

## **2     Core Services Lump Sum Schedule**

- 2.1 Contractors are required to provide an Annual Lump Sum price for each of the Core Services, Cyclic and Reactive Activities selected in the *Employer Service Information*. Details of Cyclic and Reactive Activities for each Service are set out in Volume 2.
- 2.1 Contractors shall break down each Core Service Lump Sum price into the following constituent elements: staff; labour; plant; materials; equipment; sub-contract; fee; local overhead; risk allowance. Contractors shall also indicate any estimates of quantity (eg number of emergency call-outs) on which they have based their Lump Sum price. The breakdown of the total Lump Sum prices by elements and estimate of quantity is to assist the *Employer* in determining the viability of any bid received and to enable the *Employer* to better understand the costs associated with the Service requested and shall not be deemed to be an acceptance of the contractors assumptions. Any changes to the prices will only be made in accordance with the Contract Conditions of Contract
- 2.3 Unless stated otherwise, one twelfth of the Annual Lump Sum will be paid to the *Contractor* each month for provision of the activity, unless the contractor has not carried out the service to the Employers Satisfaction, in which case the Service Manager will make an Assessment of the value of service undertaken and payment will be made on this basis.
- 2.4 Core Service Lump Sum for Reactive Activities only covers individual works or services requiring a response within 7 calendar days or less and where the estimated cost after the application of any adjustments to the schedule of rates does not exceed £1,000 (£1400 for TfL) (but see 2.7 below)
- 2.5 Reimbursement for “Inspection of Highway Structures”, “Site Inspections” and “Design Services” is only available through the Schedule of Rates.
- 2.6 Only provision of the Winter Service will be reimbursed through a Core Service Lump Sum; treatments will be reimbursed through the SoR.
- 2.7 Lump Sum for 3<sup>rd</sup> Party Damage covers individual works whose permanent repair is estimated to cost up to £10,000, but other conditions apply (see Volume 2 Section 2.24)
- 2.8 For TfL Core Services Lumps sums, two Prices are required:
- Option 1 Including Mobilisation Costs - The Contractor should build in, his mobilisation costs into the annual Core Service Lump Sums in proportion to the services that require the expenditure

Option 2 Excluding Mobilisation Costs - The Contractor may claim, up to the amount stated in the Mobilisation Lump Sum Schedule as a separate amount to be paid as indicated. He then shows reduced Core Service Annual Lump Sums on sheet TfL Excluding Mobilisation Lump Sums in proportion to that service required expenditure.