

**CONTRACT AWARD
REPORT – PART I**

19402 - Langage Phase 3 Construction



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I. INTRODUCTION

The Council is looking to procure the provision of high quality, flexible employment space incorporating sustainable technologies to minimise carbon emissions and running costs.

This project provides Plymouth City Council the opportunity to actively promote the growth agenda and create / support up to 68 FTE jobs. This will be achieved by providing high quality, speculative employment accommodation on Council owned land at Herder Court, Langage Business Park. The completed and fully let development will also provide the Council with a valuable long term income stream and add to its existing commercial property portfolio.

This scheme will be Phase 3 and is located opposite Phase 2, which was completed in October 2018. Phase 3 is to deliver 2,485 sq m (26,750 sq. ft) of high quality, sustainable workspace for SME and Large businesses. It is proposed that the development will incorporate sustainable technologies to minimise carbon emissions and running costs, potentially including the following: solar photovoltaic, increased levels of insulation, increased levels of natural daylight and ventilation and highly efficient heating systems. The new industrial units will be located opposite Phase 2 and as part of that scheme wider landscaping works to futureproof phase 3 were undertaken and the scheme was completed in October 2019.

2. BACKGROUND

The proposal is to deliver 2,485 sq m (26,750 sq ft) of high quality commercial workspace. The scheme will incorporate sustainable technologies to minimise carbon emissions and running costs, potentially including: solar photovoltaic, increased levels of insulation, higher levels of natural daylight and ventilation and highly efficient heating systems.

PCC commissioned a report in which Jones Lang LaSalle concluded that there is a demand for the following types of employment space within Plymouth:-

- B1 - Business
- B2 – General Industrial
- B8 – Storage & Distribution

This project provides for this type of employment space.

3. PROCUREMENT PROCESS

A competitive procurement was run following the 'Below EU Threshold Procurement' two stage procedure as outlined in the Council's former Contract Standing Orders that were current at the time of sending the procurement out in February 2020.

This is a two-stage process comprising a Standard Selection Questionnaire (SQ) followed by an Invitation to Tender (ITT).

4. PRE TENDER SELECTION CRITERIA & EVALUATION

Standard Selection Questionnaires (SQ) based on PAS91 – 2017 was issued to the market on the 7th February 2020 with a return date of the 11th March 2020.

The Council set minimum requirements in the SQ that each Supplier was required to meet. These minimum requirements contained questions, which were either evaluated as pass/fail criteria or scored questions as follows:

EVALUATION CRITERIA & METHODOLOGY

Evaluation will be undertaken in accordance with the overall evaluation strategy for the project.

Purpose

The purpose of this selection process is to provide the Council with sufficient information to allow Suppliers to be selected for the Invitation to Tender stage. Tenderers short-listed from the selection process will be invited to participate in a competitive tender process.

Many of the questions contained within the Schedule are informed by the Publicly Available Specification (PAS) PAS 91:2013+A1:2017 under licence from the British Standards Institution. Whilst PAS91 is only mandated by central government for works procurements above the OJEU threshold, the Council has taken the decision to incorporate elements of the template into this procurement process for reasons of relevance, universal understanding, format consistence and ease of submission.

Tenderers should note that the purpose of the selection process is to obtain information about the Supplier and on previous performance (looking back). Short-listed Suppliers will have the opportunity to make proposals (looking forward) at tender stage.

The Council will evaluate as a two-stage process. The first stage is known as the pre-qualification or selection stage and the second as the tender or award stage. The first stage will consist of the selection process where we focus on the tenderer's characteristics and suitability in principle to provide our contract requirement.

Selection stage assessments are made against the responses to qualification and technical envelope questions contained within the SQ documentation. The selection assessment is made on both pass or fail assessments and on a scored basis depending on the subject matter of the question.

The award stage considers the merits of the eligible tenders in order to assess which is the most economically advantageous. At award stage, we only use technical and pricing criteria that are linked to the subject matter of the contract.

High-level SQ Criteria

The high-level criteria the Council proposes to use to evaluate SQ submissions are detailed below.

An overall threshold of **70%** of the achievable marks will be required to determine whether Suppliers meet the minimum requirements. Any Supplier failing to achieve this threshold will not proceed any further within this procurement.

It is intended that all Suppliers whom meet the **70%** achievable mark threshold and Pass all Pass/Fail criteria will be invited to submit tenders.

SQ Evaluation Methodology

Each section will be clearly identified as being evaluated on an information only, pass/fail or scored basis.

