

## APPENDIX A - QUESTIONS FOR BIDDERS

### 1. Introduction

The table of questions below has been taken from version 2 of the PITN Guidance Notes issued by the Private Finance Unit. The contents and structure are mandatory.

The response required to question D11 has been amended to reflect the latest guidance and PITN pricing pro-forma.

Question E5 is not used.

Question reference E11 has been amended to reflect the Trusts' approach to IM&T.

### 2. Questions

Table 22 details the information to be provided by Bidders in response to this PITN. Section 8 of this volume of the PITN details the format of the documents and the return date.

Table 22 – Format and Content of Bidders Response to the PITN

PITN Element	Score/ Ref	Bid Criteria	Response required
<b>A. Executive Summary</b>			
	A.1	Provide an overview of the Bidder's approach to the project Identify those factors that, in the Bidder's opinion, are significant and identify how they will be accommodated within the Bidder's proposals	Max 2000 words
<b>B. Project Management Approach</b>			
Strategic Approach	B.1	Taking into account the NHS's strategic objectives (as set out in the NHS Plan, the NHS Modernisation Agenda and so forth) the Bidder should set out how they will be addressed through the Bidder's proposals for the Project.	Max 500 words
Measures of success	B.2	The Bidder should set out critical success factors for the Project which it must address in order to be successful. The Bidder should indicate what it brings to the Project by way of skills or innovative solutions to meet these criteria.	Max 500 words
Integration of design and FM	B.3	The Bidder is required to demonstrate how consistency will be assured (and synergies exploited) between the design and FM solutions. The response should be illustrated with real examples of PFI schemes in either the health sector or other parts of the public sector.	Max 750 words

PITN Element	Score/ Ref	Bid Criteria	Response required
Management of parties	B.4	The Bidder should provide details of how it will be managed, setting out the roles and responsibilities of managers within each service provided (including <i>both</i> the construction of facilities and facilities management) and how these will be integrated into one coherent whole. Where construction, facilities management equipment or IM&T input are to be provided by contractors other than the Principal Service Provider(s), the Bidder should make clear: <ul style="list-style-type: none"> <li>– The selection process for such sub contractors or the experience of those already selected, plus proposals for their replacement and market testing</li> <li>– The manner in which performance of the sub contractor will be secured and integrated within the overall performance requirements of the Trust's Output Specifications.</li> </ul>	No more than 750 words supported by organograms where appropriate
	B.5	The Bidder should set out proposals to manage and control advisers' fees for the Project.	Max 250 words
Collaborative working with the Trusts	B.6	The Bidder should provide: <ul style="list-style-type: none"> <li>– Details of an overall strategy and mission statement as a long term provider of serviced healthcare accommodation.</li> </ul>	Max 1000 words for the section
	B.7	– A summary of how its values accord with those of the Trusts to underpin long term partnerships	Included in above word count
	B.8	– High level proposals for working with the Trusts which will ensure value for money and sustain a long-term partnership. The response should be illustrated with proposed management structures prior to financial close and from commencement of the concession period and should be supplemented with examples of evidence of where such partnerships are in place for current PFI schemes.	Included in above word count
	B.9	– An indication of the manner in which the Bidder will work with the Trust's staff and legal, financial and consultant advisors at all levels. The response should specifically address key staff groups such as clinical staff, directorate staff and staff representatives. – Bidders should give examples of how this approach has been adopted elsewhere and of exemplar sites that can be visited.	Included in above word count
<b>C. Legal Response</b>			
Acceptance of Commercial and Contractual Terms	C.1	Members of the Bidder should confirm that they and their funders: <ul style="list-style-type: none"> <li>– agree to the form of Project Agreement attached to this document subject <u>only</u> to an exhaustive list of genuinely project specific points; and</li> <li>– have approval to sign the Project Agreement on that basis. Please note that the Project Agreement is based on the Department of Health's standard form for PFI projects and includes all the Department's approved current market positions.</li> </ul>	Letters of support to be provided by each of the Bidder members stating their acceptance of the above.

