



# Procurement Summary Report

## Tender for Disabled Adaptations to Residential Properties at South Kesteven District Council

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                                |  |
|---|--|
| <b>Lead Officer<br/>(Contracting Authority)</b> | Andy Garner  |
| <b>Project ID</b>                               | DN723413   |
| <b>FTS Reference</b>                            | N/A  |
| <b>Contract Dates</b>                           | <u>Start:</u> 01/07/24<br><u>End:</u> 30/06/26<br><u>Extension option:</u> 24 Months |
| <b>Length of Contract</b>                       | 2 years with an option to extend for 2 additional years, making a total of 4 years.  |
| <b>Procurement Value (£)</b>                    | The budget prior to going to market was in the region of £520,000.00 per annum.      |
| <b>Type of Contract</b>                         | Works  |
| <b>CPV Codes</b>                                | 45262700-8 - Building alteration work  |

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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 disabled adaptations to residential properties at South Kesteven District Council 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 the supply of goods and services in respect of delivering major and minor adaptations to identified disabled residents living in some of South Kesteven's 5,900 owned residential properties who have applied for a Disabled Facilities Grant
- 2.2 This requirement has not been 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 An initial meeting was held with the lead officer to discuss the requirement. It was initially agreed that this would be procured using the Fusion21 framework, as this met the requirements of the project. However, the procurement undertaken using the framework resulted in zero bids being submitted. After reviewing the explanations of the suppliers on the framework for not submitting a bid, it was established that they did not have the capacity for the work rather than any specifics relating to the project. Therefore, there was no requirement to amend the specification or tender documents as they did not impact the lack of bids. Following further discussions with the lead officer, it was agreed that the best route to market would be via an open tender.

## 4.0 Project Governance

- 4.1 Include details of Officer that approved the below, along with the relevant dates.
  - PID – Richard Wyles Signed off 06/12/23
  - Budget/spend - Richard Wyles
  - To make the Tender live – Tom Paling 10/05/24
  - Accept any relevant abnormalities within the Tender – Andy Garner

- Accept/Reject SQ submissions – Tom Paling 14/06/24
- Accept pricing submitted – Andy Garner

4.2 Include details of the Key Officers:

- Tom Paling - Procurement Lead (Welland)
- Andy Garner - Lead Officer (Contracting Authority)
- Richard Wyles - Budget Holder

**5.0 The Public Procurement Process**

5.1 This Tender opportunity was advertised on Contracts Finder. The Contract Notice was dispatched on 10<sup>th</sup> May 2024 and advised that award of the contract would follow an open procedure.

5.2 On publication of the opportunity, organisations were asked to register their interest via the Council's "ProContract" e-Sourcing portal, where Tender documents were available. A total of 44 expressions of interest were received, resulting in 8 Tender submissions.

**6.0 Invitation to Tender**

6.1 The Tender was made up of two questionnaire sets: one questionnaire for the selection criteria questions, and one 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 |
| <b>Important: Please Read</b>                      | -   | -               |
| <b>Part 1: Potential Supplier Information</b>      |     |                 |
| <b>Section 1 - Potential supplier information</b>  | -   | -               |
| <b>Section 2 - Bidding model</b>                   | -   | -               |
| <b>Section 3 - Contact details and declaration</b> | -   | -               |
| <b>Part 2: Exclusion Grounds</b>                   |     |                 |

|   |     |
|---|-----|
| <b>Section 2 - Grounds for mandatory exclusion</b>              | P/F |
| <b>Section 3 - Grounds for discretionary exclusion</b>          | P/F |
| <b>Part 3: Selection Questions</b>                              |     |
| <b>Section 4 - Economic and Financial Standing</b>              | P/F |
| <b>Section 5 - Technical and Professional Ability</b>           | P/F |
| <b>Section 6 - Modern Slavery Act 2015</b>                      | P/F |
| <b>Section 7 – Insurance</b>                                    | P/F |
| <b>Section 8 - Health and Safety Project Specific Questions</b> | P/F |
| <b>Section 9 - Equality Project Specific Questions</b>          | P/F |
| <b>Section 10 - GDPR Questions</b>                              | P/F |
| <b>Declaration</b>  | -   |

