



**model form
accommodation change protocol
for PFI projects:
bid-back items**

December 2008

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4ps Accommodation Change Protocol: Bid-back Items

Note: To be amended by the Authority before issue to the bidders.

	Paragraph Reference/Issue	Commentary	Price/Comment
1	Catalogue (Definitions)	Please see the Catalogue of Low Value Changes set out in Part ♦ of the (Invitation to Submit Outline Solutions). The bidder should price all items. The price should include all management costs, overheads and mark-ups. The bidder should clearly include any assumptions made in the price such as exclusion of cost of material or limit on scope of task. Bidders are encouraged to offer discounts for "bulk" requests (see item 3). The bidder may add other priced items to the Catalogue.	N/A
2	Small Works Rates (Definitions)	The Catalogue includes Small Works Rates. The bidder must include the hourly rate [<i>which rate should include any and all overheads, mark-ups etc. need technical input</i>] for the specified trades and specialist services (if any). The bidder is invited to add other hourly rates for appropriate specialist trades.	
3	Low Value Change Threshold/Medium Value Change Threshold (Definitions)	See comments below in respect of due diligence costs. The bidder should confirm that no due diligence will be required (or the Authority will not be charged for any due diligence costs incurred if due diligence is carried out) if the Change is below the Low Value Change Threshold or the Medium Value Change Threshold (as appropriate). The bidder should complete these two definitions to set out the number and costs below which no due diligence costs will be incurred by the Authority	

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4	Due Diligence Costs (paragraph 5.2 of Part 1)	The expectation is that that most Changes will be paid for by the Authority. Therefore, the amount of due diligence to be carried out by the senior lender should be limited both in scope and cost. PUK recommends the due diligence costs should never exceed 2% of the overall value of the relevant Authority Change. Bidders are invited to better this overall cap.	
5	Management of Low Value Change (paragraph 2.3 of Part 2)	<p>The assumption is that the project management costs of administering and managing a certain number of LVCs will be included in the Unitary Charge. The bidder should specify what that number is. The bidder is encouraged to suggest innovative ways of charging for the processing of Changes. The bidder should consider what discounts it can offer where Low Value Changes are batched into one Change Notice and, in the case of all Changes, any savings that can be passed on to the Authority by processing Changes at particular times of the year.</p> <p>The bidder should identify the cost per Low Value Change once the bid number of LVCs are exceeded.</p>	
6	Update of Catalogue (paragraph 6 of Part 2)	<p>The Authority has indicated that the Catalogue will be updated every [3] years. The bidder is to confirm that this is acceptable. The Authority is very interested in other proposals which offer better value for money.</p> <p>The bidder should note that the items listed in paragraph 6.2(c), 6.2(d) and 6.2(e) of Part 2 [are indexed] [are not indexed]. The</p>	

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		bidder should consider whether it offers better value for money if these are items are [not] indexed.	
7	Sharing of Savings as a result of Service Provider Change (paragraph 4 of Part 5)	The bidder should indicate the percentage share of any saving resulting from a Contractor Change that will be paid to the Authority.	
8	Pricing Information (Appendix 2)	<p>The bidder should price all items listed in Part 1 [<i>the Authority's financial and technical advisers may wish to add more detail.</i>]</p> <p>The bidder should confirm that all the costs shall be uplifted using the [BCIS Index] [RPI]. In addition, the bidder should confirm acceptance that the pricing information will be adjusted every [5] years to reflect current market rates.</p>	