

**PROCUREMENT STRATEGY**

The following procurement activities are required to support Druids Heath regeneration project:

- Employer's Agent Services
- Property Advice
- Legal Advice
- Planning Consultancy

**PROCUREMENT STRATEGY FOR EMPLOYER'S AGENT SERVICES**

**1 Service Requirements**

Employer's Agent Services are required to provide full project management services for the Druids Heath regeneration project.

The Council currently has a contract in place for the provision of Employer's Agent Services to support the Council's the Druids Heath project with Capita Property and Infrastructure Ltd. However, due to the changing nature of the overall project, the value of the contract is due to expire after outline planning has been submitted, hence the requirement to commence this procurement process.

**2 Procurement Options**

The following options were considered:

- Do nothing. This was rejected on the basis that the existing contract volume has reached capacity and a new contract is required to meet the Council's house building targets.
- Use a collaborative framework agreement. There is a collaborative framework agreement in place for the provision of the services required. However, due to the number of homes involved it is felt that more competitive rates can be achieved by undertaking a procurement exercise.
- Use of Acivico was considered but they are currently unable to complete the full range of services required of an employer's agent and master planner for large regeneration schemes such as Druids Heath.
- Tender the services for an Employers Agent using the open route. This is the recommended option.

**3 Procurement Approach**

**3.1 Duration and Advertising Route**

The contract will be for a period of 8 years. This period reflects the proposed delivery and build programme for the project. The opportunity will be advertised via Find a Tender, [www.finditinbirmingham.com](http://www.finditinbirmingham.com) and Contracts Finder.

### 3.2 Procurement Route

The requirement will be tendered using the 'open' route on the basis that:

- There are sufficient suppliers in the marketplace that can provide all the required services
- The service can be clearly defined
- Tenderers' prices will be reviewed based on the value of work committed over the term of the contract.

### 3.3 Scope and Specification

The services to be provided by the Employer's Agent include the following.

- Project Management
- Programme Management
- Site Surveys
- Principal Designer
- Engineering Services (Civil and Mechanical & Electrical)
- Party Wall Surveying
- Quantity Surveying
- Clerk of Works
- Liaison between the Council and contractor(s)

### 3.4 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:

#### **Assessment A**

The criteria below will be assessed on a pass / fail basis:

<b>Criteria</b>	<b>Evaluation</b>
<b>STAGE ONE - Selection Stage</b>	
Company Information	Pass / Fail
Financial Information (including Insurance)	Pass / Fail
Health and Safety	Pass / Fail

Compliance with Equalities	Pass / Fail
Quality Management	Pass / Fail
Grounds for Mandatory Exclusion	Pass / Fail
Grounds for Discretionary Exclusion	Pass / Fail
Modern Slavery Act 2015	Pass / Fail
Technical and Professional Ability	Pass / Fail
Declaration	Pass / Fail

Those organisations that pass all sections of Assessment A will proceed to the next stage.

### **Assessment B - Quality (40% Weighting)**

<b>Criteria</b>	<b>Sub-weighting</b>
Service Delivery and Methodology	50%
Programme Management	30%
Organisation and Resources	20%

An interview with tenderers may take place if required to clarify their proposals and understanding of the requirements and the scoring adjusted accordingly, as appropriate.

Tenderers who score more than the quality threshold of 60% i.e. a score of 60 out of a maximum quality score of 100 marks will proceed to Assessment C – Social Value.

### **Assessment C – Social Value (20% Weighting)**

#### **Social Value (20%)**

	Sub-Weighting	Sub-Criteria	Theme Sub-Weighting
Qualitative	25%	Partner in Communities	50%
		Local Employment	20%
		Green and Sustainable	20%
		Good Employer	10%
			TOTAL 100%
Quantitative	75%	BBC4SR Action Plan	Total of financial proxies (£) score
			TOTAL 100%
Overall Social Value	100%		

### **Assessment C – Pricing (Weighting 40%)**

Tenderers will be expected to price per unit based on a maximum allocation of units during the contract period.

### **Overall Evaluation**

The evaluation process will result in comparative quality, social value, and price scores for each tenderer. The maximum score will be awarded to the tender that demonstrates the highest for quality. Similarly, the maximum price score will be awarded to the lowest acceptable price. Other tenderers will be scored in proportion to the maximum scores to ensure value for money with the recommendation for the contract to be awarded to the first ranked tenderer.

### 3.5 Evaluation Team

The evaluation of the tenders will be undertaken by the representatives from BMHT, supported by Corporate Procurement Services.

## 4 Indicative Implementation Plan

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

Cabinet Approval (Strategy)	December 2021
ITT Issued	February 2022
ITT Return	March 2022
Evaluation Period	March / April 2022
Contract Award	May 2022
Contract Start	June 2022

## 5 Service Delivery Management

### 5.1 Contract Management

The contract will be managed operationally by the Development Manager, Housing Regeneration and Development.