#### 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: |  |
| <b>5</b>   | <b>Excellent Response</b><br>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.   |
| <b>4</b>   | <b>Strong Response</b><br>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.  |
| <b>3</b>   | <b>Satisfactory Response</b><br>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. |

|          |   |
|----------|---|
| <b>2</b> | <b>Weak Response</b><br>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. |
| <b>1</b> | <b>Poor Response</b><br>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.              |
| <b>0</b> | <b>Unacceptable Response</b><br>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.<br><b>OR</b><br>No answer has been given.   |

The award criteria questions were split into the following sections:

| Section Title                   | Question Number | Question Sub Weighting (%) |
|---------------------------------|-----------------|----------------------------|
| <b>Award Criteria – Quality</b> | 1               | 20%                        |
|                                 | 2               | 20%                        |
|                                 | 3               | 15%                        |
|                                 | 4               | 15%                        |
|                                 | 5               | 15%                        |
|                                 | 6               | 15%                        |

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 12:00 noon on the 14<sup>th</sup> June 2024.

## **7.0      Review of the Selection Criteria**

7.1      The selection questionnaire responses were reviewed by Tom Paling, Contract & Supply Specialist, 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 three 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 19<sup>th</sup> June 2024, 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.

8.4      Following the evaluation of the pricing schedules received, two bids were identified as being abnormally low in comparison to the average price quoted. A message was sent to both suppliers via the ProContract system requesting reassurance as to how the overall bid value was reached and how sustainable the pricing is over the life of the agreement.

## **9.0      Bid Clarifications**

9.1      A message was sent to Foster Property Maintenance as their initial pricing schedule was incomplete, 3 key figures were missing. Foster Property Maintenance provided an updated pricing schedule within an hour of the request being made.

A message was sent to both Foster Property Maintenance and Bidder 2, as their pricing fell well below the average quote for the works. Both suppliers provided additional information and assurances that the prices submitted are reasonable. The Lead Officer confirmed these reassurances were sufficient to instil confidence in the prices submitted. The project lead has also reviewed the pricing schedules from a technical perspective to ascertain if the quotes provided were achievable. Additionally, a comparison was done of

the schedule of rates submitted by all 8 suppliers. This was to establish if the suppliers who had submitted the lowest bids were also offering the lowest prices on all items listed. This comparison was reviewed by the lead officer who confirmed all prices were acceptable.

## 10.0 Results

- 10.1 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.
- 10.2 Following the completion of the evaluation and moderation process the scores awarded to the participants were as follows:

|                 |                             |        |
|-----------------|-----------------------------|--------|
| 1 <sup>st</sup> | Foster Property Maintenance | 82.75% |
| 2 <sup>nd</sup> | Bidder 2                    | 76.00% |
| 3 <sup>rd</sup> | Bidder 3                    | 63.27% |
| 4 <sup>th</sup> | Bidder 4                    | 62.12% |
| 5 <sup>th</sup> | Bidder 5                    | 60.12% |
| 6 <sup>th</sup> | Bidder 6                    | 48.24% |
| 7 <sup>th</sup> | Bidder 7                    | 46.19% |
| 8 <sup>th</sup> | Bidder 8                    | 45.38% |

## 11.0 External Financial Checks

- 11.1 Financial checks were carried out by the Council on the preferred Provider(s) on 24<sup>th</sup> June 2024 Please see below for details:

| Bidder                             | Risk Indicator | Description of Risk Indicator                  |
|------------------------------------|----------------|--|
| <b>Foster Property Maintenance</b> | 65             | Below Average Risk - Ok to offer limited terms |

## 12.0 Risk Implications

- 12.1 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.
- 12.2 As part of the tender, several risks were identified. The main risks include:
  - There were zero bids submitted when running the tender via a framework, the decision was made to run this as an open tender to ensure a good level of competition.

- Following the initial failed procurement, the feedback from the suppliers was taken into consideration before the new opportunity was published. The reasons for suppliers opting out were not related to the opportunity but the individual supplier's availability to undertake an increased workload.
- During the tender process many clarification questions were received about the pricing schedule. To mitigate this risk and to ensure suppliers were confident in completing the pricing schedule to a good standard, clear responses were provided, and further clarification sought from the lead officer by the procurement officer, where responses were not deemed to be clear enough.
- Two of the pricing schedules submitted by bidders were considered abnormally low. A message was sent to both suppliers seeking reassurance and clarification, their responses were passed to the lead officer who confirmed they were happy to proceed as the reassurance and reasons for the prices submitted were reasonable.

