

APPENDIX A

Tender Evaluation Report

Bathroom replacement programme 2023-27

DN679595

Author: **Name: Michael O'Halloran**
 Title: Procurement Specialist
 Commercial & Procurement
 Date: 20 September 2023

1. Management Summary

Somerset Council owns and manages approximately 6000 social rented homes in the Taunton area (prior to April 2023, Somerset West and Taunton District) and under the capital maintenance programme needs to ensure continued compliance with the Decent Homes Regulatory Standard. The Council has a need to implement a long-term programme to install replacement bathrooms to its domestic properties.

The Council has a specific need to replace 210 bathrooms in the 2023/24 financial year (ending 31/03/2024). The annual demand thereafter is forecast to be at a similar level.

This procurement was carried out by Somerset Council who wished to select three Contractors to provide the Works under the bathroom programme. The procurement was conducted under the Westworks Dynamic Purchasing System (Westworks DPS) as a call for further competition under Categories 1a and 11.

The Council sought to appoint suitably accredited and experienced Contractors to undertake the design, supply and installation of bathroom in domestic properties owned by the Council.

The requirements were split into three Lots based on geography. Applicants could bid for all Lots but only be appointed to one Lot. Applicants were requested to rank Lots bid for in order of their preference. The reason for appointing three contractors is to support efficient delivery of the programme and provide resilience in our supply chain against contractor delivery failure.

The Council expects the three appointed bathroom Contractors to be able to install a minimum of four bathrooms per week from the start of January 2024.

The annual value of the contracts will be c£870,000 across all of the three contracts and the potential total spend over four years is expected to be approximately £3.5m.

2. Procurement Process

This procurement was carried out in accordance with the authority's Contract Procedure Rules and Standing Orders, and Public Contracts Regulations 2015 principles.

Suppliers were invited to submit a response to the Invitation to Tender (ITT) through the Westworks In-Tend e-Tendering System. The Procurement Documents were published on 2 August 2023.

Bid responses were received by the closing date of 12 noon on 29 August 2023 as follows:

- Ten Bidders responded within the deadline. All Bidders bid for all three Lots.
- All ten Bidders submitted a compliant Bid.

- Bids were evaluated in accordance with the criteria set out in the Procurement Documents and set out in section 2.1 below.

The Commercial and Procurement Team conducted the compliance checks.

2.1 Evaluation Methodology

Bids were evaluated in accordance with the evaluation criteria set out within the Procurement Documents and were applied as follows:

Evaluation criteria breakdown	Weighting	
Quality		
Contract mobilisation and on-going delivery	15%	30%
Approach to Customer care and tenant liaison	10%	
Health and Safety and risk assessments	5%	
Price		60%
Social Value		10%

2.2 Quality

The quality questions were scored and evaluated in accordance with the published criteria.

The quality element of the Tenders was evaluated by a panel of officers and moderated in a moderation meeting following initial collation of scores and comments. The moderation process was facilitated by the Commercial and Procurement Team at Somerset Council (see Confidential Appendix B for the list of evaluators and moderators). Each evaluation panel member scored each Bid on an individual basis and prior to the moderation meeting.

Moderated scores are available in Confidential Appendix B, including the proposed award decision.

2.3 Pricing

Pricing was assessed based on the total tender price for the Works included by bidders within the Pricing Schedule. The tendered prices are available in Confidential Appendix B, including the proposed award decision.

3. Contractual Position

The Contracts will be a JCT Measured Term 2016 Edition with Employers Schedule of Amendments. The specification and pricing model is supported by the NHF Planned Maintenance and Property Reinvestment Works Schedule of Rates V7.2. The contract will not commit Somerset Council to instructing any volume of work and work will only be issued on a specific order basis under the terms of the contract.

If appointed Contractors fail to mobilise quickly and deliver the requested number of installations to the required standard during an initial pilot period in November, no further instructions will be made. For the avoidance of doubt, failure to perform to the required standards and volumes thereafter will result in no further instructions under the terms of the contract. In such circumstances, Somerset Council will reserve the right to move work to other appointed contractors or engage with the next ranked contractor under the competition in compliance with PCR2015 Regulations.

This is subject to approval of an Executive Key Decision to award supported by this evaluation report.

3.1 Proposed Term

The three contracts will be for an initial period of 12 months, with an option to extend by mutual agreement for up to a further 12 months, followed by a further extension option of 24 months by mutual agreement, providing for a potential four-year contract term in total.

3.2 Service Levels and Contract Management

Service levels will be monitored as part of Contract Management and specific Key Performance Indicators. The contract will be managed to ensure that the service meets expectations and to identify further opportunities for cost and service improvement.

4. Risk and Mitigation

Risk: The risk associated with contractor delivery of the programme has been a key element in the planning of the procurement strategy.

Mitigation: This risk will be mitigated by the appointment of three contractors.

5. Next Steps

- Share the draft Key Decision Paper with Lead Member for Housing, Communities and Culture.



- Share the draft Key Decision Paper with relevant Directors and stakeholders.
- Consult with Chair and Vice Chair of Policies and Communities Committee.
- Lead Officer to attend a meeting with Service Director, Lead Member and Governance Officer - scheduled for 31/10.
- Suppliers to be informed of the decision by Commercial and Procurement Team. (Following approval)
- Voluntary Standstill period to elapse. (10 days)
- Publish Decision. This is now on the Forward Plan (FP/23/09/24)
- Contract award
- Contract Mobilisation/ Implementation to begin in mid-November.

End of Report