

Procurement Strategy for the Development of the Signal Hayes Community and Sports Resource

1 Service Requirements

- 1.1. The construction of a new build community/sports resource with an outdoor playing pitch and car park.

2. Procurement Options

The following options were considered:

- Carry out a procurement process open to the market- there are benefits as prices will reflect current market conditions and the latest corporate requirements can be included for each tender exercise. For these reasons, this is the proposed route.
- Use a Collaborative Framework Agreement - there is not a collaborative framework agreement that covers a bespoke design, build, operate and maintain contract.

3. Procurement Approach

3.1 Duration and Advertising Route

The contract will be for a minimum period of 15 years to include break clause(s) at an appropriate point(s). This period reflects the proposed delivery programme for the project. The opportunity will be advertised via the OJEU, www.finditinbirmingham.com and Contracts Finder.

3.2 Procurement Route

The following procurement procedures were considered:

- **Open Procedure:** This is a single stage process and all bidders' tender responses have to be evaluated. There is no negotiation permitted beyond clarifications and design solution and specification should be fully completed at the tender issue.
- This is not suitable for a construction project of the size and timescale for the development of the Signal Hayes community and sport resource. This procedure does not allow a down selection of bidders or permit any negotiations to be entered into in shaping the final solution.
- **Restricted Procedure:** This is a 2 stage process the first stage where bidders are de-selected to a pre-agreed number with an Invitation to Tender stage leading to the appointment of one contractor. All bidders' tender responses have to be evaluated. There is no negotiation permitted beyond clarifications and the solution and specification should be fully completed at the tender issue. This option was discounted on the basis that the final solution is not fully known to meet the timescales to commence a tender process.

- **Competitive Procedure with Negotiation (CPN):** This procedure allows shortlisting of bidders, a series of commercial and legal negotiation sessions together with the submission of initial, detailed and final tenders. The process also allows for de-selection during the various tender stages.
 - The number of stages can be reduced, and it is suggested that if this route is selected, that a 2 stage process is followed
 - Although this route is more time-consuming and labour-intensive than the restricted procedure it allows for negotiation during the process to optimise the final solution and on this basis, is the recommended option
- **Competitive Dialogue Procedure:** This is a more complex and time-consuming procurement route involving multiple dialogue meetings, which was considered not to be the most appropriate solution given that the development and delivery strategy which is clear.
- **Innovation Partnership Procedure:** This route was discounted on the basis that although the project is complex, the market place exists and there is no requirement for an innovative and specialised outcome to be developed.

3.3 Scope and Specification

The scope and specification for the design, build, operate and maintained facility is as follows:

- Facilities
 - Landscaped car park inclusive of cycle racks and electric vehicle charging points.
 - Grass or artificial turf pitch suitable for 5-a-side football.
 - Jogging/walking path around site
 - Safe outside toddler play area
 - Café
 - Gym
 - Multi-purpose studios/community rooms
 - Changing rooms/showers/toilets
 - Sports Hall suitable for various sports including basketball and badminton
 - Reception/office
 - Stores/cleaners room
- Operational Model
 - To run a sustainable and financially viable community facility
 - On-going maintenance of the building and the grounds
 - Operate in accordance with the Council's Fees and Charging Policy
 - Operate the Council's BeActive programme

3.4 Tender Structure (Including Evaluation and Selection Criteria)

The quality / social value / 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.

3.5 Stages of CPN

Stage One:	Selection Questionnaire (SQ). SQ issued into the market based upon an assessment of financial standing, track record and capability. A maximum of 3 parties would be shortlisted to proceed to the next stage and submit initial tenders.
Stage Two:	Invitation to Submit Initial Tenders (ISIT). 3 parties invited to submit initial tenders in response to issuing the ISIT and to proceed to the detailed stage, subject to passing the quality and social value thresholds.
Stage Three:	Invitation to Submit Detailed Tenders (ISDT). 3 parties to submit detailed tenders in response to issuing of the ISFT. 2 parties to be shortlisted to proceed to the final tender stage.
Stage Four:	Invitation to Submit Final Tenders (ISFT). 2 parties to submit final tenders in response to issuing of the ISFT. At this stage following final evaluation and moderation, a recommendation to award a contractor will be identified for approval.

