

## PROCUREMENT SUMMARY

### **PROCUREMENT SUMMARY FOR THE AWARD OF CONTRACT FOR THE REPLACEMENT BOILER SYSTEM AT LADYWOOD HEALTH AND COMMUNITY CENTRE**

#### 1. Background

- 1.1 As detailed in the Cabinet report, this contract is for the replacement of the boiler system at Ladywood Health and Community Centre.

#### 2. Procurement Approach

##### 2.1 Procurement Options

- Tender for a Council only contract – this option was discounted on the basis that the CWM2 Framework Agreement is the Council's preferred route for construction works of this type and no additional benefit would be realised from carrying out a tender process advertised to the open market.
- Use a collaborative framework agreement - the Council's preferred route for construction works of this type is to use the CWM2 Framework Agreement of a wholly owned company of the Council. This is recommended option to use Lot 2 (Mechanical and Electrical Repair and Maintenance).

#### 3. CWM2 Framework Agreement

##### 3.1 Award Mechanism

The protocol for the use of the CWM2 Framework Agreement is either a direct award or a further competition exercise is undertaken with the opportunity to be sent to all framework providers against the lot. It is recommended that the direct award mechanism is used for this contract to. In accordance with the CWM2 framework agreement guidance, it is permissible to use direct award where it is identified as the most appropriate route with sufficient justification as to the demonstration of value for money being delivered.

##### 3.2 CWM2 states that one or more of the following conditions must be met before commencing the direct award process:

- i) The work is of such an urgent nature that there is insufficient time to carry out a mini-competition process.
- ii) The work is not emergency maintenance work which should be procured using the Maintenance Call-Off contract
- iii) The client has been formally advised of the potential procurement routes (mini-competition, direct award or maintenance) and fully understands the cost and programme impacts of each option. Then having considered the

options approval is given for the direct award approach at Project Inception stage.

3.3 This project meets criteria i and ii above. Acivico Ltd was therefore instructed by the City Wide Community Centre Manager to commence the direct award process. The rationale being due to the emergency nature of the works, the programme required installation to take place over the summer months when heating is unlikely to be required. This would have less of an impact on the day-to-day activities of the community centre and avoid additional cost for a temporary heating system. A mini-competition tender process would have added an additional 6 weeks on to the procurement process for which there was not time causing further disruption and further costs.

3.4 The direct award process uses a 50/50 quality / price ratio to identify the most economically advantageous organisation to be awarded the contract.

- Quality has been assessed using the quality scores awarded to the respective Contractors at CWM framework ITT stage.
- Cost is evaluated based on the default rates and percentages taken from the CWM framework pricing schedules.

3.5 The Lot 2 contractors are as follows:

- Dodd Group (Midlands) Ltd
- Wates Construction Ltd

3.6 Evaluation Summary

3.6.1 Quality Assessment (50% Weighting)

The quality evaluation process was undertaken using a direct award route protocol of the Constructing West Midlands Framework Agreement Set Criteria. The quality evaluation model is based upon the contractors' respective quality scores from the original CWM evaluation. The weighting for quality with sub weightings was as follows:

- 1. 20% for Service Capability, Management & Quality
- 2. 20% for Planned & Reactive Maintenance Services
- 3. 20% for Minor Works and Project Delivery
- 4. 10% for CAFM, ICT & Customer Service
- 5. 10% for Value Creation & Delivery
- 6. 10% for Sustainability & CSR
- 7. 5% for Collaboration & Innovation
- 8. 5% for People

For the purpose of this direct award, the contractor with the highest quality score from the ITT was awarded the maximum 50%. The other contractors were scored as a proportion of the maximum score.

The results are in the table below:

COMPANY	Dodd	Wates
Quality Score – as per framework evaluation (Max 50)	50.00	34.25
<b>Rank</b>	1	2

### 3.6.2 Price Assessment (50% Weighting)

The price evaluation process was undertaken by the direct award route protocol of the Constructing West Midlands Framework Agreement Set Criteria and is detailed in the table below.

Details of the confidential information related to the pricing is in Exempt Appendix 7.

COMPANY	Dodd	Wates
Price Score (Max 50)	50.00	42.93
<b>Rank</b>	1	2

### 3.6.3 Overall Assessment

COMPANY	Dodd	Wates
Quality	50.00	34.25
Price	50.00	42.93
Total	100.00	77.18
<b>Rank</b>	1	2

3.6.4 The protocol to commence the direct award to Dodd Group (Midlands) Ltd is on the basis of being ranked first.

## 3.7 Service Delivery Management

### 3.7.1 Contract Management

The contract will be managed operationally by the Project Manager from Acivico Ltd reporting to the City Wide Community Centre Manager..

### 3.7.2 Performance Management

Formal contract management measures will be included as a requirement of the contract including key performance indicators around service levels.

