

# Procurement Summary Report

## TENDER FOR VOIDS REPAIRS WORK 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> | Voids Manager<br>South Kesteven District Council   |
| <b>Project ID</b>                               | DN745216   |
| <b>FTS Reference</b>                            | 2024/S 000-030966  |
| <b>Contract Dates</b>                           | <u>Start:</u> 01/01/2025<br><u>End:</u> 31/12/2028<br><u>Extension option:</u> 24 Months   |
| <b>Length of Contract</b>                       | 3 years with an option to extend for a period of up to 2 years, making a total of 5 years. |
| <b>Procurement Value (£)</b>                    | The budget prior to going to market was in the region of £2,000,000 per annum.             |
| <b>Type of Contract</b>                         | Works  |
| <b>CPV Codes</b>                                | 45200000-9 - Works for complete or part construction and civil engineering 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 Voids Works for 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 to carry out void property repair and maintenance work to its housing stock which is circa 6000 dwellings.
- 2.2 The Council plans to employ two contractors to deliver the works across its district covering the towns of Grantham, Bourne, Stamford, The Deepings and surrounding villages.
- 2.3 Currently SKDC completes around 150 to 200 "major" work voids per annum.
- 2.4 It is envisaged that the works will be put into batches on a geographic basis where possible and subsequently passed to the contractor. This will be done on a rolling basis of contractor 1 then contractor 2 etc... to ensure the works are split fairly, however during periods of high demand, works may be passed to both contractors concurrently.
- 2.5 The annual spend for the void works will be split equally between the two contractors as far as practicable. (this is subject to satisfactory performance of each contractor)

## 3.0 Pre-procurement Process

- 3.1 Welland Procurement and the project team from SKDC met to discuss the requirements; it was decided that to have the best reach as possible across the locality and to encourage bids from SMEs for the opportunity, an open tender process would be used.

## 4.0 Project Governance

- 4.1 Include details of Officer that approved the below, along with the relevant dates.
  - PID –Director of Housing SKDC May 2024
  - Budget/spend - Director of Housing SKDC May 2024

- **To make the Tender live – Welland Procurement September 2024**
- **Accept any relevant abnormalities within the Tender – Welland Procurement November 2024**
- **Accept/Reject SQ submissions – Welland Procurement November 2024**
- **Accept pricing submitted – Welland Procurement November 2024**

4.2 Include details of the Key Officers:

- Procurement Lead (Welland) Deputy Head of Welland
- Lead Officer (Contracting Authority) SKDC
- Budget Holder Head of Technical Services SKDC

## 5.0 The Public Procurement Process

5.1 In accordance with the Public Contract Regulations 2015, this Tender opportunity was advertised on the Find a Tender Service (FTS). The Contract Notice (2024/S 000-030966) was dispatched on 30<sup>th</sup> September 2024 and advised that award of the contract would follow an open procedure. The opportunity was also advertised on Contracts Finder.

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 expressions of interest were received, resulting in 18 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>          | <b>P/F</b> |   |
| <b>Part 3: Selection Questions</b>                              |            |   |
| <b>Section 4 - Economic and Financial Standing</b>              | <b>P/F</b> |   |
| <b>Section 5 - Technical and Professional Ability</b>           | <b>P/F</b> |   |
| <b>Section 6 - Modern Slavery Act 2015</b>                      | <b>P/F</b> |   |
| <b>Section 7 – Insurance</b>                                    | <b>P/F</b> |   |
| <b>Section 8 - Skills and Apprentices</b>                       | -          | - |
| <b>Section 9 - Health and Safety Project Specific Questions</b> | <b>P/F</b> |   |
| <b>Section 10 - Environment Project Specific Questions</b>      | <b>P/F</b> |   |
| <b>Section 11 - Equality Project Specific Questions</b>         | <b>P/F</b> |   |
| <b>Section 12 - Other Project Specific Questions</b>            | -          | - |
| <b>Section 13 - GDPR Questions</b>                              | <b>P/F</b> |   |
| <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 | Section Weighting (%) | Question Number | Question Sub Weighting (%) |
|---------------|-----------------------|-----------------|----------------------------|
| Quality       | 60%                   | 1               | 10%                        |
|               |                       | 2               | 15%                        |
|               |                       | 3               | 15%                        |
|               |                       | 4               | 10%                        |
|               |                       | 5               | 10%                        |
| Price         | 40%                   | -               | 100%                       |

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 15<sup>th</sup> November 2024.