PITN Element	Score/ Ref	Bid Criteria	Response required
<b>D. Financial Response</b>			
Payment Mechanism	D.1	The Bidder and their funders (if in place) should signify their acceptance of the payment mechanism.	Report by exception highlighting areas of the payment mechanism on which there is disagreement. These should be cross-referenced to the draft payment mechanism.
	D.2	The Bidder should indicate any project-specific areas of the payment mechanism which may offer opportunities for innovation. Whilst The Bidder is invited to submit variant proposals based on their comments above, they should note that it is expected that the core principles of the payment mechanism should be accepted in their entirety.	Max 300 words
	D.3	The Bidder should review and comment upon the calibration of, and tolerances built into, the Payment Mechanism. In commenting on these, The Bidder would be expected to address: <ul style="list-style-type: none"> <li>– Practicality;</li> <li>– Value for money impact; and</li> <li>– Ability to obtain funding.</li> </ul>	Max 500 words
Financing structure	D.4	The Bidder should set out: <ul style="list-style-type: none"> <li>– What funding packages would be suitable for the Project and why. The Bidder would be expected to utilise this opportunity to demonstrate an understanding of the Trust's project specific circumstances and would be expected to innovate in response.</li> </ul>	Max 1000 words for section
	D.5	– Depending on the type of funding package set out at D4, the Bidder should indicate what terms it would be likely to obtain. The response should set out indicative key financial terms (according to the relevant source of finance e.g. bank, mezzanine, bond) e.g. maturity/tail cover ratios requirements, operating and construction margins, swap margin, MLA, arrangement and commitment fees, monoline insurance fee that they would expect to secure from their funders.	Included in above word count
	D.6	– The Bidder should provide a breakdown of its equity investment and explain why it is considered suitable for the project.	Included in above word count
Deliverability of Funding	D.7	The Bidder should provide an outline which addresses: <ul style="list-style-type: none"> <li>– The deliverability of the funding solution. Explicit evidence should be provided to demonstrate that finance could be secured on the basis of the contract summary.</li> </ul>	500 words for the section
	D.8	– Evidence that funders will accept the risk allocation provided.	Included in above word count
	D.9	– Whether there are plans for a funding competition, where and when it will take place, which potential funders will be included, when a decision is likely to be made. If a funding competition is likely to be held early in the procurement, what measures the Bidder will employ to ensure that value for money is maintained.	Included in above word count

PITN Element	Score/ Ref	Bid Criteria	Response required
Financial Assumptions	D.10	<ul style="list-style-type: none"> <li>The Bidder should set out the key commercial issues (other than those relating to the payment and performance monitoring mechanisms) which will be fundamental to the pricing of the Project.</li> </ul>	750 words for the section
	D.11	<p>The Bidder is required to complete the PITN Pricing Pro-forma at the end on this Appendix.</p> <p>The Bidder should provide broad estimates of the following costs per sq metre:</p> <ul style="list-style-type: none"> <li>capital – this element should be based on the Bidder's proposed schedule of accommodation;</li> <li>an indicative price schedule for the capital cost of roads, car parks and other ancillary works not covered by the schedule of accommodation;</li> <li>Hard FM costs – a composite rate to encompass all of the hard FM services requested by the Trusts. Any additional services or other assumptions to be clearly highlighted.</li> </ul> <p>Other costs to be provided as follows:</p> <ul style="list-style-type: none"> <li>Lifecycle costs – to be quoted as an indicative 30 year spend profile on new build. Assumptions as to the phasing of expenditure should be clearly shown. An estimate of lifecycle costs for the refurbishment of existing buildings should also be provided. Any assumptions as to the balance between new and old building stock should be clearly set out;</li> <li>Soft FM costs – estimate rates per service should be provided eg linen per item, cleaning per sq metre, as applicable to the Scheme</li> <li>Advisory fees;</li> <li>Project Co estimated annual running costs;</li> </ul> <p>Cost estimates should conform to the following:</p> <ul style="list-style-type: none"> <li>All costs should be provided at the index date (MIPs basis) indicated by the Trusts;</li> <li>Capital prices should assume general ground conditions, unless the Trusts indicates expressly otherwise;</li> <li>Capital prices should assume the inclusion of Group 1 and Group 2 equipment. Major items must be as specified by the Trusts at prices quoted by the Trusts;</li> <li>Capital and lifecycle prices should be in accordance with the Trusts' decanting and refurbishment strategies;</li> <li>Lifecycle costs for refurbishment should assume no asbestos removal, unless the Trusts provides survey results, in which case unit rates for asbestos removal should be shown separately. Similarly, the Trust's estate should be assumed to be Category B, unless the Trusts provide a dilapidation survey which suggests differently.</li> </ul>	Completed PITN Pricing Pro-forma (see below)
	D.12	<p>The Bidder should comment on the feasibility of delivering the required Project Outputs within the broad cost indicators set out above. The Bidder should highlight any issues which they consider will impact upon the affordability of the Project</p>	Included in above word count
<b>E. Approach to Design &amp; Construction</b>			
Design Approach	E.1	<p>The Bidder should provide a high level statement of the approach that will be adopted in managing the design process during this stage of the project and an overview of how the process will be managed through the remaining stages to financial close.</p>	Max 2000 words for section

