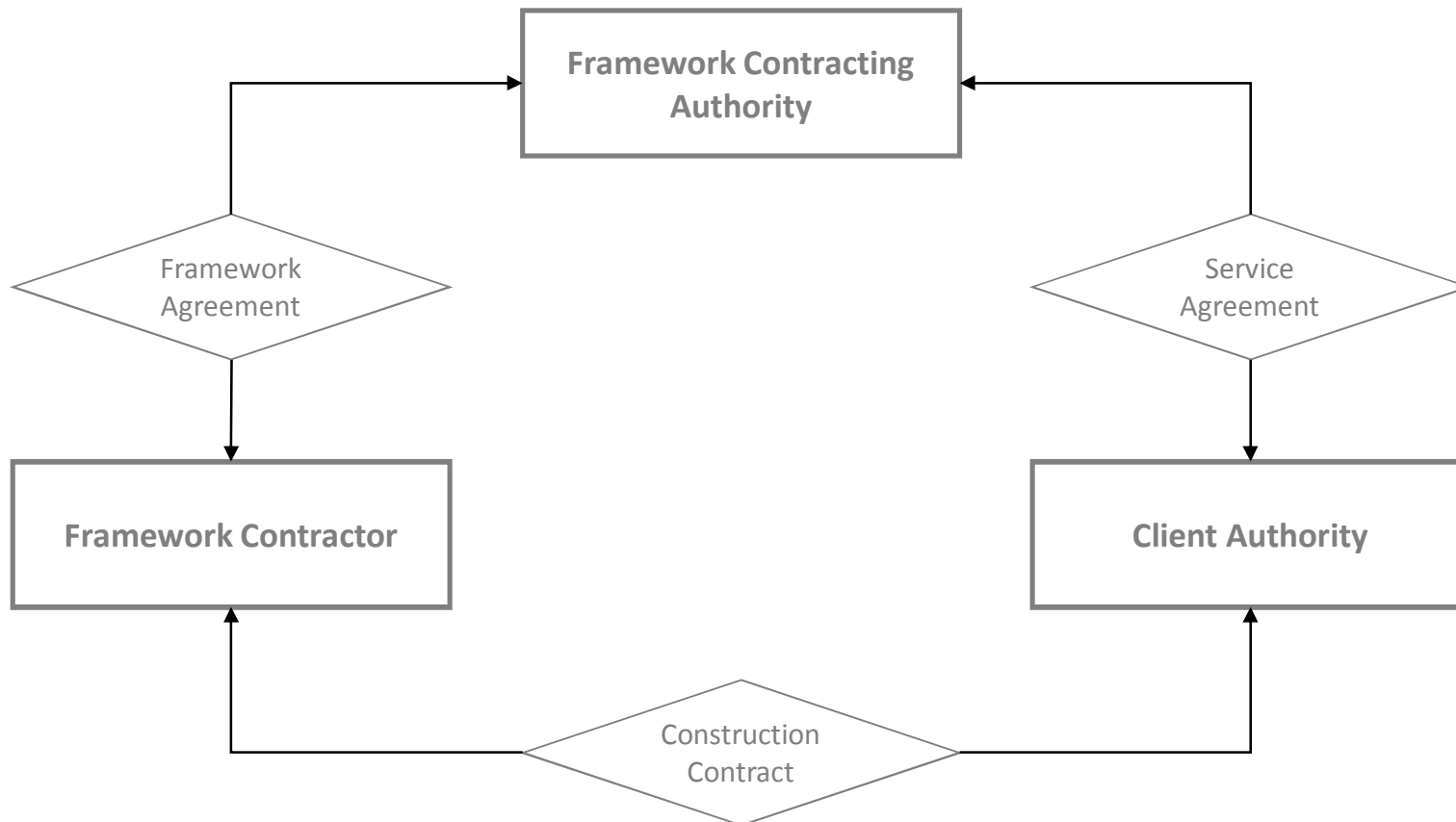


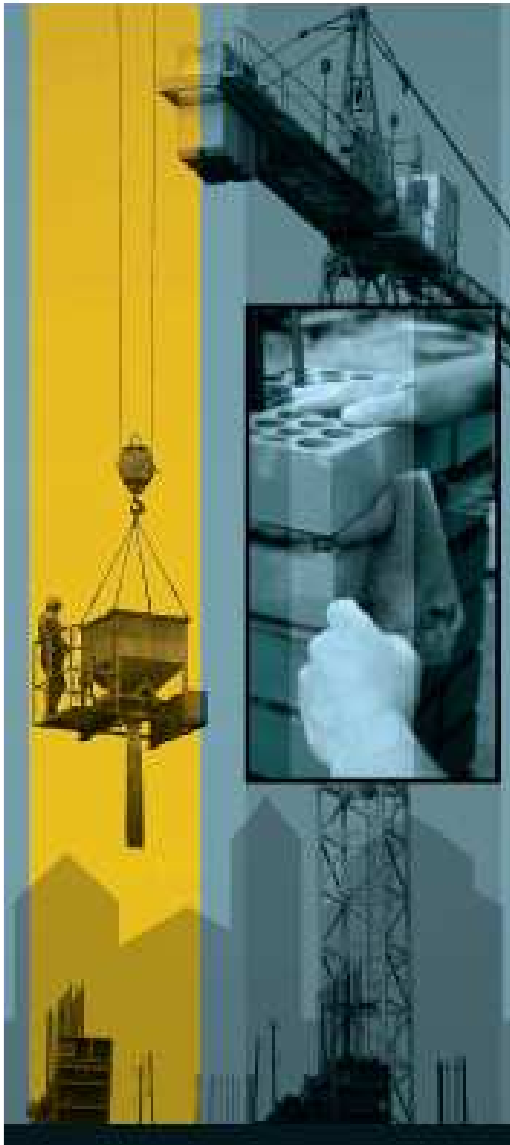
YORbuild Framework - Project Procurement





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Efficiency

- The YORbuild Framework offers significant efficiencies on two levels:
- **Procurement.** As the Framework has been procured under the OJEU Process all projects procured via the framework are called off through a mini competition taking 2 – 12 weeks.
- **Cost.** Collaborative frameworks are proven to reduce the whole cost of construction projects and as the framework brings together regional demand Contractor fees are very competitive.



