

# **Request for Proposal NEC Digitisation**

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## About Thomas Telford Limited and NEC

Thomas Telford is the knowledge business of the Institution of Civil Engineers (ICE), creating specialist products and services for the civil engineering and construction markets. These include the NEC® suite of contracts.

NEC contracts are used for the procurement of works, services and goods across all sectors. Many private and public organisations use NEC contracts with NEC providing guidance and frameworks for selecting Procurement Strategies as well as selecting, preparing and managing NEC contracts.

NEC3 and NEC4 Contracts are endorsed and recommended by UK and Hong Kong Government for all public-sector construction contracts

The key benefits of NEC contracts are:

- They encourage collaboration and communication between parties.
- They are written in plain English rather than legal jargon.
- They are flexible and can be used in a wide variety of commercial situations.

See below for list of NEC3 and NEC4 titles published to-date.

<b>NEC3 Contract Suite</b>	<b>NEC4 Contract Suite</b>
	NEC4 Alliance Contract (ALC)
NEC3 Engineering and Construction Contract (ECC)	NEC4 Engineering and Construction Contract (ECC)
NEC3 Engineering and Construction Subcontract (ECS)	NEC4 Engineering and Construction Subcontract (ECS)
NEC3 Engineering and Construction Short Contract (ECSC)	NEC4 Engineering and Construction Short Contract (ECSC)
NEC3 Engineering and Construction Short Subcontract (ECSS)	NEC4 Engineering and Construction Short Subcontract (ECSS)
NEC3 Professional Services Contract (PSC)	NEC4 Professional Service Contract (PSC)
NEC3 Professional Services Short Contract (PSSC)	NEC4 Professional Service Short Contract (PSSC)
	NEC4 Professional Service Subcontract (PSS)
NEC3 Term Service Contract (TSC)	NEC4 Term Service Contract (TSC)
NEC3 Term Service Short Contract (TSSC)	NEC4 Term Service Short Contract (TSSC)
	NEC4 Term Service Subcontract (TSS)
	NEC4 Design Build and Operate Contract (DBOC)
NEC3 Supply Contract (SC)	NEC4 Supply Contract (SC)
NEC3 Supply Short Contract (SSC)	NEC4 Supply Short Contract (SSC)
NEC3 Framework Contract (FC)	NEC4 Framework Contract (FC)
NEC3 Adjudicator's Contract (AC)	NEC4 Dispute Resolution Service Contract (DRSC)

## What we are doing

We want to reshape the way that NEC contracts are used in a digital environment. We want to supply customers with a digital solution that supports effective use of their NEC contracts.

The solution needs to be geared to all existing and potential NEC3 and NEC4 users irrespective of their size, complexity, NEC maturity, market/sector and global location. Many of our users have existing software for services such as contract management and tender preparation provided by third parties. Some or all the features of our new solution as outlined in the Scope should be made available to such third parties who will purchase a licence for access.

## What we are looking for

Our long-term NEC digital vision is an end-to-end product which guides and assists users through the entire NEC process and we are looking for a technology Collaborator who can help us to deliver this. This Request for Proposal (proposal) outlines the first phase of this vision.

We are looking for a technology provider who has experience and understanding of NEC and operates within the infrastructure/construction space to design, build, operate, support and sell this new product with us on a commercial basis with agreed shared revenue.

## Background for the new product

As part of our early stakeholder engagement a mix of key NEC users representing clients, contractors and consultants were engaged to provide feedback on our vision to create an NEC Digital tool to support users.

Face-to-face workshops were conducted with NEC Users' Group members alongside feedback provided by key NEC stakeholders. The workshops reviewed users' current NEC processes from procurement strategy through to contract management to understand how they currently operate, their pain-points/challenges and their suggestions around where and how a new digital system would be able to assist them.

## New Product Scope

The Scope below is based on the areas seen as the most valuable by NEC users, contractors and consultants. This is an outline Scope and we will look to our technology Collaborator to work with us, our users and others to define the final detailed specification and user requirements of this product.

