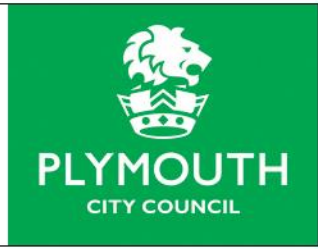


PROCUREMENT GATEWAY 3 - CONTRACT AWARD REPORT - PART I

Part I – Heat Decarbonisation in Plymouth City Council Buildings
Reference No. 20520



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1. INTRODUCTION

The purpose of this report is to provide a summary of the tender process for the Part I – Heat Decarbonisation in Plymouth City Council Buildings and to issue project team’s recommendations to award a contract for this provision to the winning bidder.

2. BACKGROUND

Plymouth City Council (“the Council”) was seeking a supplier to undertake design and build of high temperature Air Source Heat Pump (ASHP) installations at four sites in Plymouth. A contract deriving from this tender was also to include associated works to integrate into the existing secondary systems, at Ballard House, 3 Elliot Terrace, Crownhill Court, and a group of buildings focusing on the Plymouth Guildhall, which includes a Combined Heat and Power (CHP) unit and a small District Heating Network (DHN)..

3. PROCUREMENT PROCESS

A competitive procurement was carried out using the Open procedure for the below EU Threshold procurement for Works contract, as outlined in the Council’s Contracts Standing Orders. This is a one-stage process comprising an Request for Quotation (RFQ).

4. PRE TENDER SELECTION CRITERIA & EVALUATION

Not used in the Open procedure.

5. TENDER AND EVALUATION CRITERIA

Evaluation of Tenders

This tender was evaluated on basis of Most Economically Advantageous Tender (MEAT).

The table below summarises the high-level criteria that were agreed by the Project Team prior to issuing the Tender documents.

Table 1: Tender Criteria and Weightings

EVALUATION CRITERIA	WEIGHTING
Suitability Assessment	Pass / Fail
Quality	50%
Finance	45%
Social Value	5%
OVERALL TOTAL	100%

Each stage of evaluation had an agreed scoring methodology in terms of the allocation of points. Table 2 below shoes the methodology used to support the evaluation of Method Statement Questionnaire responses.

Table 2: Evaluation Methodology

SCORE	DEFINITION	APPROACH TO SCORING
		In the evaluating panel’s reasoned opinion, the response

0	Incomplete / non-compliant	<ul style="list-style-type: none"> • Fails to provide a response • Has very serious gaps in information; • Shows no understanding of the issues and requirements of the contract; • Misunderstands the objectives of the requirement; • Is not supported by evidence <p>(A response at this rating is detrimental to the interests of the Council)</p>
1	Unsatisfactory	<ul style="list-style-type: none"> • Fails to address most of the criteria • Fails to meet the specification in most respects • Creates concerns around the practicality, resource, methodology and expertise for the proposed solution. • Is not supported by satisfactory or any evidence • Gives the Council major cause for concern. <p>(a response at this rating builds very little or no confidence that the bidder's approach/solution will deliver the requirements due to insufficient evidence or an inappropriate approach/solution)</p>
2	Poor	<ul style="list-style-type: none"> • Criteria is partly covered • Response is partly answered • Includes a lack of clarity, relevant information and detail in areas • Raises reservations that the solution will deliver the requirements. • Provides some evidence • Gives the Council some cause for concern <p>(a response at this rating includes reservations which cannot be easily resolved with the bidder pre-contract award (i.e. changes which would distort the competition) or during the contract term without impacting time, quality or cost.)</p>
3	Satisfactory	<ul style="list-style-type: none"> • Provides satisfactory and relevant information • May lack substance / detail in some areas • Demonstrates a reasonable understanding of the requirements • Provides acceptable evidence • Confirms that the bidder can deliver most of the requirements <p>(a response at this rating may include minor reservations that can easily be resolved with the bidder pre-contract award (i.e. changes which would not distort the competition) or during the contract term without impacting time, quality or cost)</p>
4	Good	<ul style="list-style-type: none"> • Provides relevant information and a good level of detail • Demonstrates a good understanding of all relevant issues; • Has a suitable, appropriate, and fully worked-up methodological approach. • Offers a good standard of evidence to support the response • Produces confidence in the bidder's ability to deliver a suitable solution, on time and at an appropriate cost. <p>(A response at this rating may include minor reservations that can easily be resolved with the bidder pre-contract award [i.e. changes which would not distort the competition] or during the contract term without impacting time, quality or cost)</p>
5	Excellent	<ul style="list-style-type: none"> • Provides full and appropriate information and level of detail; • Shows a full and comprehensive understanding of all relevant issues; • Has a suitable, appropriate, and fully worked-up methodological approach , together with full evidence of how that approach would be applied in practice; • Indicates that the bidder may add value to the requirement • Provides a high standard of evidence to support the response • Creates full confidence that the requirement will be delivered in full <p>(an excellent response should not include any reservations, doubt or uncertainty)</p>

Suitability Assessment

Suitability Assessment was evaluated on Pass / Fail basis.

