

## FAQ for the Inflation/Supply Chain Delay Co-operation Framework Agreement for PW-CF1 – PW-CF5

- **Q.1.** I am having difficulties downloading and opening the Inflation Calculation Workbooks?
- A. This issue occurs when accessing the Inflation Calculation Workbooks using Internet Explorer, due to the fact that it is being discontinued. Please use another Internet Browser such as Google Chrome, Safari, Microsoft Edge, etc.
- **Q.2.** From what date is recovery available within the Inflation/Supply Chain Delay Cooperation Framework Agreement?
- A. The Inflation/Supply Chain Delay Co-operation Framework Agreement only permits payments for works carried out in the adjustment period from 1 January 2022 onwards to be adjusted for inflation, as per the definition in the Schedules to Appendix 2 and Appendix 3.
- **Q.3**. Why are the CSO Table 3 Wholesale Price Indices for 2020 referenced in the Inflation Calculation Workbooks?
- While the Inflation/Supply Chain Delay Co-operation Framework Agreement only addresses material inflation from 1 January 2022, indices have been provided dating back to 2020 as some contracts have Designated Dates which predate 1 January 2022. These indices have been provided as an additional resource.
- **Q.4.** Indices for Building and Construction Materials, Gas oil and Electricity in the Inflation Calculation Workbooks have only been provided for as far as April 2022. When will these be updated?
- A. The Inflation Calculation Workbooks will not be updated. A direct CSO Link for each of the indices has been provided for within the Inflation Calculation Workbooks, which users can refer to. Monthly releases are provided by the CSO, typically on the 22<sup>nd</sup> of each month.



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- **Q.5.** Will there be additional support provided for the application of the Inflation/Supply Chain Delay Co-operation Framework Agreement?
- A. The OGP has prepared a suite of tutorial guidance and worked examples in order to assist practitioners with the application of the Inflation/Supply Chain Delay Co-operation Framework Agreement. These are available <u>here</u>.
- **Q.6.** Which of the Contracts for Public Works is the Inflation/Supply Chain Delay Cooperation Framework Agreement applicable to?
- A. As of 3 June 2022, the Inflation/Supply Chain Delay Co-operation Framework Agreement applies to Building Projects and Civil Engineering Projects utilising PW-CF1 – PW-CF5 inclusive. Workbook(s) for the Short Form of Contract for Building & Civil Engineering Works Projects (PW-CF6) will publish shortly.
- **Q.7.** Will there be a Co-operation Framework Agreement published relative to PW-CF11 Term Maintenance & Refurbishment Contract?
- A. PW-CF11 is a framework contract and tenderers bid 'ceiling' rates for a defined basket of work items. Consideration to the matter is being given at this time. If deemed appropriate, guidance will be published separately.
- Q.8. Who is responsible for choosing the Material categories in Workbooks 3 and 4?
- **A.** The selection of the categories is agreed by the parties when entering the agreement. The categories are fixed for the duration of the agreement.
- **Q.9.** Who is responsible for preparing the Inflation Calculation Workbook?
- A. The Employer's Quantity Surveyor/Cost Consultant is responsible for preparing and maintaining the Inflation Calculation Workbook. Both parties should engage in the calculation of the values for the various Material categories in Inflation Calculation Workbooks 3 and 4.



- Q.10. Can I use my own version of the workbook to agree an overall sum for the project?
- A. Only the published Inflation Calculation Workbooks can be used with the Agreement. The Inflation Calculation Workbooks do not provide for agreeing the inflation value of works yet to be completed. This is an ongoing process and should not be confused with a 'buy out' of the Price Variation Clause.
- Q.11. My Project has a Designated Date prior to 2019, where the Base: Year 2010 = 100, and is misaligned with the current Wholesale Price Indices Base: Year 2015 = 100. How can this be resolved?
- **A.** The CSO provide a solution to this.
  - Firstly, you must source the relevant index on the CSO Release Archive, which can be accessed via this link.
  - Select the relevant Year.
  - Select the appropriate Wholesale Price Index month.
  - In the blue box to the right hand side, see the heading 'PXSTAT INTERACTIVE TABLES' and select 'Wholesale Prices Monthly Series'. This will open a new tab.
  - Under the 'Current' header, select 'WPM28 Wholesale Price Index (Excl VAT) for Building and Construction Materials'.
  - Under the Statistic heading, select 'Wholesale Price Index (Excl VAT) for Building and Construction Materials (Base 2015 = 100)'.
  - Select the relevant 'Month'.
  - Select the relevant 'Type of Material'.
  - Right clicking 'Download' will present you with a variety of options: select 'XLSX'.
  - Open the downloaded Excel spreadsheet.
  - See the relevant Value in the 'Unpivoted' tab.

## **Construction Procurement Policy Unit**