PITN Element	Score/ Ref	Bid Criteria	Response required
Design Analysis	E.2	The Bidder should present clearly its design analysis of both the site and the Trust's requirements as depicted by the invitation documents. The review of the Trust's site(s) should identify high level opportunities, constraints and access issues;	Max 500 words supported by diagrammatic information such as 1:1250 site plans indicating key site parameters
Design Practice	E.3	The Bidder should make clear how its proposals reflect good design practice, and sustainable development in delivering facilities that support the Trust's healthcare principles and philosophy. This should include: <ul style="list-style-type: none"> <li>- Details of architectural quality and how this will be ensured;</li> <li>- The design management process to be used;</li> <li>- Approach to delivering sustainable development;</li> <li>- An explanation of how energy consumption and waste will be minimised. The Bidder should set out if, and to what extent, it plans to utilise contracts operated by the NHS Purchasing and Supply Agency.</li> <li>- Compliance with HTMs, HBNs and DCAGs; and</li> <li>- Compliance with Statutory Requirements.</li> <li>- Approach to the consumerism agenda.</li> <li>- Approach to meeting the principles of the Better Public Buildings Initiative.</li> <li>- Philosophy and approach to NEAT and AEDET.</li> </ul>	Max 2000 words supported by diagrammatic information
Design Proposals	E.4	The Bidder should submit design proposals that clearly indicate how the Trust's requirements will be delivered within the parameters identified above. This proposal should include: <ul style="list-style-type: none"> <li>- Site planning and development proposals. In particular, the proposal should address how the design will be flexible enough for the Trusts to adapt it to alternative uses and to extend it in response to new developments in health care;</li> </ul>	No more than 4750 words for the section supported by the following: <ul style="list-style-type: none"> <li>- 1:1250 site plans and conceptual building proposals</li> <li>- 1:500 block departmental adjacencies</li> <li>- Diagrammatic explanation of stacking arrangements;</li> <li>- Outline of functional content;</li> <li>- Engineering schematic information</li> <li>- Elevations</li> <li>- Cross Sections</li> </ul>
	E.5		Not used
	E.6	- A demonstration that the design proposals are consistent with Outline Planning Permission. An overview of the Bidder's approach to urban planning should be provided.	Included in above word count

