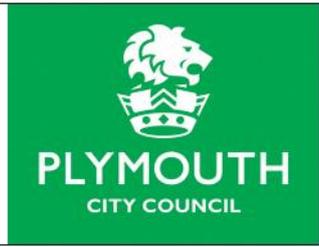


**PROCUREMENT GATEWAY 3 -  
CONTRACT AWARD REPORT - PART I**

Part 2 of Heat Decarbonisation in Plymouth City Council Buildings  
Reference No. 21390



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## 1. INTRODUCTION

The purpose of this report is to provide a summary of the tender process for the Part 2 – 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 the design and build of heat pump installations at five sites in Plymouth. A contract deriving from this competitive process was also to include associated works to integrate into the existing secondary system, at Prince Rock Admin, I Derriford Business Park, Frederick Street, Poole Farm and Pound House.

## 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
Quality	60%
Finance	40%
<b>OVERALL TOTAL</b>	<b>100%</b>

Each stage of evaluation had an agreed scoring methodology in terms of the allocation of points.

Table 2 below shows 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"> <li>• Fails to provide a response</li> <li>• Has very serious gaps in information;</li> <li>• Shows no understanding of the issues and requirements of the contract;</li> <li>• Misunderstands the objectives of the requirement;</li> <li>• Is not supported by evidence</li> </ul> (A response at this rating is detrimental to the interests of the Council)

1	Unsatisfactory	<ul style="list-style-type: none"> <li>• Fails to address most of the criteria</li> <li>• Fails to meet the specification in most respects</li> <li>• Creates concerns around the practicality, resource, methodology and expertise for the proposed solution.</li> <li>• Is not supported by satisfactory or any evidence</li> <li>• Gives the Council major cause for concern.</li> </ul> <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"> <li>• Criteria is partly covered</li> <li>• Response is partly answered</li> <li>• Includes a lack of clarity, relevant information and detail in areas</li> <li>• Raises reservations that the solution will deliver the requirements.</li> <li>• Provides some evidence</li> <li>• Gives the Council some cause for concern</li> </ul> <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"> <li>• Provides satisfactory and relevant information</li> <li>• May lack substance / detail in some areas</li> <li>• Demonstrates a reasonable understanding of the requirements</li> <li>• Provides acceptable evidence</li> <li>• Confirms that the bidder can deliver most of the requirements</li> </ul> <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"> <li>• Provides relevant information and a good level of detail</li> <li>• Demonstrates a good understanding of all relevant issues;</li> <li>• Has a suitable, appropriate, and fully worked-up methodological approach.</li> <li>• Offers a good standard of evidence to support the response</li> <li>• Produces confidence in the bidder's ability to deliver a suitable solution, on time and at an appropriate cost.</li> </ul> <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"> <li>• Provides full and appropriate information and level of detail;</li> <li>• Shows a full and comprehensive understanding of all relevant issues;</li> <li>• Has a suitable, appropriate, and fully worked-up methodological approach , together with full evidence of how that approach would be applied in practice;</li> <li>• Indicates that the bidder may add value to the requirement</li> <li>• Provides a high standard of evidence to support the response</li> <li>• Creates full confidence that the requirement will be delivered in full</li> </ul> <p>(an excellent response should not include any reservations, doubt or uncertainty)</p>

### Suitability Assessment

Suitability Assessment was evaluates 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

	Quality criteria	Weightings (60%)
1	Specific Delivery: Pounds House, Prince Rock Admin, 1 Derriford Business Park, Frederick Str	80%
2	Specific Delivery: Poole Farm	5%
3	Delivery Programme	10%
4	Social Value	5%
<b>Total</b>		<b>100</b>

The sum of awarded points will then be converted into the 60% available for Quality as follows:

$$\frac{\text{Points Scored}}{\text{Maximum Points Available}} \times 60\% \times 100$$

#### 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:

$$\frac{\text{Lowest Tender Price}}{\text{Evaluated Price}} \times 40\% \times 100$$

## **6. SUMMARY OF EVALUATION**

The Request for Quotation (RFQ) was published on Proactis, Supplying the South West (e-tender system used by the Council) on 29th September 2021.

In order to ensure fairness of the process the evaluation of Quality was conducted separate from 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 and 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 2 – 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)			
<b>Name:</b>	Alastair Gets		
<b>Job Title:</b>	Project Manager		
<b>Additional Comments (Optional):</b>			
<b>Signature:</b>		<b>Date:</b>	26/11/21
Head of Service / Service Director [Signature provides authorisation to this award report and award of Contract]			
<b>Name:</b>	Paul Barnard		
<b>Job Title:</b>	Service Director Strategic Planning & Infrastructure		
<b>Additional Comments (Optional):</b>			
<b>Signature:</b>		<b>Date:</b>	01/12/2021