Name	Description
<b>Contract clause complier</b>	<p>NEC Users will have access to an online contract compiler that will assist them in selecting and preparing their Contract, Contract Options and Contract Data.</p> <p>This will include access to NEC Guidance documentation where practical.</p>
<b>Tender compiler</b>	<p>NEC Users will have the ability to export their Contracts and related documents in a distributable format.</p>
<b>Z Clause bank</b>	<p>NEC user organisations will have the ability to maintain a bank of “Z Clauses” that will be available for use on any of the organisation’s Contracts. [ “Z Clauses” are additional conditions of contract that can be added to the standard contract.]</p> <p>This should include descriptions for these clauses and circumstances under which they should be used.</p>
<b>Checklist</b>	<p>Users will be able to view a document checklist with a list of all documents and information required by the selected contracts and Options.</p>
<b>User permission admin</b>	<p>NEC user organisation’s admins will have the ability to maintain user permissions and roles for their projects and contracts.</p>
<b>Guidance docs</b>	<p>All NEC guidance documentation will be available through the new system.</p> <p>This documentation will be tagged and categorised so it can be easily searched and referenced in relevant parts of the contract and procurement strategy processes.</p>

## Collaboration Model

The NEC3 and NEC4 suites are based upon IPR owned by the Institution of Civil Engineers through Thomas Telford Limited. Our preferred model would be a Collaborator that can design, build, operate, support and sell the new product and will receive a revenue share. However, there could be different models of Collaborations that we are happy to consider. Submissions should include a proposal against the preferred model alongside any other proposals they would like considered.

## Collaboration requirements

In submitting a proposal, you are accepting that we will be working with you through a Collaboration agreement. This will include outline principles such as:

- How we will both agree and deliver our targets in terms of development, customer support and sales
- How we will work together to agree a sales/marketing strategy and avoid targeting the same clients
- How we will recognise our respective IPR and development costs and the IPR value of our NEC content into a commercial arrangement
- How the IPR of the new technical content (such as API code and images) will be owned and managed under both an active agreement and one which has terminated
- How we will make elements of the product or any of the IPR available to organisations who are considered competitors to either organisation
- The length of initial agreement term and the Review Process
- How we will define Collaboration failure and work together to avoid it
- “The Sunset Clause” – what happens at the end of an initial contract term or if the Collaboration is deemed to have failed?

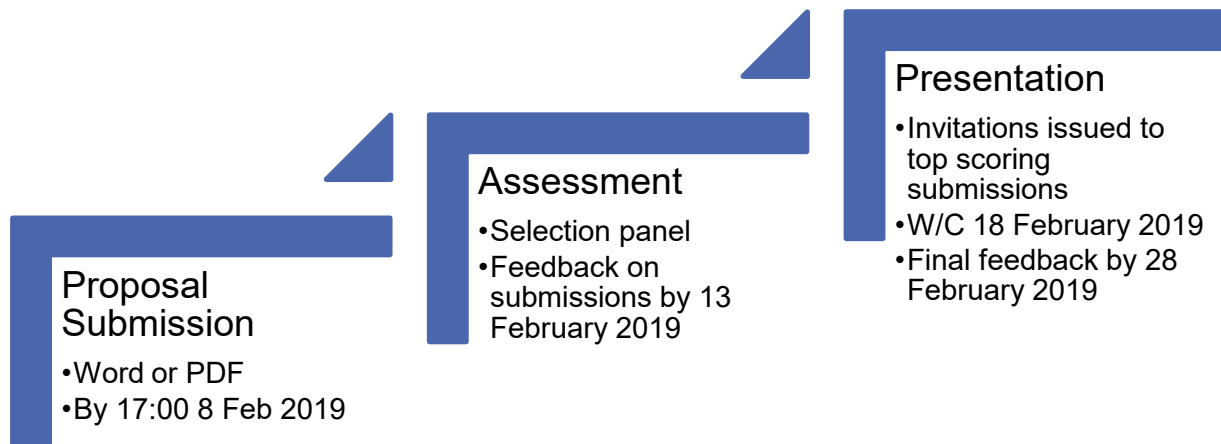
There will be an opportunity within your submission for you to articulate how you would address these and other principles you might feel are relevant.

Our digital vision includes future products that we would like to develop with a preferred Collaborator identified through this proposal however we cannot guarantee that all future digital development will be undertaken through this preferred Collaborator.

# Instructions for completing the Request for Proposal

## Selection Process

Organisations who feel that they can work with us to deliver our digital vision are invited to make a submission against this proposal. The submission will be assessed by a selection panel and scored according to the criteria below.



Once the submissions have been assessed, the top scoring organisations will be invited to make a presentation. This is likely to be w/c 18 February 2019.

