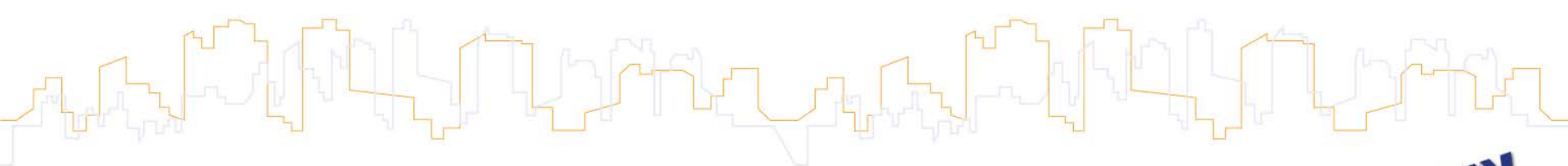
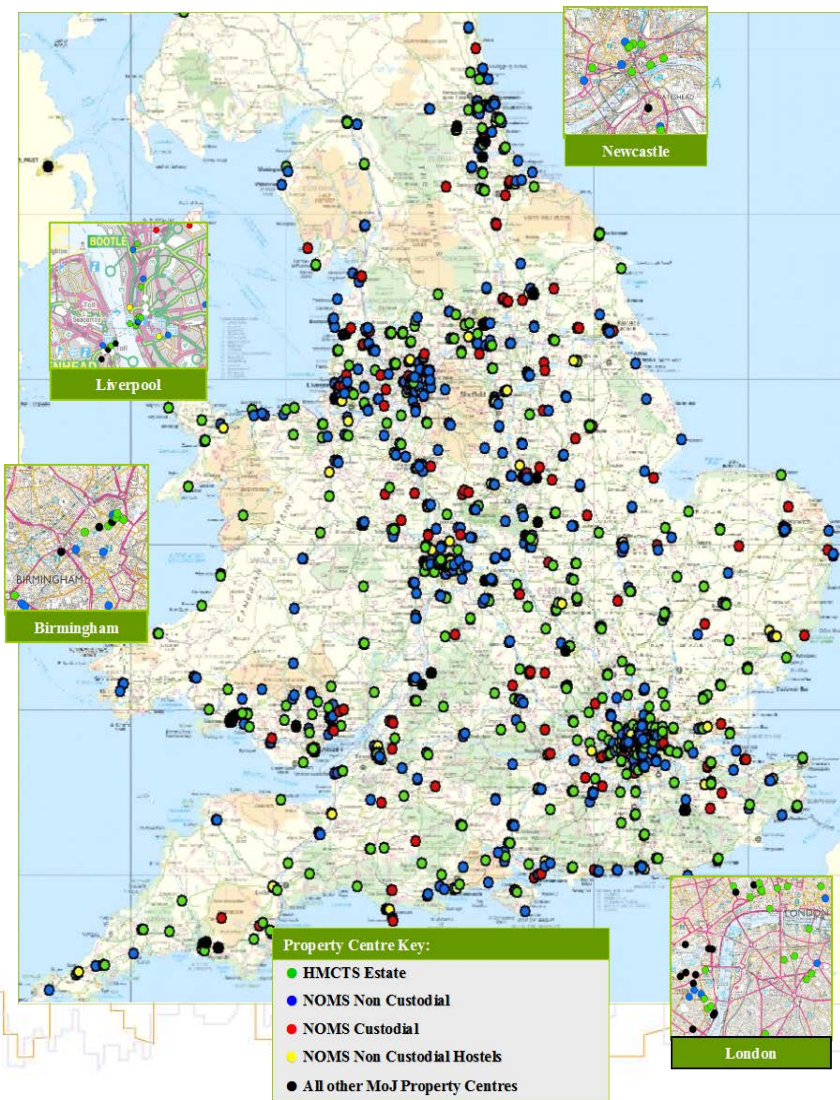


Kevin Murray

Head of Commercial and Contract Management - Property



Ministry of Justice Holdings 2011



- Largest mandated estate in government
- Circa 2000 buildings
- Circa £8bn value



Courts & Tribunals



Prisons



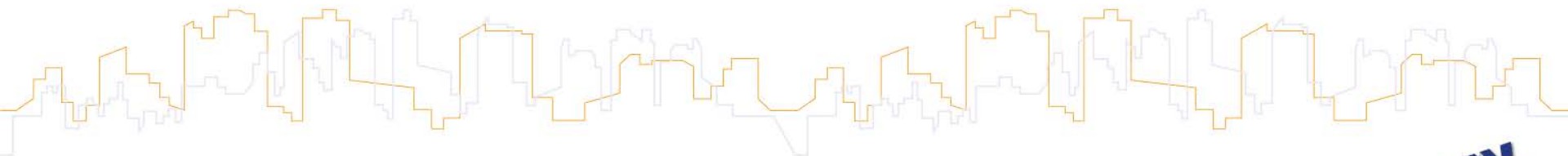
Probation

**Headquarters
Estate**



Working on our estate

- **Design**
 - separation of users
 - security requirements
- **Construction**
 - access constraints
 - productivity challenges
 - interfaces with users on site
 - high security to open prisons to courts



Context

- Challenging fiscal and economic climate
- Civil Service has central role in deficit reduction, providing VFM for the taxpayer and better delivery
- Top 5 Department, Largest estate (m² of buildings) |
- Contract management reviews by NAO and PWC

Compliance – Legal and Governance Requirements

- Contracts Finder
- OJEU
- MoJP Governance
- Major Projects Authority
- Cabinet Office
- HM Treasury

MOJ Delivery Routes

Construction projects over £150k

Delivery vehicle	Parameters	Availability
1. Strategic Alliance for projects over £10m	National alliance – six contractors appointed	2012 - 2018
2. Strategic Alliance for projects up to £10m	Three regional alliances (North, East/London and South) – five contractors appointed to each	2012 - 2018
3. Strategic Alliance for Professional Services	Services that may be procured include PM and Design, Cost Consultancy and CDM Co-ordinator	From May 2014

Strategic Alliance Agreements

MoJ [and additional clients] with Strategic Partners

**National Strategic
Alliance Agreement**

**3 x Regional Strategic
Alliance Agreements**

Option of PPC2000/NEC3 in call-off/mini-competition

PPC2000 two stage processes under Project Partnering Agreement

OR

NEC3 with bespoke Early Conditional Appointment equivalent to PPC2000

**MoJ
Consultants**

sign PPC2000 as Client Representative/Cost Consultant

Or

sign NEC3 Professional Services Contract as Project Manager/

Supervisor/Cost Consultant

NEC3

Early Contractor Involvement

- Considered use of PSC, Option E or use of Sections
- Bespoke Early Conditional Appointment adopted (processes for design, supply chain pricing, joint risk management, early activities on site and preconditions to start on site)

Price and timetable certainty

- Shared savings under Option A
- Agreed forms of Pre-construction Timetable, Risk Register and a Pre-Construction Agreement

NEC3 or PPC2000?

- Use of Framework Agreement for boilerplate clauses on Security, Freedom of Information etc
- Minimum Z clauses and Special Terms
- Bidders priced both PPC2000 and NEC3 for Alliance reprocurement
- Further MoJ option to select PPC2000 or NEC3 or require both to be priced under:
 - Call-off or Mini-competition
- Assessment of costs and project performance incurred in procuring/running projects under PPC2000 and NEC3
- Cabinet Office benchmarking through Pilot projects

New Models of Construction Procurement

- **Early Contractor Involvement – main route used by the MoJ**
- **Cost lead procurement – used on one project**
- **Integrated Project Insurance – unlikely to be used**

