

**PROCUREMENT GATEWAY 3 -
CONTRACT AWARD REPORT - PART I
OFFICIAL**



**3.5t Cage Tipper Vehicle with Side
Bin Lift**

**Procurement Reference No.
I9475b**

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I. INTRODUCTION

This report is in relation to the process undertaken and recommendation related to the award of Contract for 3.5t Cage Tipper Vehicle with Side Bin Lift.

This contract will be executed under Crown Commercial Service (CCS) RM3814 Call off Terms & Conditions and will run for the duration of the project.

Contract Duration: The intended duration of the contract is for 12 months.

2. BACKGROUND

The requirement below forms part of the projected 6-year (2020 -2026) fleet replacement programme, over 3 phases that was approved by the Leader of the Council during December 2019.

Initial quantity of 4 off – 3.5t Cage Tipper with Side Bin Lifts, with provision within the Contract for up to 2 further vehicles.

These vehicles are prioritised for replacement due to their age and increased cost to maintainance. They support the Street Scene and Waste department, which delivers waste collection, street, cleansing weed management, leaf fall management as well as maintaining green spaces including parks and playing fields. These services are all highly visible and touch the daily lives of every resident and visitor to the city.

These vehicles are required to create a fit for purpose fleet for Street Scene and Waste Services and will replace vehicles that are currently owned by PCC on a like for like basis.

The age (2010 registration) and reliability of the current vehicles is proving to be problematic as these vehicles spend increasing amounts of time being repaired due to defects relating to wear and tear. Any time where the vehicles are in the garage creates an issue for operations as contingency must be sought to ensure that work continues during vehicle downtime when they are off road.

3. PROCUREMENT PROCESS

Following a procurement options appraisal, it was determined that undertaking a tender exercise through a Predetermined UK/EU compliant Dynamic Purchasing System (DPS) was the most appropriate route to market to procure this requirement, with the following considered the most suitable:

Crown Commercial Service (CCS) –RM3814 – Vehicle Conversions Dynamic Purchasing System.

This DPS was established in accordance with UK/EU procurement regulations; it is a Public Sector sourcing tool for services and goods, and is similar to a framework, with new suppliers able to join at any time. It provides a quick, simple and competitive route to the outright purchase of a wide range of vehicle conversions.

Following a requisite DPS filtering exercise 6 suppliers were invited to Tender.

Of the 6 invited to Tender, 3 suppliers submitted a Tender, 1 opted out and the remaining 2 suppliers failed to provide a response.

4. TENDER EVALUATION CRITERIA

Overview of Process

CCS formed the DPS though advertising within the Official Journal of the European Union (OJEU).

CCS are responsible for managing the DPS processes and suppliers at agreement level and for providing us with the advice and guidance to help Councils get the best out of the agreement when creating an Order Contract (also known as a Call-Off Contract).

Suppliers have been assessed on their financial standing at the point of them joining the DPS. Suppliers have also agreed to the terms and conditions of the DPS, and the subsequent call-off schedules.

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

The Council evaluated tender submissions as a two stage award process.

The first stage consisted of an assessment of the Tenderer's suitability in principle to deliver the Goods as detailed in the ITT document pack by meeting the Mandatory Requirements. Only Tenderers passing this first stage had their Tenders evaluated at the second stage.

The second stage considered the merits of the eligible Tenders in order to assess which was the most economically advantageous. In this stage only quality (including social value), and price criteria that are linked to the subject matter of the Contract were used.

Stage 1- Mandatory Requirement

Stage 1 assessments were made against the responses to the Mandatory Requirements questionnaire included at Schedule 1 in the ITT Return Document.

Evaluation Criteria and Methodology

All Mandatory Requirement questions were evaluated on a PASS/FAIL basis. Each question clearly indicated 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 the Tender would not be evaluated and the Tender would be eliminated from the process. A Tenderer would've been disqualified if they did not submit these completed questions.

