

18.0 Commercial Management Strategy

- 18.1 The County Council is keen to build on the procurement strategy which successfully delivered the Mansfield Ashfield Regeneration Route, and the A612 Gedling Transport Improvement, and the lessons learnt from both of these projects. This experience will be reflected in how the early involvement of the Contractor would be implemented, and in how the site would be managed.
- 18.2 The time-scales relating to the Public Inquiry and the provision of funding, mean that significant Early Contractor Involvement (ECI) is practicable, and will allow for the Contractors full participation in the design process.
- 18.3 During the preliminary design process a preferred contractor will be appointed, using a two stage contract. The first stage will be under the Engineering and Construction Contract for Professional Services and will include for finalising the design, identifying areas of risk, and the scope for Value Engineering. Methods of working and programming will be developed in parallel with the design, to ensure a robust and deliverable scheme.
- 18.4 The value of this project will mean that it will fall under the provisions of EU procurement legislation. Contractors wishing to tender for the scheme will have to pass a pre-qualification exercise. The tenders will then be assessed on both quality and price before a selected tenderer is invited to take part in the design process.
- 18.5 During the scheme's design process discussions will take place with internal staff and a variety of external consultants, contractors and the senior suppliers defined by PRINCE2 about innovative ideas that can be included in the works. This will provide more certainty of price and better buildability and economy of the scheme.
- 18.6 Regular Risk Reviews will be carried out, identifying delivery and funding of risk items, the intention is to build into the contract practical risk transfer mechanisms. Once the detailed design is completed this will ensure that a robust Target Price for the construction phase can be agreed. At this point, the preferred contractor will be offered the next stage of the work under the New Engineering Contract - Engineering Construction Contract (NEC ECC) Option C or D.
- 18.7 The philosophy of the contract management arrangements will be firmly based on Partnering, with the Contractor and the County Council providing staff for a single site team. One of the major successes of the A612 Gedling Transport Improvement project was the way in which site staff worked as a totally integrated team, sharing accommodation and working closely together to solve problems. This reduced significantly the 'us and them' approach and enabled energy to be focussed on delivering the scheme, rather than debating contractual issues. The make up of the Integrated Team will be developed during the design period, to ensure the scheme objectives are clear to everyone involved.
- 18.8 The County Council's ability to deliver such schemes is aided by access to a wide skills resource through its partnership arrangements with a private sector design consultancy. In addition, the County Council has entered into Partnership with

Tarmac for works up to £1.0m which opens up an even wider resource and further expertise.

- 18.9 The scheme will not require 'formal' Gateway Reviews as it is below the £40m threshold; however a risk score has been established using the 4ps Project Assessment Spreadsheet, a copy of which is included in Appendix F. The assessment shows that the risk score falls well below the review threshold and a Gateway Review is therefore not necessary.