

**PROCUREMENT STRATEGY**

**PROCUREMENT STRATEGY FOR PROPERTY ADVICE FOR THE SMITHFIELD DEVELOPMENT**

**1 Service Requirements**

- 1.1 In order to support the delivery of the scheme and the obligations which are set out in the Joint Venture Agreement, the provision of supplementary property, valuation and commercial advice to the core project delivery team is required.

**2 Procurement Options**

**2.1 The following options were considered:**

- To undertake an open procurement process – This approach was discounted on the basis that using a collaborative framework agreement demonstrates better value for money.
- To use a collaborative framework agreement – There is a collaborative framework agreement awarded by Homes England for Property Professional Services that covers the services required. This was the agreed option on the basis that the framework protocols to carry out a competition exercise fit with the Council's timescales, the suppliers are the most suitable and using the framework for previous property advisory services work has been a positive experience.

**2.2 Home England Property Professional Services Framework Agreement**

This framework agreement provides access to property professional services. The rules for the operation of the framework agreement require that a further competition exercise is carried out with the opportunity to be sent to all framework providers against the lot.

**3 Procurement Approach**

**3.1 Duration**

The contract is expected to be for a period of approximately 3 years, this is the proposed delivery programme for the project until the completion of the Compulsory Purchase Order process. However, if representation on behalf of the Council is required at Tribunal by the appointed agent, the contract duration will be extended to cover this.

**3.2 Scope and Specification**

The scope and specification for the services broken down into two phases is as follows:

**Phase 1**

- To provide validation of Property Cost Estimates (PCE) for interests within the scheme red line boundary.

- To model outturn (validated) PCE into the Smithfield development appraisal, applying assumptions on the draw down programme to determine effect on cashflow and rates of return (particularly IRR) for acquisitions.
- To work with BCC's Finance team to develop a business case which supports the deployment of capital and articulates the levels of risk in order to make early acquisitions.

**Phase 2 (subject to the viability of phase 1).**

- Prepare a proposed strategy to include a timeline for individual acquisitions and compensation claims
- Negotiate the acquisition of all interest in the various properties and land and continue with negotiations should a CPO be made
- Negotiate any compensation payments due for the properties and land acquired
- Produce valuation reports in accordance with the RICS standards for approval prior to proceeding with the acquisition and/or compensation claims
- Prepare a statement of case/reason and present this at a public inquiry if a CPO is made and objections are received in respect of the properties
- Produce monthly spreadsheets reporting on the progress of each case

### 3.3 Tender Structure (Including Evaluation and Selection Criteria)

The quality / price balances below were established having due regard for the corporate document 'Evaluating Tenders' which considers the complexity of the services to be provided.

Tenders will be evaluated against the specification in accordance with a pre-determined evaluation model.

The evaluation of tenders will be assessed as detailed below:

Initial Assessment (Pass / Fail)

GENERAL INFORMATION		Scoring Assessment
Section F	Potential Supplier Information	Information only
Section G	Minimum Insurance Requirements	Pass / Fail
Section H	Not used	
Section I	Declaration	Pass / Fail
Section J	Payment by BACS	Information only
	Not used	Information only
Section L	Health & Safety	Information only

Tenderers have to pass the above to proceed to the Quality Assessment.

Quality Assessment

CRITERIA (70% WEIGHTING)		SUB-WEIGHTING
Section M3	Delivery and Competency	50%
Section M4	Organisation and Resources	20%
Section M5	Social Value	30%

	<b>TOTAL</b>	<b>100%</b>
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### **Social Value (30% Sub Weighting)**

	<b>Sub-Weighting</b>	<b>Sub-Criteria</b>	<b>Theme Sub-Weighting</b>
Qualitative	<b>25%</b>	Local Employment	20%
		Partners in Communities	60%
		Good Employer	20%
			<b>TOTAL 100%</b>
Quantitative	<b>75%</b>	BBC4SR Action plan	Total of financial proxies (£) score
			<b>TOTAL 100%</b>
Overall Social Value	<b>100%</b>		

The social value outcomes tenderers will be required to address will include:

#### Local Employment

- School or college placements
- Support to schools and colleges with working within the property market

#### Partners in Communities

- Support and mentoring in schools with financial education
- Volunteering, fundraising, donations and supporting local, relevant community organisations
- Innovative solutions as to how local communities across the city can be supported with property advice
- A robust understanding and methodology for community engagement

#### Good Employer

- Provide good employment practices to increase the staff employability and quality of employment.

#### Price Assessment

The pricing assessment accounted **for 30%** of the overall weighting. Tenderers will be required to submit pricing for the services required'

#### Interview

The top three ranked tenderers after the quality / price evaluation may be invited to a clarification interview to provide the Council with an opportunity of clarifying the

tenderer's bid submission to clarify their understanding of the requirements and the scoring adjusted accordingly, as appropriate.

#### Combined Quality and Price Assessment

The Weighted Quality and Price Score for each tenderer were added to produce an overall combined total score. The scores for each tenderer were compared and (subject to a final risk assessment) the potential suppliers with the highest score offering the most economically advantageous bid recommended for acceptance.

### 3.4 Evaluation Team

The evaluation of the tenders will be undertaken by the Major Projects Development Manager and Birmingham Property Services, supported by Corporate Procurement Services.

### 1 Indicative Implementation Plan

The implementation plan below has been produced to meet the overall deadline for the project.

Cabinet Approval (Strategy)	15 <sup>th</sup> December 2020
ITT Issued	8 <sup>th</sup> January 2021
ITT Return	29 <sup>th</sup> January 2021
Evaluation Period	February 2021
DPR Approval (Award)	5 <sup>th</sup> March 2021
Contract Award	10 <sup>th</sup> March 2021
Contract Start	15 <sup>th</sup> March 2021

### 2 Service Delivery Management

#### 5.1 Contract Management

The contract will be managed by the Major Projects Development Manager.

#### 5.2 Performance Measurement

The following Key Performance Indicators will be included to ensure the delivery of the works is in accordance with the requirements of the contract with appropriate default measures. These include the delivery of the:

- Project delivered to agreed milestones
- Project delivered to agreed scope