### 5.2 Performance Measurement

The performance of the successful employer's agent will be monitored by an updated performance management regime for BMHT Employer's Agent services. This includes regular review meetings to discuss performance and potential issues that may impact of future performance and establishing solutions to rectify any non-performance. Performance will be benchmarked against the specification and key performance indicators by the Development Manager within the BMHT team undertakes this role.

## PROCUREMENT STRATEGY FOR PROPERTY ADVICE

### 1. Service Requirements

Property advice that is not available within the Council is required to support the Druids Heath regeneration project.

### 2. Procurement Options

The following options were considered:

- To carry out a procurement process – this option was discounted on the basis that the Crown Commercial Services (CCS) Estate Professional Services Framework Agreement has been identified as the most suitable route and no additional benefit would be realised from carrying out a tender process advertised to the open market.
- Use a collaborative framework agreement - There are collaborative framework agreements for these services available. The most suitable is the one awarded by CCS for Estate Professional Services Framework Agreement. 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

### 3. Procurement Approach

#### 3.1 Duration

The contract will be for a period of up to 2 years.

#### 3.2 Scope and Specification

The scope and specification for the services is as follows:

Provide advice on property and estate relating to:

- Land Assembly and Compulsory Purchase Orders,
- Development Appraisal and Viability
- Funding and Financial Structures
- Options Appraisal for Delivery Model
- Property Development and Management
- Any other property advice as necessary to deal with the complexities of the procurement exercise, ensure that bidders proposals are acceptable and appropriately formed on the basis of accurate information, protect the Council's interests, maximise value for money and reduce the level of risk exposure to the Council in procuring a Development Partner.

### 3.3 CCS Estate Professional Services Framework Agreement

3.3.1 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.

#### 3.3.2 Further Competition Assessment

3.4.1 The quality, social value, and price weightings below were established in line with the requirements of the framework agreement. The criteria to be used is 70% quality (including social value) and 30% price.

3.4.2 The evaluation criteria is as follows:

Initial Assessment (Pass / Fail)

<b>GENERAL INFORMATION</b>		<b>Scoring Assessment</b>
Section F	Potential Supplier Information	Information only
Section G	Minimum Insurance Requirements	Pass / Fail
Section H	Birmingham Business Charter for Social Responsibility	Pass / Fail
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

<b>CRITERIA (70% WEIGHTING)</b>		<b>SUB-WEIGHTING</b>
Section M3	Delivery and Competency	<b>50%</b>
Section M4	Organisation and Resources	<b>30%</b>
Section M5	Social Value	<b>20%</b>
	<b>TOTAL</b>	<b>100%</b>

Price Assessment

The pricing assessment will be 30% of the overall weighting. Price will be evaluated based on the day rates for professional support required, along with an indication of the volume of services required (for evaluation purposes only).

Interview

Tenderers (after the quality / price evaluation) may be invited to a clarification interview to provide the Council with an opportunity of clarifying their bid submission to clarify their understanding of the requirements and the quality scoring adjusted accordingly, as appropriate.

## Combined Quality and Price Assessment

The evaluation process will result in comparative quality, social value and price scores for each tenderer. The maximum score will be awarded to the tender that demonstrates the highest for quality. Similarly, the maximum price score will be awarded to the lowest acceptable price. Other tenderers will be scored in proportion to the maximum scores in order to ensure value for money with the recommendation for the contract to be awarded to the first ranked tenderer.

### 3.4 Indicative Implementation Plan

Cabinet Approval (Strategy)	14 <sup>th</sup> December 2021
ITT Issued	January 2022
ITT Return	February 2022
Evaluation Period	February / March 2022
Contract Award	March 2022
Contract Start	April 2022

### 3.5 Service Delivery Management

#### 3.5.1 Contract Management

The contract will be managed operationally by the Development Manager, Housing Regeneration and Development

#### 3.5.2 Performance Management

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

## **PROCUREMENT STRATEGY FOR OTHER PROFESSIONAL SERVICES TO SUPPORT THE DRUIDS HEATH REGENERATION PROJECT**

### .1 Service Requirements and Procurement Approach

#### 1.1 There is a requirement for the following services to support the relocation:

<b>Services</b>	<b>Procurement Approach</b>
Legal Advice	The Planned Procurement Activity report to Cabinet dated 13 <sup>th</sup> December 2020

	approved the commencement of the procurement activity for external legal advice for major projects of which Druids Heath is one.
Planning Consultant	These works are below the procurement threshold and the Council's Constitution of £189,330 and the procurement route will be to undertake a quotation exercise advertised on Contracts Finder and <a href="http://www.finditinbirmingham.com">www.finditinbirmingham.com</a> and contracts awarded in accordance with the Procurement Governance Arrangements: