



Procurement Summary Report

South Kesteven District Council

Lift Replacement Program 2026/27

This report is commercially sensitive (under the Freedom of Information Act 2000 with 2012 updates) and is therefore intended for restricted circulation only. **The report should only be published with the consent of the Lead Council Officer, and after bidder's details and tender submission details (£) have been redacted;** due to the sensitive information it contains relating to the bidder's Tender submissions.

| CONTRACT DETAILS | |
|---|--|
| Lead Officer (Contracting Authority) | Senior Project Officer South Kesteven District Council |
| Project ID | DN688221 |
| FTS Reference | Not applicable |
| Contract Dates | <u>Start:</u> 01/01/2024 <u>End:</u> 02/24/2027 <u>Extension option:</u> 12 Months |
| Length of Contract | 3 years with a further option to extend for a period of up to 12 months. |
| Procurement Value (£) | The budget prior to going to market was in the region of £480,000 total contract value. |
| Type of Contract | Services |
| CPV Codes | 45313100-5 - Lift installation work 50750000-7 - Lift-maintenance services |

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1.0 Introduction

- 1.1 The purpose of this report is to ensure all the pertinent procedures followed for the selection of the Provider(s) to be awarded the Lift Replacement Program contract are recorded. This is for both the provision of an audit trail, and to enable the appropriate Officer to approve the recommendation as part of the Council's internal governance and accountability arrangements. This report also satisfies the reporting requirements under Regulation 84 of the Public Contract Regulations 2015.
- 1.2 This report is commercially sensitive (under the Freedom of Information Act 2000 with 2012 updates) and is therefore intended for restricted circulation only. **The report should only be published with the consent of the Lead Officer;** due to the sensitive information it contains relating to the bidder's Tender submissions.

2.0 The Project

- 2.1 The contract is for the provision of lift installation and maintenance services for properties owned by South Kesteven District Council. For this procurement exercise, a further competition was made Under Fusion 21: Passenger/Goods Lifts - Lot 3 - Installation, Refurbishment and Upgrading.
- 2.2 The contract was not divided into lots, as the Council considers that on this occasion this would not provide any practical, technical, or economic benefit.

3.0 Pre-procurement Process

- 3.1 A meeting was held between SKDC officers and Welland Procurement to establish requirements.
- 3.2 Following this meeting, a further email trail was established, developing contract documentation to an agreed standard. It was agreed that a further competition using the identified Fusion 21 framework would be the best route to market for the Authority.
- 3.3 The selection of framework was decided by reviewing a number of frameworks and looking at the suppliers available. Fusion 21 had a good balance of suppliers which SKDC had knowledge of.

4.0 Project Governance

- 4.1 Include details of Officer that approved the below, along with the relevant dates.
 - PID – Approved by – SKDC Acting Director of Housing 22/06/2023
 - Budget/spend – Approved by – as above.
 - To make the Tender live –Deputy Head of Welland Procurement 13/10/2023

- Accept any relevant abnormalities within the Tender – n/a
- Accept/Reject SQ submissions Approved by – Deputy Head of Welland Procurement
- Accept pricing submitted – Approved by – Deputy Head of Welland Procurement.

4.2 Include details of the Key Officers:

- Procurement Lead (Welland) – Deputy Head
- Lead Officer (Contracting Authority) – Senior Project Officer - SKDC
- Budget Holder – Acting Director of Housing

5.0 The Public Procurement Process

5.1 This Tender opportunity was advertised on ProContract to the list of suppliers identified on the framework on 13th October 2023. Originally, there was a deadline for responses for 17th November 2023, however, due to site visits and the number of clarifications from bidders, a change in staffing at Welland resulting in no one monitoring the tender for a period of time, this was extended to 1st December 2023.

5.2 On publication of the opportunity, a total of 14 expressions of interest were received, resulting in 4 Tender submissions.

6.0 Invitation to Tender

6.1 The Tender was made up of one questionnaire set for award criteria questions.

6.2 The award questionnaire was constructed in sections to facilitate evaluation. Some sections carried a percentage weighting (%). For every weighted section, there was at least one question that carried an individual question sub weighting (%). The overall weighting (%) of questions within a section also totalled 100%.

6.3 Selection Criteria

There were some questions to which an adverse answer may have resulted in the elimination of a bidder. Questions that may have resulted in the elimination of a tender submission (marked as P/F (Pass/ Fail)) are detailed in the table below:

| SELECTION CRITERIA QUESTIONS | | |
|-------------------------------|-----|-----------------|
| Section Title | P/F | Question Number |
| Important: Please Read | - | - |

| | | |
|--|---|---|
| Section 1 – Contact Details and Declaration | | |
| Section 2 - Additional Questions including Project Specific Questions | | |
| Declaration | - | - |

6.4 Award Criteria

The award criteria questions considered the merit of the eligible Tenders to identify the most economically advantageous Tender.

The Council evaluated the award criteria as follows:

- A quality assessment worth **60%**; the following criteria, weighting and methodology were applied:

Each bidder's response to each question was evaluated and marked a maximum of 5 marks as per the below scoring matrix:

| In the evaluator's reasoned opinion, the response is an: | |
|--|---|
| 5 | Excellent Response The response is excellent in relation to the stated requirements of the question. The response provides an excellent level of detail and demonstrates that the bidder's expertise and approach significantly exceeds the Council's minimum requirements such as to provide added value. |
| 4 | Strong Response The response is strong in relation to the stated requirements of the question. The response provides a good level of detail and demonstrates that the bidder's expertise and approach exceeds the Council's minimum requirements. |
| 3 | Satisfactory Response The response is satisfactory in relation to the stated requirements of the question. The response provides a satisfactory level of detail and demonstrates that the bidder has the necessary expertise to meet the Council's minimum requirements and has a reasonable understanding of what those minimum requirements are. |
| 2 | Weak Response The response is weak in relation to the stated requirements of the question. The response provides a low level of detail and provides less than satisfactory evidence to demonstrate that the bidder has the expertise to satisfy the Council's minimum requirements and/or demonstrates some misunderstanding of those requirements. |
| 1 | Poor Response The response is poor in relation to the stated requirements of the question. The response provides a very low level of detail. There is a significant lack of evidence to demonstrate that the bidder has the expertise to satisfy the Council's minimum requirements or really understands what those requirements are. |

| | |
|----------|--|
| 0 | <p>Unacceptable Response</p> <p>The response is unacceptable in relation to the stated requirements of the question. The response provides no detail and fails to provide any evidence that the bidder can meet the requirements of the question.</p> <p>OR</p> <p>No answer has been given.</p> |
|----------|--|

The award criteria questions were split into the following sections:

| Question | Question Sub Weighting (%) |
|---|----------------------------|
| <p>Q1. Project Delivery</p> <p>Provide a detailed explanation of how you would successfully deliver the project including:</p> <ul style="list-style-type: none"> Ensuring a smooth mobilisation and design process for the Contract including drawing approval and transfer of lift maintenance responsibility from the existing Maintenance contractor to yourselves. A detailed program including key deliverables for successful project delivery. An assessment of any risks which should be considered and any proposals to mitigate those risks. A detailed explanation of how the project will be managed and delivered to ensure the on-time and complete delivery. Your approach to ensure the highest quality of work, on-time completion, and cost-effectiveness for this project. How you will minimize the potential for defects at handover? <p>Maximum word count = 1500</p> | 30% |
| <p>Q2. CDM</p> <p>Please explain your roles as duty holder for this project and measures you will take to ensure you meet the required responsibilities.</p> <p>Your response must include but not be limited to the following:</p> <ul style="list-style-type: none"> Acknowledging your duty holder role for this project & the obligation you will fulfil obligations in line with CDM for this project. How you will plan, manage, monitor, and coordinate health and safety during the both the pre-construction & construction phases within your remit. Steps you will take to ensure effective communication throughout the stages of the project with other duty holders involved in this project, the Project Manager and the Council where required. Timely completion, delivery, and acceptance of the Health & Safety File. <p>Maximum word count = 500</p> | 15% |
| <p>Q3. Occupied Building</p> <p>How do you plan to effectively engage and communicate with existing residents in the vicinity of the construction site to address their concerns, minimize disruptions, and keep a positive relationship throughout the construction process? During the</p> | 15% |

works, please show what steps you will take to ensure safety of building occupiers, your employees, sub-contractors, and anyone else involved in this project. Your response must include, but not be limited, to the following:

- Detail of measures you will take to prevent unauthorized persons accessing the working areas.
- What measures do you have in place to ensure strict adherence to safety regulations and standards during the construction process?
- Details of how residents will be kept notified of the planned works from two months prior to commencement, through ongoing works progress, and informed of any works which may affect building use or be disruptive. Include any in-house systems that are used for communicating with external parties.
- Proposals to minimize the effect of lift unavailability during the works on the residents.

Maximum word count = 500

Bidders were advised that irrespective of the methodology described above, an agreed score for any of the quality questions of '0' or '1' would result in the elimination of their Tender, as the Council requires a minimum quality threshold.

- A price assessment worth **40%**; the following criteria were applied:

Price scores were calculated based on the bidder with the lowest overall compliant price being awarded the full score of 40%. The remaining bids were scored in accordance with the following calculation:

$$= \left(\frac{\text{lowest submitted price}}{\text{potential supplier's submitted price}} \right) \times \text{price weighting}$$

6.5 Bidders were required to submit responses by no later than 12 noon 1st December 2023.

6.6 The 40% weighting was further split into 3 sub elements each with a separate sub weighting;

| Project costs | Evaluation Sub Weighting |
|------------------------------|--------------------------|
| Cost of lift replacements | 35% |
| Cost of extended maintenance | 3% |
| Hourly Rates and Uplifts | 2% |

7.0 Review of the Selection Criteria

7.1 The selection questionnaire responses were reviewed by Deputy Head of Welland Procurement

8.0 Evaluation of the Award Criteria

- 8.1 An evaluation panel was constructed to ensure that individuals assigned to evaluate questions were the most suitable and relevant to the criteria being examined, based upon qualifications and experience. Each question was evaluated by at least two evaluators and their scores, and comments recorded (see appendix B for details).
- 8.2 Subjective evaluation was undertaken, and initial scores to a maximum of 5 marks were awarded using the scoring matrix above.
- 8.3 A process of moderation for each individual evaluator's scores was undertaken by Welland Procurement. The responses were discussed at a moderation meeting held on Monday 18th December 2023, attended by all evaluators and chaired by the moderator.

The moderation meeting enabled the panel to review the scores awarded by each evaluator and agree a moderated score for each question. The meeting also ensured that scoring had been consistent and key points in each question had been accounted for. Average scoring was not used.

In all such cases, following discussion, the moderator concluded the most appropriate mark to be awarded.

9.0 Bid Clarifications

- 9.1 During evaluation, it was found that a supplier had not submitted the price in the correct format. They only provided a single overall price.
- 9.2 As part of the tender, bidders were required to fill out the pricing schedule which provided a breakdown in costs with sub sections which had individual weightings

| Project costs | Evaluation Sub Weighting |
|------------------------------|--------------------------|
| Cost of lift replacements | 35% |
| Cost of extended maintenance | 3% |
| Hourly Rates and Uplifts | 2% |

- 9.3 A post tender clarification was issued to the supplier on 19th December 2023 requesting that they provide a breakdown in costs using the price schedule provided within the tender documents
- 9.4 The supplier responded on 20th December 2023, only confirming their final price and once again failed to submit their pricing in the correct format.
- 9.5 Due the above, the decision was made to reject this bid as it was not possible to evaluate them constantly with the other bidders.

10.0 Additional Tender Information

- 10.1 No further additional information.