Stage 2- AWARD

Tenderers passing all the pass/fail criteria in stage 1 had their responses made within Schedules 2-8 evaluated by the Council to determine the most economically advantageous Tender based on the quality (inclusive of social value), and price and criteria that are linked to the subject matter of the Contract.

Award criteria

The high level award criteria was as follows:

| Criteria | Weighting |
|----------|-----------|
| Price | 55% |
| Quality | 45% |
| TOTAL | 100% |

Weightings for individual sub-criteria contained under each of the above are detailed below and in the return document.

Evaluation Methodology**PRICE (Schedule 3)**

Evaluation made against comparison of pricing schedules.

PRI Total Tender Sum

The Tenderer's Total Tender Sum was evaluated using the scoring system below:

$$\left(\frac{\text{Lowest Total Tender Sum}}{\text{Tenderer's Tender Sum}} \right) \times \text{Weighting} = \text{Weighted score}$$

The Tenderer with the lowest price was awarded the full score of 55 [55%], with the remaining Tenderers gaining pro-rata scores in relation to how much higher their prices are when compared to the lowest price.

The following table outlines how the above detail is to be managed, using the purchase price award criteria percentage of 55% in this illustration.

Table A – Price evaluation model

Example below shows maximum points available = 55 (55%)

| Weighting | % Split |
|---|----------------|
| 3.5t Cage Tipper with Side Bin Lifts – Total Nett Price | 50% |
| Optional Requirements – Total Nett Price | 5% |

A. 3.5t Cage Tipper with Side Bin Lift

| Tenderer | Price | Calculation | Final Score |
|-----------------|----------------|---------------------------|--------------------|
| 1 | £30,000 | 30,000/30,000 x 50 | 50.00 |
| 2 | £35,000 | 30,000/35,000 x 50 | 42.86 |
| 3 | £40,000 | 30,000/40,000 x 50 | 37.50 |

B. Optional Requirements for 3.5t Cage Tipper with Side Bin Lift

| Tenderer | Price | Calculation | Final Score |
|-----------------|---------------|------------------------|--------------------|
| 1 | £4,000 | 2,500/4,000 x 5 | 3.12 |
| 2 | £2,500 | 2,500/2,500 x 5 | 5.00 |
| 3 | £5,000 | 2,500/5,000 x 5 | 2.50 |

Total Price Score = A + B Score

| Tenderer | Total Score | Ranking |
|-----------------|--------------------|----------------|
| 1 | 53.12 | 1 |
| 2 | 47.86 | 2 |
| 3 | 40.00 | 3 |

QUALITY (Schedule 2 and Schedules 4-8)

Each question within Schedule 2 and Schedules 4-8 was clearly identified as being evaluated on a pass/fail or scored basis.

Tenderers were asked to provide a number of method statements responses within Schedule 2 of the ITT Return Document, which were intended to explain how they will meet specific requirements.

When responding to the method statement questions Tenderers had to make sure that, they answered what was being asked. Anything that was not directly relevant to the particular method statement question should not have been included, but wherever possible Tenderers should demonstrate how they will go further than what was being asked for, to add value.

Tenderers should also make sure that their answers inform not just what they will do, but how they will do it, and what their proposed timescales are (as relevant). It is useful to give examples or provide evidence to support their responses. The purpose should be to include as much relevant detail as required, so that the evaluation panel obtained the fullest possible picture.

Each method statement response was evaluated individually, one by one, and in order. When scoring each statement, no consideration was given to information included in other answers and Tenderers were informed not cross reference to responses or information provided elsewhere in their tender submission.