3.6 **Evaluation Criteria and Methodology**

3.6.1 **Stage 1 - Supplier Selection Questionnaire (SQ) Stage**

The evaluation criteria used at the Selection Questionnaire stage (SQ) is shown in table 1.1

Table 1.1 – SQ evaluation criteria

SQ EVALUATION CRITERIA		EVALUATION METHOD
Stage 1	Preliminary Compliance	
Stage 2	Pass / Fail Assessment	
Part 1	Potential Supplier Information	Pass / Fail
Part 2	Exclusion Grounds	Pass / Fail
Part 3	Selection / Additional Questions:	
Part 3 S 5	Group Structure	Information Only
Part 3 S 6	Technical and Professional Ability	Pass / Fail
Part 3 S 7	Modern Slavery Action 2015	Pass / Fail
Part 3 S 8.1	Insurance	Pass / Fail
Part 3 S 9.3	Health and Safety	Pass / Fail

Part 3 S 9.4	Compliance with Equalities Duties	Pass / Fail
Stage 3	Technical Assessment	
Part 3 S 9.1	Project Specific Questions – Past Performance	Scored
Part 3 S 9.2	Project Specific Experience	Scored
Stage 4	Financial Technical Assessment	
Part 3 S 4	Economic and Financial Standing	Pass / Fail

The top 3 suppliers after Stage 1 scoring who meet all the mandatory criteria in Stage 1 assessment will progress onto Stage 2 of the assessment.

3.6.2 Stage 2 – Invitation to Submit Initial Tenders (ISIT)

The evaluation criteria that will be used at the ISIT stage is shown in Table 1.2.

Table 1.2 – ISIT evaluation criteria

Quality (60% Weighting)

Weighting		Sub-Criteria	Maximum	Sub-Weighting
60%	Quality	Design and Construction Methodology	100%	30%
		Operating Model		30%
		Maintenance Regime		20%
		Service Delivery		20%
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 the social value assessment. The Council may, at its discretion, permit suppliers that score below this threshold to proceed to the social value assessment.				

Social Value (10% Weighting)

	Sub-Weighting	Sub-Criteria	Theme Sub-Weighting
Qualitative	3%	Local Employment	30%
		Buy Local	20%
		Partners in Communities	30%
		Ethical Procurement	20%
			TOTAL 100%
Quantitative	7%	BBC4SR Action Plan	Total of financial proxies (£) score
			TOTAL 100%
Overall Social Value	10%		

Tenderers who score more than the social value threshold of 40% i.e. a score of 300 out of a maximum quality score of 500 marks will proceed to the social value assessment. The Council may, at its discretion, permit suppliers that score below this threshold to proceed to the social value assessment.

Price (30% Weighting)

Weighting		Sub-Criteria	Maximum	Sub-Weighting
30%	Price	None	100%	100%

If bids are deemed acceptable by the Council on the basis of the quality, social value and price evaluation following Stage 2 and that carrying out the additional stage will not realise any additional qualitative or quantitative benefit to the project where the recommended tenderer scores significantly above the quality and social value thresholds, then the Council reserves the right to award a contract without proceeding to Stage 3.

In the event that the Council deems that no acceptable bids have been received following Stage 2 then the Council reserves the right to invite the three highest scoring tenderers to participate in negotiation and thereafter proceed to Stage 3, Invitation to Submit Detailed Tenders.

3.6.3 Stage 3 – Invitation to Submit Detailed Tenders (ISDT)

The evaluation criteria that will be used at the ISDT stage is shown in Table 1.2.

Table 1.3 – ISDT evaluation criteria

Quality (60% Weighting)

Weighting		Sub-Criteria	Maximum	Sub-Weighting
60%	Quality	Design and Construction Methodology	100%	30%
		Operating Model		30%
		Maintenance Regime		20%
		Service Delivery		20%
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 the social value assessment. The Council may, at its discretion, permit suppliers that score below this threshold to proceed to the social value assessment.				

Social Value (10% Weighting)

	Sub-Weighting	Sub-Criteria	Theme Sub-Weighting
Qualitative	3%	Local Employment	30%
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		Partners in Communities	30%
		Ethical Procurement	20%
			TOTAL 100%
Quantitative	7%	BBC4SR Action Plan	Total of financial proxies (£) score
			TOTAL 100%
Overall Social Value	10%		
Tenderers who score more than the social value threshold of 40% i.e. a score of 300 out of a maximum quality score of 500 marks will proceed to the social value assessment. The Council may, at its discretion, permit suppliers that score below this threshold to proceed to the social value assessment.			