### 13.0 Recommendation

- 13.1 Following the completion of the procurement process, it is recommended that **Foster Property Maintenance Ltd** are awarded the contract.
- 13.2 **All members of the evaluation panel completed a conflict of interest declaration, no conflicts of interest were identified.**

### 14.0 Next Steps

- 14.1 **The Lead Council Officer must ensure the internal governance/approval process is followed, prior to returning this summary report to Welland Procurement.**
- 14.2 This summary report does not supersede or replace any internal governance/approval process the Council may have.
- 14.3 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.

### 15.0 Governance

- 15.1 Signed (Procurement Lead) .....(redacted).....

Name: Tom Paling

Job Title and Authority: Contract & Supply Specialist, Welland Procurement

Date: 24<sup>th</sup> June 2024

15.2 Signed (Lead Council Officer) .....(Redacted).....

Name: Andrew Garner

Job Title and Authority: Senior Project Officer – South Kesteven District Council

Date: 24<sup>th</sup> June 2024

15.3 Signed (Chief Officer/Approver/Budget Holder) .....

Name:

Job Title and Authority:

Date:

## Appendix A – Tender Award Questions

| Question  |
|---|
| <p>1. Please Provide evidence of previous contracts, minimum of 2 examples are required, where you have carried out Disabled Adaptation works for similar organisations to SKDC.</p>  |
| <p>2. How will you ensure that sufficient resources are provided to meet the requirements of this contract, especially during periods of high demand?</p> <p>Your response should include as a minimum:</p> <ul style="list-style-type: none"><li>• How you will structure your team for the full range of required services. Please provide a structure chart (s) to show how this will fit within your existing organisational structure and provide an overview of key personnel along with their roles and responsibilities.</li><li>• Detail any succession planning you have in place to ensure the continuity of work throughout the length of the Contract.</li><li>• If you are to bring in additional resources, how will you ensure their competences?</li><li>• Confirm the team that will be working on this project</li><li>• Confirm that your team will have the required levels of competence and qualifications required for this contract including examples of relevant experience.</li></ul> |
| <p>3. Please describe the daily management routine that will be applied to this contract.</p> <p>Please detail how you will manage communications with residents affected by the work.</p> <p>This may be individual tenants in domestic properties, users of the building or owners of connecting/adjourning buildings. Disruption should be kept to a minimum and in many cases access within and around the property will need to be maintained during the works.</p> <p>Please address each of the following areas within your response.</p> <ul style="list-style-type: none"><li>• Personnel responsible for communications and liaison before, during and after the work.</li><li>• Detail the process you intend to use for ensuring tenants and building occupiers are made aware of the works in advance and kept informed throughout.</li><li>• Explain the process you will use for booking appointments with residents.</li></ul>  |
| <p>4. Please outline (giving examples) your ability to deliver the works.</p> <p>Details should ideally include approximate timeframes from receipt of survey to attend site, carry out the survey and provide quote.</p> <p>Booking in of works once the contractor has been provided with an order; commencement of work through to completion.</p>   |
| <p>5. Please provide your safeguarding policy or document how will you use our policy to report any concerns staff see. <b>(OUR SKDC POLICY IS ATTACHED)</b></p> <ul style="list-style-type: none"><li>• How will your staff be made aware of their responsibilities to report safeguarding concerns through supervision / training / induction materials?</li><li>• Is there a designated safeguarding individual to whom concerns are reported and who knows what action may or should be taken when concerns are raised?</li><li>• Provide evidence that all members of staff hold a current DBS certificate.</li></ul>  |
| <p>6. As part of your response, please provide your approach to the following social value priorities:</p>  |