Method statement responses were evaluated in accordance with the following sub-criteria and weightings:

| Method Statements | | Tier 1 | Tier 2 | Tier 3 |
|----------------------------|--|---------------|---------------|---------------|
| <u>Quality</u> | | 45% | | |
| Warranty | | | 20% | |
| MS1 | Details of Warranty Terms & Conditions | | | 10% |
| MS2 | Details of Agent(s) to be used | | | 10% |
| Delivery | | | 10% | |
| MS3 | Delivery Lead-times | | | 8% |
| MS4 | Delivery and Vehicle Progress | | | 2% |
| After Sales Support | | | 10% | |
| MS5 | Details of the arrangements for the Provision of After Sales and Technical Support | | | 4% |
| MS6 | Recommended Service intervals and any restrictions | | | 2% |
| MS7 | Handover and Training | | | 2% |

| Method Statements | | Tier 1 | Tier 2 | Tier 3 |
|---------------------|-----------------------------|--------|-----------|--------|
| MS8 | Impressed Stock | | | 2% |
| Social Value | | | 5% | |
| MS9 | Social Value - Quantitative | | | 2.5% |
| MS10 | Social Value - Qualitative | | | 2.5% |

Where individual questions carried either more or less importance than others they were grouped and weighted accordingly. Section weightings were identified at the top of each group of questions and sub-weightings were identified against individual questions. The question or group of questions were allocated a score and the appropriate weightings then applied. The weighted score was rounded to **2** decimal places.

Method statement responses were evaluated using the scoring system below:

| 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. |

Tenderers had to achieve an average score of 2 or more for each scored Quality item. Any scored criteria item receiving an average of less than 2 resulted in the Tender being rejected and Tenderer being disqualified from the process.

SOCIAL VALUE

Social value commitments within the Quality element were assessed based on a combination of quantitative and qualitative assessment.

Social Value Quantitative Assessment

The Quantitative assessment is based on the total £SV submitted by the Tenderer through using the TOMs Procurement Calculator at Appendix B - SV National TOMs Calculator. The Tenderer

submitting the highest social value offer scored full marks for this section. The Tenderer's Total £SV was evaluated using the scoring system below:

$$\left(\frac{\text{Tenderer's Total Social Value Commitment (£)}}{\text{Highest Total Social Value Commitment (£)}} \right) \times \text{Weighting} = \text{Weighted score}$$

Social Value Qualitative Assessment

The qualitative assessment was based on the method statement in column N of the TOMs Procurement Calculator. Commitments were evaluated in a similar way to the way in which quality in the rest of the Tender submissions were evaluated, in line with the 0 – 5 scoring matrix above. The weighted score was rounded to **2** decimal places.

Tenderer's were informed for 'Record Only' Criteria, the higher the percentage recorded, the higher the points would be awarded.

MODERATION

Moderation was only undertaken where there was a difference in evaluator scoring of more than 1 point. This was to ensure no errors have been made in the evaluation process. An example has been provided below:

E.g. Scores received of 3, 3 and 4= No moderation undertaken

Scores received of 2, 3 and 4= moderation undertaken

5. SUMMARY OF EVALUATION

The Invitation to Tender was published electronically via, The Supplying the South West Portal – the Council's chosen procurement portal on 14th May 2021 with a Tender submission date of 1st June 2021.

The received Tender submissions, were evaluated in accordance with the overall evaluation strategy set out above, and were independently evaluated by Council Officers, all of whom had the appropriate skills and experience, in order to ensure transparency and robustness in the process.

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.

The resulting quality and financial scores are contained in the confidential paper.

6. 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.



7. RECOMMENDATIONS

It is recommended that a contract be awarded to the highest scoring Tenderer for the Supply of 3.5t Cage Tipper Vehicles with Side Bin Lifts. 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 Tenderer of the satisfactory self-certification documents detailed within the Tender.

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

8. APPROVAL**Authorisation of Contract Award Report**

| Author (Responsible Officer / Project Lead) | | | |
|--|---|--------------|----------|
| Name: | Martin Hoar | | |
| Job Title: | Fleet Services Manager | | |
| Additional Comments (Optional): | | | |
| Signature: |  | Date: | 19/07/21 |
| Head of Service / Service Director | | | |
| [Signature provides authorisation to this award report and award of Contract] | | | |
| Name: | Anthony Payne | | |
| Job Title: | | | |
| Additional Comments (Optional): | | | |
| Signature: |  | Date: | 28.7.21 |