

Attachment 4 - Pricing Model

C1. Financial Methodology. How will you ensure that value for money (VFM) is evident in your proposal and delivery for this project and that effective governance is present?

Maximum 400 words. 40pts (0-4 scale). Using relevant examples, consider:

- (a) Benchmarking of Fee rates. How have you structured them for this requirement? Evidence of reduction or discount.
(b) Economies of scale / shared platform or services for the requirement
(c) What safeguards do you have in your supply chain? What systems are in place, including procurement policy, to demonstrate good commercial governance for this requirement?
(d) Any other added value or competitive financial approaches, such as sustainable costs over the longer term etc
(e) Provide monetarised value for the savings you have identified on an annual basis. Note - At the request of the Authority bidders should be able to provide a detailed breakdown to justify the response.

Benchmarking - our commercial rates for a Project Director are normally £1100 per day. The rates submitted below represent a discount on our normal commercial rates by 35%. And we have reduced our framework agreed Management fee from 40% to 2.5%. Albany's policy for delivering value for money involves the efficient, effective and economic use of funds. For all staff it means seeking out and implementing solutions, which achieve the best mix of quality and effectiveness for the least outlay. This will flow down into each contract undertaken. There are two elements to procurement for this contract, "staffing" and "supplies":

334 words

2. Please detail your full costs for the period to 31 March 2018. Total 160pts. Made up of:

- C2 - Competitive Average Fee rate = 30 points. Scored on an inverse percentage e.g. lowest priced / price x 100 x .30
C3 - Competitive Management Fee = 10 points. Scored on an inverse percentage e.g. lowest priced / price x 100 x .10
C4 - Total Costs = 120 points. Scored on an inverse percentage e.g. lowest priced bid / price of bid x 100 x 1.20

Notes for completion:

Section i. Staff costs are inclusive of all indirect labour costs. This means all costs associated with those employed (as per original Framework guidance). The costs will include all taxes and contributions required by law and employer's liability and insurance (including life insurance and Medeva). All costs associated with the Contractor's standard employment benefit such as sick leave with pay, pension, non-working days, travel days, health and life assurance.

Add additional rows as necessary to table below. Include management fee/profit % in highlighted cell X35. Management fee/ profit % should only be applied to total labour costs & not to operational and costs and expenses.

Table with columns: Activity/Strand, Type of Cost, Unit costs (where applicable), Quantity, and monthly cost breakdown from Oct-16 to Apr-18, plus a Total (£) column.

<< Right click column number of this row to insert new row (you will need to drag down formulae from preceding row). Please remember to add corresponding row into Staffing costs checklist

Summary table for Staff costs including indirect labour costs BEFORE Management Fee / Profit %, C2 - Average daily Staff rate (30pts), C3 - Management Fee % (10pts) - Numbers only - no need to include % sign, Management fee (£), and Total staff costs per month including management fee / profit %.

Section ii. Operational Costs and Expenses: Including flights, transport, accommodation, and any other living costs associated with this requirement. Management fee/ profit % is not to be applied to operational and costs and expenses.

Table with columns: As per SOF, Operational costs and expenses, broken down by type, Unit rates, Unit Quantity, and monthly cost breakdown from Oct-16 to Apr-18, plus a Total (£) column.

<< Right click column number of this row to insert new row (you will need to drag down formulae from preceding row)

Summary table for Total operational costs and expenses, Total Project Costs (120pts), and Total Project Costs (160pts).

**Staff costs checksheet - entries permitted in green shaded areas only**

Please submit Clarification Question(s) via Bravo

Activity/ Strand	Type of Cost	Unit cost	Qty	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	Total (£)	
As per SoR	i Staff broken down by role	Staff daily rate	Total Days	Total cost	Total cost	Total cost	Total cost	Total cost	Total cost	Total cost	Total cost	Total cost	Total cost	Total cost	Total cost	Total cost	Total cost	Total cost	Total cost	Total cost	Total cost	Total cost	Total cost	
0	Project Director	700	190	7000	7000	7000	7000	7000	7000	7000	7000	7000	7000	7000	7000	7000	7000	7000	7000	7000	7000	7000	7000	133000
0	Local coordinator - regional distribution and marketing specialist	104	360	0	2080	2080	2080	2080	2080	2080	2080	2080	2080	2080	2080	2080	2080	2080	2080	2080	2080	2080	2080	37440
0	Senior Project Manager AA	700	40	2100	1400	1400	1400	1400	1400	1400	1400	1400	1400	1400	1400	1400	1400	1400	1400	1400	1400	2100	28000	
0	Financial Manager AA	449	63	2694	1347	1347	1347	1347	1347	1347	1347	1347	1347	1347	1347	1347	1347	1347	1347	1347	1347	2694	28287	
0	Project Manager AA	449	101	3592	2245	2245	2245	2245	2245	2245	2245	2245	2245	2245	2245	2245	2245	2245	2245	2245	2245	3592	45349	
0	Administrator AA	104	101	832	520	520	520	520	520	520	520	520	520	520	520	520	520	520	520	520	520	832	10504	
0	Senior Project Manager Irex Europe	625	20	1250	625	625	625	625	625	625	625	625	625	625	625	625	625	625	625	625	625	625	625	12500
0	Project Manager Irex Europe	449	59	2245	1347	1347	1347	1347	1347	1347	1347	1347	1347	1347	1347	1347	1347	1347	1347	1347	1347	1347	1347	26491
0	Finance Manager Irex	449	58	1796	1347	1347	1347	1347	1347	1347	1347	1347	1347	1347	1347	1347	1347	1347	1347	1347	1347	1347	1347	26042
0	Administrator Irex Europe	104	96	624	520	520	520	520	520	520	520	520	520	520	520	520	520	520	520	520	520	520	520	9984
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<< Right click column number of this row to insert new row (you will need to drag down formulae to populate cells). If you added additional rows into Section i of Att 4 Pricing Model sheet, please insert corresponding row on this sheet.				22133	18431	18431	18431	18431	18431	18431	18431	18431	18431	18431	18431	18431	18431	18431	18431	18431	18431	18431	22137	357597
																						Management Fee %	2.5	
																						Management fee (£)	8939.925	
<b>Total staff costs per month including management fee / profit %</b>				<b>22686.325</b>	<b>18891.775</b>	<b>18891.775</b>	<b>18891.775</b>	<b>18891.775</b>	<b>18891.775</b>	<b>18891.775</b>	<b>18891.775</b>	<b>18891.775</b>	<b>18891.775</b>	<b>18891.775</b>	<b>18891.775</b>	<b>18891.775</b>	<b>18891.775</b>	<b>18891.775</b>	<b>18891.775</b>	<b>18891.775</b>	<b>18891.775</b>	<b>22690.425</b>	<b>366536.93</b>	

Enter comments/issues here (please also submit Clarification Question via Bravo):