

INFRACO – VALUATION OF tie CHANGES

- 1.0 Principles
 - 1.1 tie Changes do not include changes to the terms and conditions themselves. This will be dealt with by way of an agreed deed of variation.
 - 1.2 The process for managing the valuation of tie changes is as set out in clause 80 (Estimate Process)
 - 1.3 The impact of a tie Change on time, in the case of capital works, is assessed by under clause 65, but costs are assessed under clause 80.
- 2.0 Definition of tie Change
 - 2.1 Changes to Infraco Works as defined in contract but excluding changes to the contract terms including introduction of further TPAs.
 - 2.2 Practically this means changes to capital works and/or maintenance elements of the Employer's Requirements and Infraco Proposals (including designs)
- 3.0 Impact Of Changes
 - 3.1 changes may be to capital works or to maintenance works. In the case of maintenance changes to routine maintenance or renewals.
 - 3.2 Capital works changes may have an impact on maintenance, both routine and renewals.
 - 3.3 Practically changes will impact
 - The scope of work to be delivered
 - The productivity of work to be delivered
 - The timing of commencing and completing work which may impact the programme
 - The extent and frequency of routine and renewals maintenance
- 4.0 Documents that may need to be updated to reflect tie changes
 - 4.1 The following may need to be updated:-
 - Infraco Proposals (this can be done in the response to the tie change)
 - Programme
 - Designs (permanent and temporary)
 - Method statements
 - Maintenance plans
 - Essentially the Deliverables are updated

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- Employer's Requirements (this will be done by attaching updated sections to the tie change, or specifically referencing the changes to be made to the Employer's Requirements in the change itself)

5.0 Factors for valuation of changes

5.1 These are:-

- Quantum of the change
- Rate to be applied to quantum
- Changes to Preliminaries costs

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VALUATION MATRIX

CHANGE TO	CAPITAL WORKS			MAINTENANCE	
	Major changes	Small Works	Accommodation Works	Routine	Renewals
Employers Requirements					
<ul style="list-style-type: none"> Performance Requirements 	C1	n/a	n/a	M1	M2
<ul style="list-style-type: none"> Standards 	C1	C2	C3	M1	M2
<ul style="list-style-type: none"> Constraints 	C1	n/a	n/a	M1	M2
<ul style="list-style-type: none"> Specified Scope 	C1	C2	C3	n/a	n/a
<ul style="list-style-type: none"> Procedures 	C1	n/a	n/a	M1	M2
Infraco Proposals					
<ul style="list-style-type: none"> Scope 	C1	n/a	n/a	M1	M2
<ul style="list-style-type: none"> Temporary Works 	C1	n/a	n/a	n/a	n/a
<ul style="list-style-type: none"> Specification 	C1	n/a	n/a	M1	M2
<ul style="list-style-type: none"> Programme 	C1	n/a	n/a	n/a	n/a
Contract Generated Change					
<ul style="list-style-type: none"> <i>To list</i> 					
Time impact assessed	Clause 65	n/a	n/a	n/a	n/a

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METHODS OF VALUING CHANGES

- 1.0 Capital Works
 - 1.1 C1 – by:-
 - Rates and prices as pricing schedules
 - Pro rata rates
 - Fair rates
 - 1.2 C2 – As clause 82
 - 1.3 C3 – As clause 83
- 2.0 Maintenance
 - 2.1 M1 Routine Maintenance – To the following principles
 - Infraco provides an Estimate. The Estimate sets out
 - For the quantum of labour and management time Infraco demonstrates the net change to maintenance labour required for each maintenance element (track, OLE etc). A change may not make a material effect on the routine maintenance gangs and management personnel.
 - For the quantum of materials and plant Infraco sets out the adjustment required to material required
 - For the quantum of plant Infraco demonstrates the net change to the quantity of plant required. It may well be that no additional plant is required as there is sufficient utilisation capacity in plant assigned to the project.
 - Rates and prices as set out in the Maintenance Pricing Schedules are applied to the quantum In preparing an Estimate for a tie Change Infraco takes account of the cumulative effect on Routine Maintenance of previous instructed and implemented tie Changes
 - Unless the performance requirements for maintenance are themselves varied the Estimate is priced on the basis of the delivering to the maintenance obligations in the contract (generally the system availability and reliability targets)
 - The tie Representative assesses the estimate and either agrees or adjusts it, acting reasonably.
 - If Infraco disputes the tie Representatives valuation Infraco the dispute resolution process is initiated.
 - 2.2 M2 Renewals Maintenance - To the following principles
 - Infraco provides an Estimate. The Estimate sets out
 - For the quantum of Renewals Infraco demonstrates the additional or reduced renewals work required and the

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- net change in renewals frequency to maintain the specified levels of performance.
- The value of the increase or decrease in renewals work is assessed by
 - Rates and prices as the maintenance pricing schedules
 - Pro rata rates
 - Fair rates
 - Unless the performance requirements for maintenance are themselves varied the Estimate is priced on the basis of the delivering to the maintenance obligations in the contract (generally the system availability and reliability targets)
 - The tie Representative assesses the estimate and either agrees or adjusts it, acting reasonably.
 - If Infraco disputes the tie Representatives valuation Infraco the dispute resolution process is initiated.