## 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 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 20<sup>th</sup> November 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 moderation meeting, the following bidders were identified as failing to meet the minimum threshold (%) for the award criteria:
- Bidder 14 – scored a 0 or 1 for every quality question due to the lack of detail and no examples provided to answer any of the requirements.
  - Bidder 15 – Scored 1 for all questions due to lack of evidence or examples to support the answers required,
  - Bidder 16 – scored 1 across all questions as there was little to no evidence provided that the provider could meet requirements.
  - Bidder 17 – no evidence of any relevant experience and the answers did not meet the minimum requirements in relation to the specification.
  - Bidder 18 – Poor responses in relation to the contact examples and the safeguarding policy that were key components of the specification.

## 9.0 Results

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.

9.1 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 Services | 86.72% |
| 2 <sup>nd</sup>  | Gratton Construction Limited         | 76.74% |
| 3 <sup>rd</sup>  | Bidder3                              | 76.19% |
| 4 <sup>th</sup>  | Bidder 4                             | 74.18% |
| 5 <sup>th</sup>  | Bidder 5                             | 70.91% |
| 6 <sup>th</sup>  | Bidder 6                             | 67.06% |
| 7 <sup>th</sup>  | Bidder 7                             | 67.00% |
| 8 <sup>th</sup>  | Bidder 8                             | 63.97% |
| 9 <sup>th</sup>  | Bidder 9                             | 62.76% |
| 10 <sup>th</sup> | Bidder 10                            | 62.29% |
| 11 <sup>th</sup> | Bidder 11                            | 60.56% |
| 12 <sup>th</sup> | Bidder 12                            | 57.09% |
| 13 <sup>th</sup> | Bidder 13                            | 56.44% |

## 10.0 External Financial Checks

Financial checks were carried out by the Council on the preferred Provider(s) on 21<sup>st</sup> November 2024. Please see below for details:

| Bidder                               | Risk Indicator | Description of Risk Indicator |
|--------------------------------------|----------------|-------------------------------|
| Foster Property Maintenance Services | 99             | VERY LOW RISK                 |
| Gratton Construction Limited         | 66             | BELOW AVERAGE RISK            |

## 11.0 Risk Implications

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.

11.1 The Council will use a 10-day standstill period following the distribution of the notification letters (after approval has been granted).

11.2 As part of the tender, several risks were identified. The main risks include:

- Open tender proved incredibly popular and required a very quick turnaround from the whole project team to ensure an award could take place in line with published timescales.
- Several clarifications were received in relation to the pricing schedule at time of tendering. An updated spreadsheet was provided to suppliers and a week's extension of the original tender deadline.



- TUPE is applicable and therefore will have additional requirements during contract mobilisation.

## 12.0 Recommendation

Following the completion of the procurement process, it is recommended that Foster Property Maintenance Limited and Gratton Construction Limited are awarded the contract.

## 13.0 Next Steps

- 13.1 **The Lead Council Officer must ensure the internal governance/approval process is followed, prior to returning this summary report to Welland Procurement.**
- 13.2 This summary report does not supersede or replace any internal governance/approval process the Council may have.
- 13.3 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 at the conclusion of the standstill period.

## 14.0 Governance

- 14.1 Signed (Procurement Lead) .....

Name:

Job Title and Authority: Deputy Head of Welland Procurement Unit

Date: 21/11/2024

- 14.2 Signed (Lead Council Officer) .....