Price (30% Weighting)

Weighting		Sub-Criteria	Maximum	Sub-Weighting
30%	Price	None	100%	100%

If bids are deemed acceptable by the Council on the basis of the quality, social value and price evaluation following Stage 2 and that carrying out the additional stage will not realise any additional qualitative or quantitative benefit to the project where the recommended tenderer scores significantly above the quality and social value thresholds, then the Council reserves the right to award a contract without proceeding to Stage 3.

In the event that the Council deems that no acceptable bids have been received following Stage 3 then the Council reserves the right to invite the two highest scoring tenderers to participate in negotiation and thereafter proceed to Stage 4, Invitation to Submit Detailed Tenders.

3.6.4 Stage 4 – Invitation to Submit Final Tenders (ISFT)

Quality (60% Weighting)

Weighting		Sub-Criteria	Maximum	Sub-Weighting
60%	Quality	Design and Construction Methodology	100%	30%
		Operating Model		30%
		Maintenance Regime		20%
		Service Delivery		20%
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 the social value assessment. The Council may, at its discretion, permit suppliers that score below this threshold to proceed to the social value assessment.				

Social Value (10% Weighting)

	Sub-Weighting	Sub-Criteria	Theme Sub-Weighting
Qualitative	3%	Local Employment	30%
		Buy Local	20%
		Partners in Communities	30%
		Ethical Procurement	20%
			TOTAL 100%
Quantitative	7%	BBC4SR Action Plan	Total of financial proxies (£) score
			TOTAL 100%
Overall Social Value	10%		

Tenderers who score more than the social value threshold of 40% i.e. a score of 300 out of a maximum quality score of 500 marks will proceed to the social value assessment. The Council may, at its discretion, permit suppliers that score below this threshold to proceed to the social value assessment.

Price (30% Weighting)

Weighting		Sub-Criteria	Maximum	Sub-Weighting
30%	Price	None	100%	100%

3.6.5 Price Evaluation

Tenderers will be expected to submit a price based upon a costed business plan and bidders proposals for the solution to be delivered for the budget of £3.4m. The evaluation will be conducted by Finance with support from Strategic Sport and Acivico Ltd.

The tenderer with the highest price is given the maximum possible weighted price score. The other tenderer's weighted price score will be calculated on a pro rata basis.

3.6.6 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 as will the tender that scores highest for social value. Similarly, the maximum price score will be awarded to the highest acceptable price. Other tenderers will be scored in proportion to the maximum scores in order to ensure value for money. The contract will be awarded to the first ranked tenderer, subject to a final risk assessment.

3.7 Evaluation Team

The evaluation of the tenders will be undertaken by representatives from Property Services, Acivico Ltd, Strategic Sport, Finance and supported by Corporate Procurement Services.

4. Indicative Implementation Plan

The indicative implementation plan is:

Event	Date
Publish contract notice	April 2020
Deadline for receipt of SQs (" SQ Deadline ")	May 2020
Notify Bidders of outcome of SQ evaluation process and invite shortlisted Bidders to submit initial tenders (" ISIT ")	June 2020
Deadline for receipt of initial tenders	July 2020
Notify Bidders of outcome of initial tenders evaluation process and invite shortlisted Bidders to submit detailed tenders (" ISDT ")	September 2020
Deadline for receipt of detailed tenders	October 2020
Invitation to submit final tenders (" ISFT ") issued to bidders	December 2020
Deadline for receipt of final tenders	January 2021
Delegated Award Report	February 2021
Notification of winning tender	February 2021
Closure of standstill period	February 2021

Contract award	March 2021
Start on Site	April 2021
Completion	tbc

5. Service Delivery Management

5.1 Contract Management

The construction contract will be managed by the Property Programme Manage, Property Services and the Operational and Management Contract by the Project and Client Manager, Strategic Sport.

5.2 Performance Measurement

The following Key Performance Indicators will be included to ensure sufficient performance management of the contract. These include the delivery of the:

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