|   |
|---|
| <ul style="list-style-type: none"> <li>• Sustainability and Environment</li> <li>• Local Workforce</li> <li>• Local Economy</li> <li>• Bidders' responses should include:</li> <li>• The key steps required to deliver each of the Social Value measures to demonstrate that achievement of the targets set is reasonable.</li> <li>• Timeframes for delivery of Social Value targets including key milestones to deliver each measure proposed.</li> <li>• Clear explanation as to how the Social Value offered will apply directly to this contract and benefit the local communities.</li> <li>• Resources required to ensure delivery of all the Social Value measures.</li> <li>• Details as to how the delivery of all the Social Value commitments made will be monitored and measured throughout the contract term to provide clear and regular updates to the Council.</li> <li>• Considerations to be made to the local authority's outputs and outcomes to be achieved as part of this project.</li> </ul> |
|---|

## Appendix B – List of Evaluators

| Name          | Job Title  | Authority                       |
|---------------|--|---------------------------------|
| Andy Garner   | Senior Project Officer – Technical Services        | South Kesteven District Council |
| Phil Reynolds | Project Officer – Technical Services               | South Kesteven District Council |
| Amy Kellett   | Stock Management Co-Ordinator – Technical Services | South Kesteven District Council |
|               |  |                                 |
|               |  |                                 |
|               |  |                                 |

## Appendix C – Final Scores

| Question                       | Weight (%) | Bidder 8     | Bidder 4     | Foster Property Maintenance | Bidder 7     | Bidder 6     | Bidder 5   | Bidder2      | Bidder 3 |
|--------------------------------|------------|--------------|--------------|-----------------------------|--------------|--------------|------------|--------------|----------|
| QUALITY QUESTIONS              | <b>60%</b> |              |              |                             |              |              |            |              |          |
| <b>1</b>                       | <b>20%</b> | 12%          | 16%          | 16%                         | 8%           | 8%           | 12%        | 12%          | 12%      |
| <b>2</b>                       | <b>20%</b> | 8%           | 16%          | 16%                         | 12%          | 12%          | 16%        | 12%          | 12%      |
| <b>3</b>                       | <b>15%</b> | 9%           | 9%           | 9%                          | 9%           | 9%           | 9%         | 9%           | 9%       |
| <b>4</b>                       | <b>15%</b> | 6%           | 9%           | 12%                         | 9%           | 9%           | 12%        | 9%           | 12%      |
| <b>5</b>                       | <b>15%</b> | 9%           | 9%           | 12%                         | 9%           | 9%           | 12%        | 9%           | 9%       |
| <b>6</b>                       | <b>15%</b> | 6%           | 9%           | 9%                          | 6%           | 9%           | 12%        | 9%           | 9%       |
| <b>Sub Total (out of 100%)</b> | <b>50%</b> | <b>68%</b>   | <b>74%</b>   | <b>53%</b>                  | <b>56%</b>   | <b>73%</b>   | <b>60%</b> | <b>63%</b>   |          |
| <b>Sub Total (out of 60%)</b>  | <b>30%</b> | <b>40.8%</b> | <b>44.4%</b> | <b>31.8%</b>                | <b>33.6%</b> | <b>43.8%</b> | <b>36%</b> | <b>37.8%</b> |          |

| PRICE ASSESSMENT | 40%                    |        |        |        |        |        |        |        |
|------------------|------------------------|--------|--------|--------|--------|--------|--------|--------|
|                  | Sub Total (out of 40%) | 15.38% | 21.32% | 38.35% | 14.39% | 14.64% | 16.32% | 40%    |
| TOTAL            | 45.38%                 | 62.12% | 82.75% | 46.19% | 48.24% | 60.12% | 76%    | 63.27% |

#### Appendix D – Pricing Evaluation

| Bidder                      | Total cost    | % Score (out of 40%) |
|-----------------------------|---------------|----------------------|
| Bidder 8                    | £1,948,569.92 | 15.38                |
| Bidder 4                    | £1,405,594.10 | 21.32                |
| Foster Property Maintenance | £781,571.20   | 38.35                |
| Bidder 7                    | £2,083,004.76 | 14.39                |
| Bidder 6                    | £2,047,000.00 | 14.64                |
| Bidder 5                    | £1,836,320.00 | 16.32                |
| Bidder 2                    | £749,241.08   | 40.00                |
| Bidder 3                    | £1,176,500.00 | 25.47                |