

NON KEY DECISION: REPORT TO CABINET MEMBER

DECISION TO BE TAKEN BY: Councillor Dr Peter Moseley
Cabinet Member for Commercial and Operations

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REPORT NO.: FM0015

DATE: 2nd August 2019

SUBJECT OF NON KEY DECISION:	Award of Capital Works Contract (Car park extension); Wyndham Park, Grantham. FM0015
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CABINET MEMBER REMIT:	Councillor Dr Peter Moseley Cabinet Member for Commercial and Operations	
CRIME AND DISORDER IMPLICATIONS:	None Identified	
FREEDOM OF INFORMATION ACT IMPLICATIONS:	N/A	
INITIAL EQUALITY IMPACT ASSESSMENT	Carried out and appended to report? N/A	Full impact assessment required? No
BACKGROUND PAPERS:	None	

(1) PURPOSE OF REPORT

1.1 The report is to;

1. Obtain approval for the award of a contract to facilitate delivery of the car park extension at Wyndham Park, Grantham.
2. Confirm compliance with the Council's approved purchasing process.

3. Ensure commencement of the contract by August 2019 and completion within a timeframe of 4 weeks.

1.2 Tender evaluation summary:

Summary Scores

Supplier	Method Statement Score	Price Score	Total Score (Award Criteria)	Rank
Tender 1(option A)	60	40	100	2
Tender 1(option B)	50	56	106	1
Tender 2	0	0.00	0.00	0
Tender 3	0	0.00	0.00	0
Tender 4	0	0.00	0.00	0

Opted Out of the Process (No bids received)

(2) RECOMMENDATION(S)

- 2.1 That the contract to the tendered value of £18,758.36 be awarded to **Tender 1 (option B)**; A Coupland (surfacing) Ltd, having achieved the highest score on the cost/quality evaluation and considered to be the most economically advantageous tender received by the Council.

(3) REASONS FOR RECOMMENDATION(S)

(including any alternative options considered and rejected)

- 3.1 On the *March 2019 the Council approved funding to the value of £29,000 for the extension of the car parking facilities at Wyndham Park. Four local suppliers were invited to respond to a Request for Quotation (RFQ) priced against work requirements detailed within a written specification supported by standard terms and conditions. A process delivered in accordance with the Council's Contract Procurement and Procedures Rules.

- 3.2 Procurement Method / Tender process applied:

A Request for Quotation (with standard terms and conditions, written specification, quantities and drawings) was issued to 4 suitably experienced contractors.

- 3.3 Tenders returned and evaluation:

Just one supplier tendered for the work before the closing date of 17th May 2019, as follows:

Tender 1 (option A) - A Coupland (surfacing) Ltd.

This tender was produced in accordance with the Council's specification.

Tender 1 (option B) - A Coupland (surfacing) Ltd.

This tender was submitted by the supplier as an alternative solution to the Council's specification.

- 3.4 The tenders were evaluated against the standard terms and conditions of the RFQ along with the specification. Quality and price (predefined quality/cost criteria at a ratio of 40/60) were evaluated which resulted in the following rankings (A Coupland (surfacing) Ltd offering the best value under option B);

Company	Tendered price (£)
Tender 1 (option A)	25,496.45
Tender 1 (option B)	18,758.36
Tender 2	
Tender 3	
Tender 4	

Quality Criteria	Criterion Weighting	Tender 1 (option A) score	Tender 1 (option B) score	Comments
Compliance with specification	60%	60%	50%	Option B score is adjusted in the light of the reduced compliance with specification
Price	40%	40%	56%	Option A scores maximum points when the tender is assessed against the specification. However, as option B is more cost effective then it scores higher for value for money.
TOTAL	100%	100%	106%	

Test that Tender 1 (options A and B) offer value for money:

- 3.5 As the Council received just one tender for the above it has been necessary to establish if the tender is offered at a competitive price. To establish this, we calculated the value of the tender as a unit rate (per sqm) and compared this to

the unit rate offered by supplier who have tendered for work to a similar specification during 2016.

3.6 Contract award at the time was based on unit rates which compare as follows:

Unit rate comparison:

Comparison	Item used for comparison	Unit rate 2019 per sqm	Unit rate 2016 per sqm
Tender 1 sample price	Supply, lay and roll 60mm thick AC 20 dense binder course	£13.73	£18.73
Tender 1 sample price	Supply, lay and roll 40mm thick AC 10 dense surface course	£11.77	£14.34

With inflation adjustment (average 2% per annum) the current figures are very competitive.

3.7 Value engineering, Clarifications and Options

In addition to the price offered by company offering Tender 1 (option A), they provided an alternative and more cost-effective solution as follows:

Option B – variations to specification;

i. Excavate and regrade to shape new levels (existing surface)

ii. Utilise existing surface as sub base thereby reducing extent of binder course from 637sqm to 470sqm.

iii. Supply, lay and roll to 75mm average depth MOT type 1 with a fall towards the field side of the car park (as opposed to filling void areas and laying MOT type 1 to create fall from the East to West – towards the park side of the car park)

iv. Omit specified drainage and install French drain to field side.

As **option B** offers a significant saving against the works as specified we are inclined to recommend accordingly and, on the understanding, that the alternative offer will:

- Provide a durable surface fit for purpose.
- A French drain will be installed on the field side of the car park and will be fit for purpose.
- Provide better value for money.

3.8 Theoretically by opting for **tender 1 (option B)** there is a net surplus of **£10,241.55** against the £29,000 budget. However, there are several additional work requirements omitted from the tender pack which require completion – including; barrier relocation, line marking etc (Separate quotations will be sought for these additional works and outcomes managed to ensure completion within budget)

3.9 In addition, an element of this budget surplus will enable us to compensate the £1003.00 funding shortfall in respect tenders received to facilitate the provision of the new car park at Queen Elizabeth Park – see report FM0016

3.10 The financial outcome of the proposals mentioned above will be; project delivery of both car park projects (Wyndham and Queen Elizabeth park) within budget.

3.11 Tender analysis:

Arithmetic Check;

An arithmetical check was carried out as part of the price evaluation and no errors were detected.

Due Diligence;

Compliance with standard terms and conditions has been checked.

3.12 Form of Contract

RFQ Standard terms and conditions.

3.13 Programme of works

A programme of works has been provided by company offering Tender 1 which confirms their ability to complete the works in accordance with our requirements. With works scheduled to complete within 4 weeks we anticipate potential completion by the start of the school Summer Holidays.

3.14 Cost and quality control

As tenders have been priced on the basis of a full suite of tender documents (bill of quantities, drawings, technical specifications etc) the price is fixed.

3.15 Payment for the works will be made upon satisfactory completion of the contract.

3.16 All costs will be closely monitored to ensure that spend is within the project budget of £29,000.

3.17 OTHER OPTIONS CONSIDERED

Alternative surfacing, permeable solution:

3.18 Considerations were given to the use of an alternative type of surfacing. However, in the interests of the landscape design continuation of the existing car park surfacing was considered most appropriate. In addition, the costs savings (if any) for using an alternative system were negligible.

(4) COMMENTS FROM FINANCIAL SERVICES

- 4.1 The financial implications are included in the body of this report. The contract value is within the £29k budget approved for this project.

(5) COMMENTS FROM LEGAL AND DEMOCRATIC SERVICES

- 5.1 The award of Contract is in accordance with the Council's Contract Procurement and Procedure Rules.

(6) OFFICER CONTACT

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(7) DATE DECISION EFFECTIVE:

If decision taken on 12 August date effective will be 21 August subject to no call-in being received.