Following the presentations, one organisation will be selected as the preferred Collaborator to take forward to develop the full Collaboration agreement. Should the discussion stall or create issues, we reserve the right to move to the next organisation on the list.

## Details for Submission

The submission should be in a Word or PDF format as a single file. They should be submitted by e-mail to [Elizabeth.brookfield@necontract.com](mailto:Elizabeth.brookfield@necontract.com). The deadline for submission is 17:00 on 8 February 2019 (GMT). All submissions will be acknowledged within 48 hours. **If your submission is late we reserve the right to exclude it from this process.**

If you need additional information or have queries about your submission, please contact Elizabeth Brookfield by e-mail on [Elizabeth.brookfield@necontract.com](mailto:Elizabeth.brookfield@necontract.com) prior to the closing date for submission. We may share the additional information requested with other suppliers that have been asked to submit a proposal.

The assessment and scoring of submissions from Tenderers, against the award criteria, will be at the discretion of Thomas Telford Ltd. No submission in response to this Request for Proposal will be deemed to have been accepted until such acceptance has been notified to the Tenderer in writing. An acceptance of a submission, and/or any invitation to the presentation stage, is not in itself a selection by Thomas Telford Ltd of the preferred Collaborator. Any selection of a preferred Collaborator will be at the sole discretion of Thomas Telford Ltd following the presentation stage.

Any Tenderer wishing to submit a proposal in response to this Request for Proposal, does so on the understanding that, if a Tenderer is successful in being selected as the preferred Collaborator, any contractual relationship between Thomas Telford Ltd and the preferred Collaborator will need to be substantially negotiated, and therefore Thomas Telford Ltd shall be under no obligation whatsoever to award, or enter into, any contract with the preferred Collaborator and as such all proposals submitted, and all negotiations which take place, will remain subject to formal contract. Tenderers who submit a proposal in response to this Request for Proposal, do so, entirely at their own risk.

Without prejudice to the above, Thomas Telford Ltd reserves the right to:

- (1) waive or change the requirements of this Request for Proposal from time to time without prior (or any) notice being given by Thomas Telford Ltd;
- (2) seek clarification or documents in respect of a Tenderer's submission and/or presentation;
- (3) disqualify any Tenderer that does not submit a compliant submission in accordance with the instructions in this Request for Proposal;
- (4) disqualify any Tenderer that is guilty of misrepresentation in relation to its Proposal, expression of interest, presentation or any further information provided by it.
- (5) exclude any Tenderers (including any Tenderer selected as preferred Collaborator) from the process who has been found to be in breach of confidentiality or intellectual property rights;
- (6) withdraw this Request for Proposal at any time, or to re-invite Proposals on the same or any alternative basis;
- (7) choose not to invite any Tenderers to the presentation stage;
- (8) choose not to select any preferred Collaborator pursuant to this procurement process; and
- (9) make whatever changes it sees fit to the timetable, structure or content of the procurement process.

Thomas Telford Ltd will not in any circumstances be liable for any damages, costs, expenditure, work or effort incurred by a Tenderer in carrying out enquiries in relation to, proceeding with, or participating in, this procurement process, including if the process is terminated or amended by Thomas Telford Ltd, and/or if the selection of a preferred Collaborator does not result in a contract award.

## **Client References**

Once we have identified our preferred Collaborator, we will seek references from at least three clients. These need to be:

- Less than three years old
- Include examples of product development
- Include at least one client outside of the UK

You should provide relevant contact details within your submission.



## Financial Due Diligence

We will also undertake due diligence checks. As a minimum this will include

- Dun & Bradstreet credit check report
- Companies House - search of recent announcements, review of latest filed accounts
- Check of latest management accounts
- Request to disclose any other information that may be relevant to the assessment of their credit status.

Details of what will be required in order to perform these checks will be supplied once we have identified our preferred Collaborator.

## Commercial Confidence and Privacy

All information, including personal and other contact details, will be processed in line with our privacy notice which can be found at [necontract.com](http://necontract.com).

All submissions will be treated in commercial confidence and not shared with other applicants. Full submissions will be retained for our records.

## Award Criteria

Our selection panel will evaluate your submission against the following criteria. Those scoring the highest will be invited to give a presentation to discuss some aspects in more detail. That presentation will be scored using the same criteria.