PITN Element	Score/ Ref	Bid Criteria	Response required
	E.7	– An overview of how the proposals deliver an environment that supports the well being of patients, staff and visitors. The needs of those with disabilities should be expressly addressed. The Bidder should address issues of security as well as satisfying initiatives such as Consumerism, which are designed to improve the patient environment. Responses should specifically include (but not be limited to) wayfinding, pedestrian access, access to public transportation and car parking.	Included in above word count
	E.8	– Design concepts and alternative proposals. The Bidder should make clear where it is possible to provide innovative solutions. These should be supported, where possible, with examples from real PFI and non-PFI schemes. Design concepts should demonstrate how they have addressed the interests of stakeholders, including (but not limited to) clinicians, patients (and their representatives), health commissioners, Local Government, the Prince's Foundation and CABE.	Included in above word count
	E.9	– Approach to healthcare planning. The Bidder should demonstrate how the Project's design has been driven by the Trust's clinical needs (such as infection control) other equipment needs, national NHS objectives (eg National Service Frameworks) and its subsequent ongoing management in the delivery of the Trust's health care objectives.	Included in above word count
	E.10	– Details of proposed functional relationships, both clinical and non-clinical.	Included in above word count
	E.11	The Bidder should set out their proposals for integrating the build and ICT with particular regard to: <ul style="list-style-type: none"> <li>– Telecommunications;</li> <li>– Understanding of the implications of <i>Information for Health, Building the Information Core</i> and the Trust's IT Strategy. The Bidder would be expected to develop proposals for the minimum ICT required to deliver the build, plus any other forms of ICT as appropriate. The Bidder should be clear how and to whom each element of IM&amp;T would be sub-contracted;</li> <li>– Flexibility i.e. ability to expand with increasing activity volumes, to graft new functionality as healthcare needs change and to interface with the aspirations of the Trust's local healthcare economy.</li> </ul>	Included in above word count
	E.12	– The Bidder should set out its proposals for value-added ICT that takes account of the national strategy and the components the Bidder is required to provide, including disaster recovery arrangements.	Included in above word count
	E.13	The Bidder should make clear the engineering services strategies including their approach to building services and the manner in which the integration of new and existing buildings will be achieved	Included in above word count

PITN Element	Score/ Ref	Bid Criteria	Response required
	E.14	<p>The Bidder should also make clear how their equipment proposals have been influenced by:</p> <ul style="list-style-type: none"> <li>- The Trust's current and future healthcare needs;</li> <li>- The requirements of the Bidder's Service Providers; and</li> <li>- Life cycle/capital replacement requirements.</li> </ul> <p>The Bidder's proposals should cover how it plans to select equipment suppliers and how its purchasing arrangements will ensure value for money. The Bidder should set out if, and to what extent, it plans to utilise contracts operated by the NHS Purchasing and Supply Agency.</p> <p>Bidders should specifically comment on:</p> <ul style="list-style-type: none"> <li>- Their proposed strategy and scope of service;</li> <li>- The proposed equipment responsibilities;</li> <li>- The managed service options and key principles;</li> <li>- Their proposed equipment services providers;</li> <li>- Their proposed or expected funding arrangements;</li> <li>- The interface arrangements with the investment committee</li> </ul>	Included in above word count
Construction Approach	E.15	<p>The Bidder should outline their construction and / or refurbishment proposals in sufficient detail to demonstrate the deliverability of the proposed developments. Within the scope of the proposal, the Bidder should address how the construction phase of the project will be managed, particularly:</p> <ul style="list-style-type: none"> <li>- the selection of key materials, the nature and extent of refurbishment within the overall construction;</li> </ul>	<p>No more than 4000 words supported by</p> <ul style="list-style-type: none"> <li>- 1:1250 site plans indicating the approach to construction.</li> <li>- Outline construction programme</li> <li>- Indicative lifecycle schedule for the proposed design specification</li> <li>- Decant and mobilisation plans</li> </ul>
	E.16	- Building services strategy;	Included in above word count
	E.17	- Impact on existing engineering services;	Included in above word count
	E.18	- Partnering arrangements within the supplier chain (covering, for example, proposals for creditor payment standards, sharing of cost savings, performance measurement and management);	Included in above word count
	E.19	- The Bidder should provide details of its approach to commissioning, setting out the principles for all completion tests and inspections to be carried out during the construction phase of the Project;	Included in above word count
	E.20	- Key phasing and decanting proposals in outline to reflect the continued operation of clinical and support services. In addition, an indication should be given of the favored construction methodology, with access routes, zoning requirements for major plant, contractors' compound etc	Included in above word count
	E.21	- Proposed design and construction timetable	Included in above word count
	E.22	- Property proposals including the future use of retained buildings, disposals and future property development;	Included in above word count

