

NWCH MANAGEMENT FEES

The key advantages of this framework to Clients is its provision of a fast and cost-effective procurement process. To support this, there is a need for an income stream to establish, manage, and eventually re-procure the frameworks. The North West Construction Hub Frameworks proposed management fee will be covered by the contractor involved in each project under the framework.

ALL FRAMEWORK MANAGEMENT FEES ARE INCLUDED IN THE OVERHEAD PERCENTAGE PROVIDED BY CONTRACTORS WITHIN THEIR TENDER SUBMISSIONS.

The Framework Management Fee/Levy for each construction framework is as follows:

High Value Framework (January 2023 - January 2027)

Lot 1 £8m to £25m

Lot 2 £25m+

Management Fee 0.25% Capped at £80,000

Medium Value Framework (August 2023- August 2027)

£3m to £8m

Management Fee 0.25% Capped at £25,000

Low Value Framework (February 2024 - February 2028)

£1m to £4m

Management Fee £1m to £3m 0.40%

Management Fee £3m to £4m 0.25% Capped at £15,000

Small Works Framework (January 2024 - January 2028)

£2k to £1m

Management Fee (£2k to £75k) £300

Management Fee (£75k to £150k) £800

Management Fee (£150k to £300k) £1,600

Management Fee (£300k to £500k) £2,600

Management Fee (£500k to £750k) £4,000

Management Fee (£750k to £1m) £5,000

The fee/levy will be capped within each lot. The fee will be assessed at the contractor selection stage, following a mini-competition, and 20% of the fee will be payable. The remaining 80% will be calculated at the point of construction contract formation, accounting for any project cost variations, and must be paid before construction begins.