

Leaseholders' guide to the framework contract



ফরমেওয়ার্ক কন্ট্রাক্ট (পরিকাঠামো চুক্তি) সম্পর্কে
ইজারাদারদের জন্য নির্দেশে
(Bengali)

Οδηγός του Μισθωτή για τη σύμβαση-πλαίσιο
(Greek)

Um guia de arrendatário para o contrato-quadro
(Portuguese)

Haggaha hanti-kiraystayaasha ee qandaraaska
qaab-shaqeedka
(Somali)

Una guía para el Arrendatario sobre el contrato marco
(Spanish)

Bir Kiracının çeçeve sözleşmesi hakkındaki rehberi
(Turkish)





Leaseholders' guide to the framework contract

The framework contract is a long-term agreement (managed by Homes for Islington) between Islington Council and a group of contractors. The contract is for carrying out major works to the buildings which Homes for Islington (HFI) manage.

The background

In recent years the government has favoured replacing traditional competitive tendering with long term relationships or partnering contracts between contractors and clients. These relationships should ensure the quality and value for money of the work undertaken. They should be sustainable and based on measurable outcomes.

The Council wrote to all leaseholders in January 2003 to explain the framework contract proposal. Consultation on a wider scale was organised in March 2003. This included discussion at area housing panels, the Leaseholders Forum, articles in local area housing newsletters, a leaflet ("Looking Good"), and information on the Council's web site.

At the area housing panels, residents were given the chance to get involved with selecting the contractors. A meeting was held in August 2003 to go through the shortlisting process with residents.



Residents were invited to the presentations and interviews with contractors and asked to score the contractors' performance. The contractors' responses to the questions asked by residents were taken into account by the evaluation team.

Key aims of the framework contract

- Substantially reduce tendering costs for the landlord, contractors and for leaseholders compared with "traditional" tendering.
- Improve customer care and reduce complaints.
- Introduce a more efficient method of cost control.
- Identify areas of waste and reduce the environmental impact of construction.

Project Partnering Contract

A new way of working known as the project partnering contract or PPC has been introduced as part of the framework contract. This provides a foundation for partnership working by:

- Bringing together all those working on a major works project.
- Aiming to save time and money by using the experience of the construction firms before going on site.
- Establishing a framework covering the development of design, the management of risk, the agreement of services and works and the agreed maximum price (AMP) before work starts.
- Providing methods of problem solving, and shared objectives to avoid disputes.



Process for allocating a constructor to carry out the work

A notice was published describing the proposed contract and the type of works to be delivered, and firms were asked to submit bids. Based on the bids received a list was created of construction firms who would be able to carry out the work. Constructors with the appropriate skills were then invited to submit detailed bids for the programme of major works planned.

Bids were scored the bids 40% on price and 60% on quality. 17 firms made successful bids.

A constructor is selected based on the type of work and its value, the constructor's previously tendered price, their credit rating and their availability. As the contract progresses, selection will also reflect past performance on other projects.

A team is set up for each project made up of staff from the constructor and HFI. This team develops a project plan within the agreed budget (based on an earlier feasibility study). Competitive tenders are carried out for any elements (e.g. scaffolding) which were not previously tendered.

A First Cost Check meeting is held with leaseholders to tell them about the scope of work and provisional estimated costs.

The project team finalises the details of the project, where possible taking account of feedback from leaseholders on the scope of the work. The agreed maximum price (AMP) is then finalised with the constructor. (See AMP section on next page).



A review is held by senior managers. There are usually two such reviews with any questions answered by the project team. When the senior managers are satisfied it is passed to the HFI board for approval.

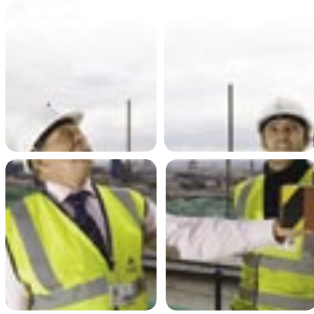
Details of the costs are prepared and issued to leaseholders as part of the "Section 20" Notice.

If the constructor selected is not the cheapest, a discount will be allowed to compensate for this difference.

A further consultation meeting is then held with the leaseholders to discuss the costs they have received as part of the Section 20 Notice.

When work has been completed HFI will agree the final costs with the constructor. This will take account of any changes to the work (authorised by HFI) since the AMP as well as any other financial changes.

Leaseholders are sent a final bill based on their share of the actual cost of the works.



The Agreed Maximum Price (AMP)

The setting of an AMP follows the same process for all projects:

- Block-by-block assessment based on standard options e.g. roof renewal, concrete repairs and external decoration.
- Site management facilities e.g. site supervisors, accommodation, transport and tools.
- Access costs e.g. scaffolding,
- Defined risks e.g. further repairs not in the AMP.
- 3-5% general contingency allowance. This and the risk allowance are not included in the final bills if they remain unspent.
- Professional fees are shown separately and include things such as architects, quantity surveyors and other specialists.
- An 'indexation' which covers increases (and decreases) in the market price of labour, materials, plant, transport and energy.