PITN Element	Score/ Ref	Bid Criteria	Response required
	E.23	– The Bidder should indicate the approach to the lifecycle maintenance of both buildings and equipment (eg replacement with like for like, technological upgrade);	Included in above word count
	E.24	– The Bidder should describe the management issues relating to design, construction and CDM which would be encountered and how these would be resolved. Where possible, reference should be made to real solutions to real problems eg within the last three years.	Included in above word count
<b>F. Approaches to Facilities Management</b>			
Compliance with the requirements of the Trusts Service Output Specifications	F.1	The Bidder should confirm the services to be delivered as part of the offer along with a high level statement indicating the proposals compliance with the Service Output Specifications.	Max 500 words
Service delivery proposals	F.2	It is expected main contractors will be identified for the provision of hard and soft FM services and that these would take responsibility for their delivery. This responsibility includes the management of any sub-contractors. For each service required or offered the Bidder should provide a detailed statement of how the service will be delivered. This will include: <ul style="list-style-type: none"> <li>– Overview of service delivery. The Bidder should provide detailed methodologies for the delivery each core service and negotiable income generating service. In each case, the methodology should be cross-referenced to the Service Specifications and non-clinical output standards. A clear statement of intention regarding the inclusion or exclusion of clinical services should be given. Innovative solutions to service delivery, and any proposal to amalgamate specified services should be clearly identified with supporting rationales and benefits;</li> </ul>	Max 3000 words for section
	F.3	– Outline method statement. The Bidder must provide a statement of compliance in respect of all Trusts mandatory and legislative requirements. Submissions should include comprehensive references to applicable legislation and mandatory policies in respect of each service;	Included in above word count
	F.4	– Resource proposals. The Bidder must set out indicative staffing structures, both in terms of quantity and qualifications.	Included in above word count
	F.5	– Interaction with both the Trusts and other services or service providers including those which may be contracted out or otherwise outwith the scope of the Scheme. Where appropriate, The Bidder should illustrate its responses with reference to previous PFI and non-PFI Schemes.	Included in above word count
Third Party Income	F.6	The Bidder should also set out their proposals for the generation of third party income, together with an indication of likely turnover and profit sharing arrangements. Reference should be made to proven solutions.	Max 500 words

PITN Element	Score/ Ref	Bid Criteria	Response required
Proposals for ensuring appropriate quality of service delivery	F.7	The Bidder should indicate how it will respond to the Trust's performance regime and the manner in which this will integrate with the Bidders own Quality Management Systems. Performance monitoring arrangements should be sufficient to monitor the attainment of standards under the Trust's Output Specifications and should contain demonstrate sufficient flexibility to incorporate new standards;	Max 1000 words
Interaction with design and construction process	F.8	The Bidder should make clear how proposals have been influenced by their Service Providers	Max 750 words
Service transfer proposals	F.9	The Bidder should make clear their proposed method and timescale for managing the transfer of existing services currently provided either by the Trusts or third parties. This should include: <ul style="list-style-type: none"> <li>– Transfer process and timescales. In doing so, The Bidder should set out what they believe to be the key sensitivities involved in bringing the service on stream and how these may impact on the delivery of services. The Bidder should indicate how it would assist in resolving these issues.</li> <li>– Interim arrangements, highlighting in particular experience of managing the implementation of services during a major construction and on a confined site.</li> <li>– Alternatives – The Bidder are encouraged to submit alternative proposals for managing the service transition, if they feel that these would be advantageous to the Trusts, together with an explanatory rationale.</li> </ul>	Max 500 words supported by programme
Human Resources – staff transfers and transition management (Retention of Employment)	F.10	The Bidder should provide: <ul style="list-style-type: none"> <li>– Details of pay strategies and terms of employment to be applied to transferring staff and new recruits who will be employed in the services likely to transfer to the private sector. Where soft services are to be included within the scope of the scheme, Bidders must set out the implications of applying the Retention of Employment model.</li> </ul>	Max 1000 words for section
	F.11	<ul style="list-style-type: none"> <li>– Full details of procedures for consulting with staff and their representatives (particularly trades unions) in relation to this Project. In addition, The Bidder should set out their current recognition arrangements with trades unions, coupled with arrangements for consultation at regional and national levels;</li> </ul>	Included in above word count
	F.12	<ul style="list-style-type: none"> <li>– Details of the human resources support which will be made available to assist in the consultation process and to provide other support during the period of staff transfer. Personal profiles of relevant staff should be included;</li> </ul>	Included in above word count
	F.13	<ul style="list-style-type: none"> <li>– An outline strategy and timetable for the staff transfers within the overall context of the Project timetable. The Bidder should highlight any relocation issues which the Bidder feels merit attention, together with suggestions as to how these can best be resolved in line with Government policy.</li> </ul>	Included in above word count