Criteria	% Weighting
<p><b>Collaboration Approach:</b>  <b>Why we should choose you as our Collaborator</b></p> <p><b>This should cover</b></p> <ul style="list-style-type: none"> <li>• Why you want to work with us</li> <li>• The way you propose our Collaboration would work on a day to day basis</li> <li>• How you would work with us to develop future products</li> <li>• The skills, knowledge and added value your team would bring to the Collaboration</li> <li>• Previous experience of/exposure to Joint Ventures</li> <li>• The way you propose our Collaboration would be formally agreed:               <ul style="list-style-type: none"> <li>• How we will both agree and deliver our targets in terms of development, customer support and sales</li> <li>• How we will work together to agree a sales/marketing strategy and avoid targeting the same clients</li> <li>• How we will recognise our respective IPR and development costs and the IPR value of our NEC content into a commercial arrangement</li> <li>• How the IPR of the new technical content (such as API code and images) will be owned and managed under both an active agreement and one which has terminated</li> <li>• How we will make elements of the product or any of the IPR available to organisations who are considered competitors to either organisation</li> <li>• The length of initial agreement term and the Review Process</li> <li>• How we will define Collaboration failure and work together to avoid it</li> <li>• “The Sunset Clause” – what happens at the end of an initial contract term or if the Collaboration is deemed to have failed?</li> </ul> </li> </ul>	20
<p><b>Commercial Model:</b>  <b>How we might work together on a commercial basis</b></p> <p><b>This should cover</b></p> <ul style="list-style-type: none"> <li>• Market size and shape (how do you picture these from launch with a three-year growth projection)</li> <li>• Pricing strategy for the new product</li> <li>• Your sales and marketing strategy including new routes to market</li> <li>• Your commercial offer to us (how you see the revenue being split for sales from both sides over time)</li> <li>• The growth strategy (how you would get the product to existing and new markets/ sectors)</li> </ul>	20

Criteria	% Weighting
<p><b>Product Development and Technology:</b>  <b>How you approach product development and evolving technology</b></p> <p><b>This should cover</b></p> <ul style="list-style-type: none"> <li>• Product design and development; how you design products and manage the initial and ongoing development including market engagement, specification and cost/time/quality management</li> <li>• Examples of products that you have developed</li> <li>• Your experience of successfully releasing and maintaining new products</li> <li>• Delivery methodology; an overview of the approach you take to product delivery and launch, lessons you have learnt and how this approach has evolved through those lessons</li> <li>• Your technology base and how this supports your products</li> <li>• How your technology base has evolved to meet user expectations</li> </ul>	15
<p><b>NEC Digital Vision:</b>  <b>How you will approach this development as our Collaborator</b></p> <p><b>This should cover</b></p> <ul style="list-style-type: none"> <li>• The timescale for design and development. This should include a breakdown of the different stages of the work proposed, i.e. workshops, data gathering, meetings, sign offs etc.</li> <li>• The staff resource and skills that will be allocated to this project</li> <li>• The suggested technical architecture for the solution</li> <li>• How the customer support function will be managed</li> <li>• Developing APIs to link to other software and tools such as the multiple versions of NEC contract management solutions in the market</li> <li>• The key risks, mitigations and assumptions you have made</li> <li>• The relevant skills and experience of your project team</li> <li>• Your proposal for ongoing support and development of the new product</li> <li>• Any training required by NEC staff</li> </ul>	25
<p><b>Technical Resilience, Security and Support:</b>  <b>How you will ensure that the product remains available and meets the required security and customer support standards</b></p> <p><b>This should cover</b></p> <ul style="list-style-type: none"> <li>• What the customer support model and service level agreement would look like (response and fix times etc)</li> <li>• How you will ensure platform resilience and data back-up integrity</li> <li>• How you would enable access and data storage via both Cloud and inhouse/enterprise interfaces</li> <li>• How you would manage cybersecurity and protecting user access and privacy – include details of protocols and standards followed and provide a copy of your GDPR and security properties</li> <li>• Any technical software and training required by NEC staff</li> </ul>	20

## Indicative Timetable

Item	Date
<b>Request for Proposal Issued</b>	W/C 7 January 2019
<b>Submission of Proposal</b>	17:00 8 February 2019 (GMT)
<b>Presentation (for those invited to present)</b>	W/C 18 February 2019
<b>Evaluation</b>	By 28 February 2019
<b>Selection of Preferred Collaborator</b>	1 March 2019
<b>Finalisation of Collaboration Agreement</b>	8 April 2019

[END]