Name:

Job Title and Authority:

Date:

- 14.3 Signed (Chief Officer/Approver/Budget Holder) .....

Name:

Job Title and Authority:

Date:



## Appendix A – Tender Award Questions

| Q No. | Question   |
|-------|--|
|       | <p>Q1 – Previous contract examples. Weighting.....10 %</p> <p>Please Provide evidence of previous contracts, minimum of 2 examples are required, where you have carried out void refurbishment works for similar organisations to SKDC.</p> <p>Your answer must not exceed 1 side of A4 (Arial 11pt).</p> <p>OR</p> <p>Your answer must not exceed 1000 words.</p>   |
|       | <p>Q2 – Contract management.</p> <p>Weighting.....15 %</p> <p>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> <p>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 for daily activities.</p> <p>Detail any succession planning you have in place to ensure the continuity of work throughout the length of the Contract and to mitigate risk.</p> <p>Please provide a typical process map of how you propose to manage the void property delivery from key to key.</p> <p>If you are to bring in additional resources, how will you ensure their competences?</p> <p>Confirm the team that will be working on this project</p> <p>Confirm that your team will have the required levels of competence and qualifications required for this contract including examples of relevant experience and how the contractor will ensure this is met.</p> <p>Your answer must not exceed 1 side of A4 (Arial 11pt).</p> <p>OR</p> <p>Your answer must not exceed 1000 words.</p> |

|  |  |
|--|--|
|  | <p>Q3 – Programme delivery.</p> <p>Weighting.....15 %</p> <p>Please outline (giving examples) your ability to deliver the works.</p> <p>Details should ideally include approximate timeframes from receipt of works instruction to attend site, carry out the property survey with SKDC officer/staff member and provide initial quotation to SKDC.</p> <p>Booking in of works once the contractor has been provided with an order, commencement of work through to completion, this must include an indicative target date.</p> <p>How will you communicate delays to the client?</p> <p>How do you propose to communicate handover of a property to the client?</p> <p>Your answer must not exceed 1 side of A4 (Arial 11pt).</p> <p>OR</p> <p>Your answer must not exceed 1000 words.</p>                     |
|  | <p>Q4 – Safeguarding – post void works.</p> <p>Weighting.....10 %</p> <p>Please provide your safeguarding policy or document how will you use our policy to report any concerns staff see. (OUR SKDC POLICY IS ATTACHED)</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>Your answer must not exceed 1 side of A4 (Arial 11pt).</p> <p>OR</p> <p>Your answer must not exceed 800 words.</p> |
|  | <p>Q5 – Social value</p>   |

|  |   |
|--|---|
|  | <p>Weighting.....10 %</p> <p>As part of your response, please provide your approach to the following social value priorities:</p> <p>Sustainability and Environment</p> <p>Local Workforce, including apprentices where possible</p> <p>Local Economy</p> <p>Bidders' responses should include:</p> <p>The key steps required to deliver each of the Social Value measures to demonstrate that achievement of the targets set is reasonable.</p> <p>Timeframes for delivery of Social Value targets including key milestones to deliver each measure proposed.</p> <p>Clear explanation as to how the Social Value offered will apply directly to this contract and benefit the local communities.</p> <p>Resources required to ensure delivery of all the Social Value measures.</p> <p>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.</p> <p>Considerations to be made to the local authority's outputs and outcomes to be achieved as part of this project.</p> <p>Your answer must not exceed 1 side of A4 (Arial 11pt).</p> <p>OR</p> <p>Your answer must not exceed 1000 words.</p> |
|  |   |

## Appendix B – List of Evaluators

| Name | Job Title                  | Authority                       |
|------|----------------------------|---------------------------------|
|      | Head of Technical Services | South Kesteven District Council |
|      | Project Manager            | South Kesteven District Council |
|      | Voids Manager              | South Kesteven District Council |