Quality

All criteria and questions in the Method Statement had weightings attached to them to reflect their relative importance, as demonstrated in table 3 below. This information was provided to bidders as part of instructions in the RFQ.

Table 3: Tender Criteria and Weightings

NO.	EVALUATION AREA	WEIGHTING
	QUALITY	50%
1	TECHNICAL EXPERIENCE	20
2	RESOURCES	15
3	STAKEHOLDERS ENGAGEMENT	5
4	SPECIFIC PROJECT DELIVERY – FOUR SITES	60
	QUALITY TOTAL	100

The sum of awarded points was then converted into the 50% available for Quality as follows:

$$\frac{\text{Points Scored}}{\text{Maximum Points Available}} \times 50\% \times 100$$

Minimum thresholds for Quality

The Council reserved the right to disqualify any organisation which:

- did not achieve a minimum 50% out of available 100% in each of the quality criteria listed in Table 3 above, and
- achieved the score of 0 or 1 in any question of the Method Statement

Finance Evaluation

Bidders were asked to complete Finance documents, consisting of Contract Sum Analysis, Daywork & Provisional Sum, Design Services and Preliminaries. The Finance methodology was based on the lowest price in accordance with the evaluation strategy and RFQ document pack. A submission with the lowest Evaluated Tender Price shall be awarded a maximum weighting.

Sum of prices per each element formed a Total Price per that element. The sum of all four Total Prices formed the Evaluated Tender Price, which was scored using the following formula:

$$\frac{\text{Lowest Tender Price}}{\text{Evaluated Price}} \times 45\% \times 100$$

Social Value Evaluation (5%)

Bidders are required to complete columns K and N in the Social Value – TOM Procurement Calculator. Social value commitments were assessed based on a combination of quantitative and qualitative assessment, as indicated in Table 4 below:

Table 4: Social Value criteria and weightings

Social Value Evaluation	Evaluation Basis	Available 5%
Qualitative elements	Response to column N	50
Quantitative elements	Sum of commitment – column K	50
Total		100

The sum of awarded marks for quantitative and qualitative SV elements will then be converted into the 5% available for Social Value as follows:

$$\frac{\text{Total Weighting Acheived}}{100} \times 5\% \times 100$$

6. SUMMARY OF EVALUATION

The Request for Quotation (RFQ) was published on Supplying the South West portal on 29th April 2021 inviting five (5) suppliers. Tender submission deadline was on 11th June 2021.

In order to ensure fairness of the process the evaluation of Quality and Social Value were conducted separate from with Price assessment. Price information being held back from the Quality evaluators.

Suitability

The pass/fail suitability questions were evaluated by the evaluation panel including Procurement Service function. The results are contained in the confidential paper.

Quality

The tenders were evaluated by the evaluation panel all of whom had the appropriate skills and experience in order to ensure transparency and robustness in the process. The resulting scores are contained in the confidential paper.

Social Value

The tenders were evaluated by the evaluation panel all of whom had the appropriate skills and experience in order to ensure transparency and robustness in the process. The resulting scores are contained in the confidential paper.

Price

Price clarifications were evaluated by external consultant with support from Procurement and 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 revised project budget. Details of the contractual pricing are contained in the confidential paper.

8. RECOMMENDATIONS


It is recommended to conditionally award the contract for Part I – Heat Decarbonisation to the highest scoring bidder. 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.

9. APPROVAL

Authorisation of Contract Award Report

Author (Responsible Officer / Project Lead)			
Name:	Jonathan Selman		
Job Title:	Low Carbon City Officer		
Additional Comments (Optional):			
Signature:		Date:	06/08/21
Head of Service / Service Director [Signature provides authorisation to this award report and award of Contract]			
Name:	Paul Barnard		
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Additional Comments (Optional):			
Signature:		Date:	8.8.21