PITN Element	Score/ Ref	Bid Criteria	Response required
Human Resources – ongoing management	F.14	The Bidder should provide a high level statement of their corporate approach to the management of Human Resource matters The Bidder should provide an overview of how human resource issues will be dealt with within this project. In particular, attention should be paid to the management of staff sickness absence; accidents and violence to staff; induction and screening arrangements for new staff; and equal opportunities (including but not limited to gender, race and sexual orientation).	Max 2000 words for section.
	F.15	The Bidder should make clear: <ul style="list-style-type: none"> <li>– acceptance of Trusts policies and Procedures, particularly those relating to the screening of staff (including the requirement to commission police or local authority checks on staff operating in sensitive areas) and their proposals in respect to health screening and the immunization of staff at risk</li> </ul>	Included in above word count
	F.16	<ul style="list-style-type: none"> <li>– Approach to the recruitment and retention of staff. Particular reference should be made towards incentivisation, pay structures and staff development;</li> </ul>	Included in above word count
	F.17	Pension proposals. The Bidder must provide a statement of acceptance of government guidance in relation to the transfer of pension benefits. The statement should include: <ul style="list-style-type: none"> <li>– Full details as to how the obligations relating to transferring staff will be discharged (for both initial and subsequent transfers). The statement should include an undertaking to effect that all employees who are members or entitled to become members of the NHS Pension Scheme should be offered membership of a pension scheme which has been certified by the Government Actuary as being broadly comparable with the NHS Pension Scheme, as well as the option to move any accrued benefits to the new scheme by means of bulk transfer on a day for day past service credit basis plus enhanced redundancy terms on premature retirement at age 50 or over as are currently enjoyed under the NHS Scheme;</li> <li>– An outline of the pension benefits which the Bidder proposes to put in place for new recruits.</li> </ul>	Included in above word count

### 3. PITN Pricing Proforma

Table 23 – PITN Pricing Pro-forma

#### Capital Elements

Departments	Dept 1	Dept 2	Dept 3	Area 1	Area 2	Totals
1. Type of Accommodation(N/A/C)						
2. Floor Area (sq. metres)						
3. Rate (£ per sq. metre)						
<b>4. Subtotal Construction Costs (2+3)</b>						
5. Equipment Costs (£)						
<b>6. Subtotal Departmental Costs (4+5)</b>						
7. Roads, Car Parks and other ancillary costs not covered by the schedule of accommodation						
8. Advisory Fees						
<b>9. Total Capital Costs of the Scheme (6+7+8) at MIPS [specify]</b>						

#### Service Elements

Service Type	Rate
Hard FM Services (£ per sq. metre per annum) – lifecycle risk	
Portering (£ per sq. metre per annum)	
Linen (£ per 1,000 articles)	
Cleaning (£ per sq. metre per annum)	
Catering (£ per 1,000 meals)	
Security (£ per sq. metre per annum)	
Reactive Maintenance (£ per sq. metre per annum) – no lifecycle risk	

## Lifecycle Element

Concession Period	Mean Rate pa	1.	2.	3.	4.	5.	6.	7.
New Build (£ per sq. metre pa)								
Refurbished Estate (£ per sq. metre pa)								
Project Co Costs (£ per sq. metre pa)								
Equipment (£ pa)								