Pass/Fail Questions

Each question will clearly indicate what response constitutes as PASS and what response constitutes as FAIL. In the event of the Tenderer being awarded a 'fail' on any of the criteria, the remainder of your Tender will not be evaluated and you will be eliminated from the process. Your company will be disqualified if you do not submit these completed questions. The following questions are evaluated on a pass/fail basis:

- **Table 1 - Core Question Module C1: Supplier identity, key roles and contact information**
- **Table 2 - Core Question Module C2: Financial information**
- **Table 2 - C2-Q2 Insurances**
- **Table 3 - Core Question Module C3 for Public Sector procurement - ESPD option, Grounds for mandatory and discretionary exclusion and non-payment of tax and social security contributions**
- **Table 4- Core Question Module C4: Health and safety policy and capability**
C4-Q2
C4-Q7
C4-Q8
C4-Q9
C4-Q10
C4-Q11
C4-Q14
C4-Q16
C4-Q19
C4-Q22
- **Table 5 Optional Question Module: O1 Equalities and diversity**
- **Table 7 - Optional Question Module O3: Quality Management policy and capability**
O3-Q4
O3-Q5
O3-Q6
- **SI-Q5 Construction Industry Blacklists**

Wherever possible the Council is permitting suppliers to self-certify they meet the minimum PASS/FAIL requirements without the need to attached evidence or supporting information. However where the Council regards the review of certain evidence and supporting information , prior to shortlisting, as critical to the successful of the procurement this will be specifically requested.

The return document will clearly indicate whether self-certification is acceptable or whether evidence is required at this selection stage. In both instance the Council requires suppliers to detail their unique reference number to relevant supporting information however the actual evidence need only be attached where requested.

Where suppliers are permitted to self-certify, evidence will be sought from the successful supplier at contract award stage. Please note the successful supplier must be able to provide all evidence to the satisfaction of the Council at contract award stage, if the successful supplier is unable to provide this information the Council reserves the right to award the contract to the next highest scoring supplier.

Scored Questions

This evaluation is made up with the following sub-criteria and weightings:

- **Table 4- Core Question Module C4: Health and safety policy and capability- weighting 40%**
 - C4-Q3 – 4%
 - C4-Q4 – 4%
 - C4-Q5 – 4%
 - C4-Q6 – 4%
 - C4-Q13 – 4%
 - C4-Q15 – 4%
 - C4-Q17 – 4%
 - C4-Q18 – 4%
 - C4-Q20 – 4%
 - C4-Q21 – 4%
- **Table 6 -Optional Question Module O2 :Environmental Management policy and capability – weighting 15%**
 - O2-Q2 -3%
 - O2-Q3 -3%
 - O2-Q4 -3%
 - O2-Q5 -3%
 - O2-Q6 -3%
- **Table 7 - Optional Question Module O3: Quality Management policy and capability – weighting 6%**
 - O3-Q2 -3%
 - O3-Q3 -3%
- **Table 9- Supplementary Question Module S1: Technical Ability – weighting 39%**
 - S1-Q1 -35%
 - S1-Q2 -4%

Questions identified as SCORED will be evaluated using the scoring system below:

SELECTION SCORING RATIONALE

For those sections of the questionnaire which are scored, the Council will score the answers in accordance with the graduated approach set out in the following table. Tenderers must achieve an average score of 2 or more for each scored item. Any selection criteria item receiving an average score of less than 2 will result in the tender being rejected.

Response	Score	Definition
Excellent	5	Response is completely relevant and excellent overall. The response is comprehensive, unambiguous and demonstrates a broad depth of relevant experience and excellent level of expertise with all areas

		covered to a very high standard.
Very good	4	Response is very relevant and very good. The response is precisely detailed to demonstrate a very good amount of experience and expertise covering all aspects.
Good	3	Response is relevant and good. The response is sufficiently detailed to demonstrate a good amount of experience and expertise covering all aspects.
Satisfactory	2	Response is relevant and acceptable. Demonstrates a reasonable amount of experience and adequate level of expertise but lacks detail in certain areas or with some aspects missing.
Poor	1 – Disqualify Tender	Response is partially relevant and poor. Provides little or limited evidence of experience and competence in the required field.
Unacceptable	0 – Disqualify Tender	No response, an unacceptable or irrelevant response provided.

The Council's chosen evaluation approach to this procurement is 'consensus' scoring. This means that following the independent evaluation of Tender submissions, where there is a difference in individual evaluator scoring for one or more individual questions, a moderation session will be undertaken to arrive at an agreed, consensus score.

SQ submissions were received from 6 suppliers.

Suppliers who met the **70%** achievable marks threshold and passed all Pass/Fail criteria were invited to submit tenders.

The pass/fail evaluation were undertaken by the Procurement Services Function. C2: Financial information was evaluated by an internal financial expert. The scored pass/fail suitability questions were evaluated by the evaluation panel. The resulting scores are contained in the confidential paper.

5. TENDER EVALUATION CRITERIA

Evaluation of Tenders

Evaluation will be undertaken in accordance with the overall evaluation strategy for the project.

Failure to provide a satisfactory response to any of the questions may result in the Council not proceeding further with the Tenderer.