The rates and prices that make up the AMP are taken from the original tenders from the list of constructors. Those tendering for work were required to submit their rates and prices. They also had to show the following:

- Percentages based on a pre-priced schedule of rates that covered most of the normal building works.
- Percentages on the cost of specialist works such as window renewals and scaffolding.
- Weekly rates for site costs.
- Percentages to cover overheads and profit.



Leaseholder consultation

The framework contract affects the way the formal leaseholder consultation ("Section 20" consultation) is carried out before the works are undertaken. The tendering stage has already taken place, so once a constructor has been chosen, leaseholders are sent a Section 20 notice which :

- gives a general description of the proposed works.
- says why the works are necessary.
- gives an estimate of how much the works will cost.
- gives a period of 30 days to make comments in writing about the proposed works or the estimates.

We have to "have regard" to any observations we receive in writing in the 30-day period and write back with a response within 21 days.

For more information on the consultation process, see the Leaseholders' Guide to Major Works, available to download at www.homesforislington.org.uk or in hard copy by contacting Home Ownership Services

Home Ownership Services

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ফরমেওয়ার্ক কন্ট্রাক্ট হল ইসলিংটন কাউন্সিল এবং কয়েকটি ঠিকাদার সংস্থার মধ্যমে দীর্ঘকালীন একটি চুক্তি (হোমস ফর ইসলিংটন-এর ব্যবস্থাপনায়)। হোমস ফর ইসলিংটন (হেইচ এফ আই)-এর ব্যবস্থাপনায় বাড়িগুলিতে বড় মাপের কাজকর্ম করার জন্য এই চুক্তি করা হয়েছে। আপনার নিজ ভাষায় এটার অনুবাদ বা আরও তথ্য প্রয়োজন হলে, অনুগ্রহ করে হোম ওউনারশিপ সার্ভিসের (বাড়ির মালিকানা সর্বো) সাথে যোগাযোগ করুন। (Bengali)

Η σύμβαση-πλαίσιο αποτελεί ένα μακροπρόθεσμο συμφωνητικό (τη διαχείριση του οποίου έχει αναλάβει ο φορέας διαχείρισης Homes for Islington) μεταξύ του Δημοσίου του Ίσλινγκτον και μίας ομάδας εργολάβων. Η σύμβαση αφορά στη διεξαγωγή μεγάλων έργων στο κτίριο που διαχειρίζεται ο φορέας διαχείρισης Homes for Islington (HFI). Εάν χρειαστείτε μετάφραση ή περισσότερες πληροφορίες στη γλώσσα σας, επικοινωνήστε με τις Υπηρεσίες Ιδιοκτησίας Ακινήτων (Home Ownership Services). (Greek)

O contrato-quadro é um acordo a longo prazo (administrado pela Homes for Islington) entre o Município de Islington e um grupo de empreiteiros. O contrato é para executar trabalhos importantes no edifício que a Homes for Islington (HFI) administra. Se necessitar de uma tradução ou mais informações no seu próprio idioma, por favor contacte os Serviços de Aquisição de Habitação (Home Ownership Services). (Portuguese)

Qandaraaska qaab-shaqeedku waa heshiis mudo dheer ah (oo ay maareeyaan Homes for Islington) oo ka dhexeeya Golaha Dawladda hoose ee Islington (Islington Council) iyo koox qandaraaslayaal ah. Qandaraasku waa in shaqooyin waaweyn lagu sameeyo dhismaha ay maareyso Homes for Islington (HFI). Haddii aad u baahan tahay turjumaad qoraal ah ama warbixino dheeraad ah oo luuqaddaada ku qoran, fadlan la xidhiidh Adeegyada Guryo Lahaanshaha (Home Ownership Services). (Somali)

El contrato marco es un acuerdo a largo plazo (administrado por Homes for Islington [Viviendas para Islington]) entre el Consejo de Islington y un grupo de contratistas. El contrato es para la realización de obras importantes en el edificio que administra Homes for Islington (HFI). Si necesita una traducción o más información en su propio idioma, por favor comuníquese con Home Ownership Services [Servicios de Propiedad de Viviendas]. (Spanish)

Cerçeve sözleşmesi Islington Belediyesi ile bir grup müteahhit arasında yapılan uzun vadeli bir anlaşmadır ('Homes for Islington' tarafından yönetilen). Bu sözleşme 'Homes for Islington' (HFI) tarafından yönetilen binalardaki büyük çaptaki tamir işlerinin yürütülebilmesi ile ilgilidir. Eğer bir tercümesine veya kendi dilinizde daha çok bilgiye ihtiyacınız varsa, lütfen Konut Edinme Hizmetleri ile irtibata geçiniz. (Turkish)

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**Homes for
Islington**