Concession Period	8.	9.	10.	11.	12.	13.	14.	15.
New Build (£ per sq. metre pa)								
Refurbished Estate (£ per sq. metre pa)								
Project Co Costs (£ per sq. metre pa)								
Equipment (£ pa)								

Concession Period	16.	17.	18.	19.	20.	21.	22.	23.
New Build (£ per sq. metre pa)								
Refurbished Estate (£ per sq. metre pa)								
Project Co Costs (£ per sq. metre pa)								
Equipment (£ pa)								

Concession Period	24.	25.	26.	27.	28.	29.	30.
New Build (£ per sq. metre pa)							
Refurbished Estate (£ per sq. metre pa)							
Project Co Costs (£ per sq. metre pa)							
Equipment (£ pa)							

#### Notes for the completion of the data capture form

- **General** – bidders should differentiate between self contained **departments** (eg A&E) which could reasonably be assumed to have unique costs and other **areas** (such as circulation spaces or waiting areas) whose costs are more generic, owing to their non-specialised, non-medical nature.
- **Type of accommodation** - should differentiate between: N (new build); A (adaptations of existing buildings for alternative use); or C (refurbishing existing buildings for current use). The data capture form divides the project into departments (e.g. A&E) and other areas (circulation space, restaurant, atria and so on). The bidder should add as many columns as are necessary to describe the project adequately. Bidders should not attempt to aggregate rates into one composite figure. The Trust's estate should be assumed to be at Condition B, unless the Trusts has provided information to the contrary. Where the project comprises existing estate and new build, the bidder should only report as **capital** those areas for which lifecycle risk will be accepted.
- **Floor Area** – estimates must be provided for the floor area contributed by each department or area into the project, irrespective of whether they are the result of new build or the usage of existing estate. Again, these estimates relate only to those elements of the project for which the bidder accepts lifecycle risk.
- **Equipment Costs** – these are to be expressed as capital values per department or area and should assume at least the inclusions of Categories 1 and 2 equipment (and other Categories as advised by the Trusts). Major items must be as specified by the Trusts at prices quoted by the Trusts.
- **Roads, Car Parks** etc should be expressed as one capital value and should only include those works to be paid for by the Trusts through the unitary charge. Other works which may be required by other organisations (such as the local Council) and are funded from other sources should be excluded.
- **Advisory Fees** – should include an estimate of advisory fees to financial close (e.g. architects, corporate finance, legal). Thereafter other administrative charges (which may include advisory fees of one form or another) should be included within the annual estimate of **Project Co running costs**.
- **Service Elements** – all rates should use the units specified. Bidders should assume that the services are configured in such a way as to deliver against the Trust's output and service specifications.
- **Lifecycle Costs** – should be estimated and profiled across the life of the concession period. No adjustment should be made for asbestos removal unless the Trusts has indicated otherwise. Hard FM is assumed to relate to services delivered to existing estate and new build for which Project Co will take lifecycle risk. Where a limited maintenance service (commonly termed a "toolbox" service) is to be provided to existing estate, which does not constitute acceptance of lifecycle risk, this rates per sq. metre should be set out under "Reactive Maintenance".
- **Assumptions** – for ease of comparison, bidders should ensure that their pricing data are provided according to the following bases:
  - Capital costs should be expressed at the MIPS level specified by the Trusts;

- Bidders should indicate (if they have not already done so in their submission) the expected start date for the construction phase and its duration;
- Capital and lifecycle costs should be consistent with the Trust's decanting proposals
- Bidders should assume that IM&T infrastructure is included within equipment and lifecycle costs. If the project is to include a significant IM&T procurement (e.g. a PACS system) which is to be funded through the same unitary charge as the build scheme, the capital and lifecycle implications should be identified separately in a format (and using assumptions) consistent with those for the build scheme.
- Bidders should **not** adjust services or lifecycle costs for inflation. Trusts' financial advisers will wish to apply a common set of financial conditions to the submissions to assist comparability.
- Unit costs should be presented on a gross basis, without any allowance for any offset owing to third party income.