11.0 Results

- 11.1 The evaluation scoring process was devised based upon a maximum score of 100% being available to each bidder as stated in the Tender documentation and outlined above.
- 11.2 Following the completion of the evaluation and moderation process the scores awarded to the participants were as follows:

| | |
|--------------|--------|
| Allied Lifts | 95.03% |
| Bidder 2 | 80.53% |
| Bidder 3 | 64.85% |

12.0 External Financial Checks

- 12.1 Financial checks were carried out by Welland Procurement on the preferred Provider(s) and completed on Allied Lifts on 19th December 2023. Please see below for details:

| Bidder | Risk Indicator | Description of Risk Indicator |
|--------------|----------------|---|
| Allied Lifts | Score – 100 | Very Low Risk - Ok to offer your best terms |

13.0 Risk Implications

- 13.1 The procurement process has been conducted in accordance with best practice and the Public Contract Regulations 2015, ensuring the principles of transparency, equity and fairness have been adhered to.
- 13.2 As part of the tender, risks were considered and will be continually monitored as part of the contract management process.

14.0 Recommendation

- 14.1 Following the completion of the procurement process, it is recommended that Allied Lifts is awarded the contract.

15.0 Next Steps

- 15.1 **The Lead Council Officer must ensure the internal governance/approval process is followed, prior to returning this summary report to Welland Procurement.**
- 15.2 This summary report does not supersede or replace any internal governance/approval process the Council may have.

15.3 Once the recommendation has been approved by the appropriate approvers, the preferred bidder and all unsuccessful bidders will be notified of the outcome simultaneously. Subject to the satisfactory return of due diligence, and no legal challenge being received, the Council intends to execute the Contract.

16.0 Governance

16.1 Signed: H Baldwin
Name: Helen Baldwin
Job Title and Authority: Procurement Lead – South Kesteven District Council
Date: 04/01/2024

16.2 Signed N Thacker
Name: Nick Thacker
Job Title and Authority: Interim Head of Housing Technical Services
Date: 10/01/2024

16.3 Signed: K Bradford
Name: Karen Bradford
Job Title and Authority: Chief Executive
Date: 10/01/2024

Appendix A – Evaluation Spreadsheet – Final Scores and Comments

Pricing

| | Providers | | | | | |
|-----------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | Allied Lifts | | Bidder 2 | | Bidder 3 | |
| | Price 35% | £ 569,485.76 | 30.24% | £ 492,000.00 | 35.00% | £ 562,777.07 |
| Price 3% | £ 18,828.00 | 3% | £ 48,006.00 | 1.18% | £ 69,300.00 | 0.82% |
| Price 2% | £ 11,500.00 | 1.80% | £ 10,328.00 | 2% | £ 12,371.65 | 1.67% |
| Price Score 40% | £ 599,813.76 | 35% | £ 550,334.00 | 38% | £ 644,448.72 | 33% |

Moderated Quality Score

| Question Number | Allied Lifts | | Bidder 2 | | Bidder 3 | |
|-----------------|-----------------|----------------|-----------------|----------------|-----------------|----------------|
| | Moderated Score | Weighted Score | Moderated Score | Weighted Score | Moderated Score | Weighted Score |
| 1 | 4 | 24 | 3 | 18 | 2 | 12 |
| 2 | 4 | 12 | 3 | 9 | 2 | 6 |
| 3 | 5 | 15 | 3 | 9 | 3 | 9 |
| Total | 13 | 51 | 9 | 36 | 7 | 27 |

Overall Score summary

| Method Statements | Providers | | |
|--------------------------|---------------|---------------|---------------|
| | Allied Lifts | Bidder 2 | Bidder 3 |
| 1 | 24 | 18 | 12 |
| 2 | 12 | 9 | 6 |
| 3 | 15 | 9 | 9 |
| Total Quality | 51 | 36 | 27 |
| Quality 60% Score | 60.00% | 42.35% | 31.76% |
| Price 40% Score | 35.03% | 38.18% | 33.08% |
| Total 100% Score | 95.03% | 80.53% | 64.85% |
| Rank | 1 | 2 | 3 |

A bid was rejected as price schedule was not filled out as requested, post tender clarification was sent out to clarify this, however they still failed to send in the completed price schedule, they only replied stating the price of the final score so it was not possible to evaluate them