Efficiency – Supply Chain

- Suppliers and subcontractors within the supply chain are key to the delivery of efficiency. Therefore key success criteria include:
 - **Competitive**
 - **Lean processes**
 - **Continual focus on cost reduction**
 - **Intelligent solutions to processes and products**
 - **High levels of value added to goods or services**
 - **Can do attitude**



Performance Improvement

- Forming the YORbuild Framework presents a unified intelligent Client approach to construction procurement.
- It enables Local Authorities, Public Sector Bodies and Third Sector organisations to collaborate and share information in a joined up way.
- Framework Contractors understand very clearly that performance measurement is key to long term success and the eyes of the **region** are on them through the delivery of projects.



Performance Improvement – Supply Chain


- Much of the YORbuild Contractors works will be delivered by the supply chain. For continuous performance improvement suppliers and subcontractors need to focus on:
 - **Measurement – what gets measured gets done**
 - **Real passion to improve service delivery**
 - **Open to benchmarking performance across the peer group / supply chain**
 - **Looks at area's of weakness as a point of challenge and an area to improve**



Employment and Skills

- The YORbuild Framework has developed a trailblazing approach to the enhancement of employment and skills in partnership with Construction Skills.
- Every project procured via the YORbuild Framework will have an employment and skills plan which will bind Contractors to the delivery of employment and skills output i.e. Numbers of apprentices.
- The model is seen as an exemplar for other regions to replicate.

YORbuild Employment and Skills Strategy



Competency and Capacity

- Measure the competency and capacity of bidders to deliver employment and skills outputs as a key part of the evaluation model.

Measurement

- Set out the metrics of what can be achieved in terms of employment and skills outputs and link to the value of projects awarded via the framework.

Delivery

- Link representations made at tender stage to projects awarded via the framework.

Supply Side Readiness

- Engage the employment and skills supply side early.

Leadership

- Manage as a cross cutting work stream across the framework.

**Employment and Skills
Activity**

Framework Lot

Fig 2	£000's	Lot 1 £1-100	Lot 2 £100 - 500	Lot 3 £500 – 1,000	Lot 4 £1,000-3,500	Lot 5 £3,500 – 10,000	Lot 6 £10,000+
<i>New Entrants – skills development</i>							
1. School / college site visits – no.			1	2	5	9	14
2. School / college workshops – no.				1	3	5	9
3. Work experience 16 – 17 years - p/w			4	8	15	33	48
4. Work experience / entry and level 1 qualifications 18+ years - p/w	9	18	31	46	66	95	
5. Apprentices – existing - p/w	13	48	78	150	135	240	
6. Apprentices – project initiated p/w				5	10	88	145
7. <i>Project Initiated Higher Level Skills</i>					5	10	15
<i>Existing workforce - Skills development</i>							
8. Health & safety tests – no.		5	23	38	64	115	175
9. National Vocational Qualifications – no.		2	8	13	23	44	70
10. Construction Skills Certification Scheme (CSCS) cards – no.		3	15	28	46	88	145
Employment							
11. Progression into employment – no.			5	10	15	25	35

**Benchmark ESP
Outputs**



Employment and Skills – Supply Chain

- It is vital that the supply chain engage and understand the concept of employment and skills planning:
 - **Be open to employment and skills planning approaches**
 - **Develop plans across the organisation**
 - **Demonstrate real understanding for employment and skills planning approaches**
 - **Consider employment and skills outputs as a key criteria alongside time, quality and cost**



Sustainability

- The YORbuild Framework driven the waste management and carbon efficiency agenda through the procurement process.
- Detailed management information has been obtained to assess the performance of bidding contractors in the reduction of waste to landfill.
- The credentials of bidding contractors to reduce carbon impact in the build process together with the selection of solutions to improve the carbon efficiency of the building have been evaluated through the procurement.



Sustainability – Supply Chain

- The supply chain has a huge impact upon sustainability improvement and therefore key issues to consider are:
 - Engage with regional organisations such as C02 Sense to improve your organisations understanding for the sustainability agenda
 - Focus on carbon reduction in both the build and building design process
 - Work closely with YORbuild Contractors in tackling waste and site waste management plans



Economic Regeneration

- The YORbuild Framework driven the economic regeneration agenda through its procurement and sets out very clearly the challenge to framework contractors.
- Targeted local sourcing through the framework for materials and subcontracts will be high on the framework management agenda.
- YORbuild is working closely with Yorkshire Forward to promote project opportunities to the supply chain in order to ensure the very best opportunity to the regional supply chain.



Economic Regeneration – Supply Chain

- Construction Frameworks can have a huge impact upon the regional economy and this can be maximised with joined up approach to thoughtful expenditure on a regional basis:
 - **Think local, products and services from regional sources will bring about improved economic outcomes**
 - **Consider the value added in all procurement decisions, it is possible to source locally and competitively**
 - **Link procurement decisions to other key outcomes such as carbon reduction**



YORbuild Framework Benefits

- Access to a first class construction framework for the regions Local Authorities, Public Sector Bodies and Third Sector Organisations .
- Cashable efficiencies.
- Process efficiencies.
- Performance improvement.
- Platform for SME development.
- Capacity built across the region.
- Access to shared resources in the procurement of Construction Services.





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