Contract Award Criteria

(Contained within Schedule 1-Method Statements to Schedule 8- Certificate of Confidentiality)

This section will assess how the Tenderer proposes to deliver the required service as detailed in the specification.

The Council intends to award any Contract based on the most economically advantageous offer. The Council will not be bound to accept the lowest price of any Tender submitted. The evaluation will be carried out in accordance with the following criteria and weightings.

For Information Only

Questions identified as FOR INFORMATION ONLY are for information only and will not be evaluated.

Contract Management

Pass/Fail Questions

The following Schedules and questions will be evaluated on a pass or fail basis. In the event of the Supplier being awarded a 'fail' on any of the below criteria, the remainder of your quotation will not be evaluated and you will be eliminated from the process. Your quotation will be disqualified if you do not submit these completed Schedules.

- MS1 – National Skills Academy
- Schedule 4 – Contract for the Provision of Works
- Schedule 5 – Form of Quotation
- Schedule 6 – Declaration of Direct or Indirect Interest
- Schedule 7 – Certificate of Canvassing
- Schedule 8– Certificate of Confidentiality

Method Statements (Schedule 1)

- MS2: Collaboration, Partnerships and Sub-Contracting 5%
- MS3: Project delivery and risks 7.5%
- MS4: Project Programming and Controls 7.5%
- MS6: Project completion, handover and aftercare 7.5%
- MS7: Social Value 5%
- MS8: Proposed Team 7.5%

TOTAL 40%

Pricing Schedule (Schedule 2)

PI: Price 60%

TOTAL 60%

GRAND TOTAL 100%

AWARD SCORING RATIONALE

The scoring rationale behind the award evaluation criteria is in accordance with the graduated approach set out in the following table. Tenderers must achieve an average score of 1 or more for each scored item. Any award criteria item receiving an average score of less than 1 will result in the tender being rejected.

Response	Score	Definition
Excellent	5	Response is completely relevant and excellent overall. The response is comprehensive, unambiguous and demonstrates a thorough understanding of the requirement/outcomes and provides details of how the requirement/outcomes will be met in full.
Very good	4	Response is particular relevant. The response is precisely detailed to demonstrate a very good understanding of the requirements and provides details on how these will be fulfilled.
Good	3	Response is relevant and good. The response is sufficiently detailed to demonstrate a good understanding and provides details on how the requirements/outcomes will be fulfilled.
Satisfactory	2	Response is relevant and acceptable. The response addresses a broad understanding of the requirements/outcomes but lacks details on how the requirement/outcomes will be fulfilled in certain areas.
Poor	1	Response is partially relevant and poor. The response addresses some elements of the requirements/outcomes but contains insufficient/limited detail and explanation to demonstrate how the requirements/outcomes will be fulfilled.
Unacceptable	0	No or inadequate response. Fails to demonstrate an ability to meet the requirement/deliver the required outcomes.

The Council has decided to take a 'consensus' scoring evaluation approach to this procurement. This means that, following the independent evaluation of submissions, where there is a difference in individual evaluator scoring for one or more individual questions, a moderation session will take place to arrive at an agreed, consensus score. In the event that the evaluators cannot agree on a final score, the score awarded by the majority will be the consensus score.

Pricing Schedule (Schedule 2)

Pricing will be evaluated using the scoring system below:

Scoring System
Lowest price tendered from all Tenders receives maximum % score (60%). Other Tenderers' prices are scored in accordance with the following equation: $\% \text{ Score} = 60 \times (1 - ((\text{Tender Price} - \text{Lowest Tender}) / \text{Lowest Tender})) / 100$

6. SUMMARY OF EVALUATION

The ITT was published electronically via the, The Supplying The South West Portal on 16th July 2020 with a tender submission date of 25th September 2020. Tenders were received from 5 Tenderers.

The tender submissions were independently evaluated by Council Officers and external consultants to the project, all of whom have the appropriate skills and experience, in order to

ensure transparency and robustness in the process. The resulting scores are contained in the confidential paper.

In order to ensure fairness of the process the evaluation of Quality and Price were split, with Price information being held back from the Quality evaluators. Price clarifications were managed through The Supplying The South West Portal. The resulting quality and financial scores are contained in the confidential paper.

7. FINANCIAL IMPLICATIONS

Financial provision has been made for this contract within the project budget. Details of the contractual pricing are contained in the confidential paper.

8. RECOMMENDATIONS

It is recommended that a contract be awarded to the highest scoring supplier for Langage Phase 3 Construction. Details of the successful Tenderer have been set out in the confidential paper.

This award will be provisional and subject to the receipt from the highest scoring supplier of the satisfactory self-certification documents detailed in the suitability assessment questionnaire.

In the event the highest scoring supplier cannot provide the necessary documentation, the Council reserves the right to award the contract to the second highest scoring supplier.

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