

Volume 1
Document Number 3a

MEASURED TERM CONTRACT

FOR

**RESPONSIVE REPAIRS AND PLANNED MAINTENANCE OF PERIODIC ELECTRICAL
INSTALLATION TESTING AND REMEDIAL WORKS TO BUILDINGS IN THE LONDON
BOROUGH OF SOUTHWARK**

(‘THE WORKS’)

SCHEDULE 2

Evaluation Methodology

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Evaluation Methodology

EVALUATION OF TENDERS

1. This schedule sets out the methodology that will be used to evaluate Tenders received in relation to the Periodic Electrical Installation Testing and Remedial Works Contracts.
2. The Contracts will be awarded to the most economically advantageous tenders evaluated as described in this methodology. The Council intends to appoint separate Contractors for Contracts A and B who will act as back up to each other should the requirement arise.
3. The evaluation criteria comprise of two elements: quality and price. The weightings to be applied are 30% quality and 70% price. The quality element contains sub-weightings which are set out in this schedule.

EVALUATION FOR COMPLIANCE

4. Tenders will be checked initially for completeness and compliance with the Instructions to Tenderers. Whilst the Council shall be entitled to seek clarification from Tenderers in order to determine if a Tender is complete and/or compliant, Tenderers should note that the Council reserves the right to reject Tenders that are not complete and/or compliant. Tenderers are referred to 'Checklist of Documents to be returned' in Volume 5 of the Tender Documents.
5. For tendering purposes, Tenderers are required to confirm as part of their Tender that if awarded a Contract, they will be able to provide the required levels of insurance cover in the Contract as set out in the Contract Particulars. The Council regards this confirmation as a compliance issue and reserves the right to reject any Tender – without further consideration – in the event that they fail to provide such confirmation as part of their Tender.
6. Tenderers are required to submit the Parent Company Guarantee Undertaking, if applicable, set out in the Instructions to Tenderers and contained in the Form of Tender.

OVERALL EVALUATION WEIGHTING

7. The Council has allocated a maximum weighting for each criteria shown in the table below which reflects the relative importance attributed by the Council:

Evaluation Criteria	Weighting %
Quality (Tenderers Proposals)	30
Price	70
	100

8. The total score for quality criteria will be added to the price criteria score to give a total score out of 100. All tenders will be ranked in accordance with their overall total score.

QUALITY CRITERIA

9. Tenderers will be required to submit four (4) method statement proposals answering the questions contained within this Quality Submission Schedule. These method statements, once approved by the Council, will be incorporated into the Contract as the Contractor's planned way of working/operating throughout the Contract Period.
10. All submissions will be scored against the same criteria/ sub criteria and sub-weightings as set out in this schedule.
11. The weighting for each method statement proposal is set out in the following table:

<u>Criterion</u>	<u>Requirement or sub-criteria in respect of Method Statements</u>		Sub-Criteria Weighting	Criteria Weighting
Mobilisation Method Statement 1	A. Resources		1	3
	B. Approach		2	
Service Delivery Method Statement 2	A. Resources	I. Remedial Works	2	20
		II. Periodic Planned Installation Testing	4	
	B. Quality Control	I. Direct Employees and Sub-Contractors	2	
		II. Suppliers	1	
		III. Health and Safety	1	
	C. Business Objectives	I. Right first time	1	
	D. Scenario	I. Technical	3	
		II. Communication	2	
		III. Contractor's Procedures	4	
Management Method Statement 3	A. Roles and responsibilities		1	5
	B. Quality of management resources		1	
	C. Recruitment and selection	I. Staff	1	
		II. Sub-Contractors	1	
		III. Suppliers	1	
London Living Wage Method Statement 4	A. Proposals to administer, monitor and report to the Council for direct employees and sub-contractors		1	2
	B. Identification of productivity gains and other benefits including measurement and reporting		1	
Total Quality Score				30

QUALITY SCORING SCALE

12. The scoring of a Tenderer's method statements will be based on the following scale:

Score	Scoring Guidelines
10	Outstanding - response exceeds requirements, is fully evidenced, adds value and benefits and demonstrates practical innovation and tangible creativity to business solutions, with full confidence in capability to deliver.
9	Excellent - response meets all requirements while providing fully evidenced additional value and benefits and a high level of confidence.
8	Good - response meets all requirements with a good evidence base and some added benefits together with higher level of confidence.
7	Good - response meets all requirements with a good evidence base and some added benefits.
6	Satisfactory - response is complete and meets all minimum requirements while providing appropriate evidence to support these together with a higher level of confidence.
5	Satisfactory - response is complete and meets all minimum requirements, and provides appropriate evidence.
4	Less than satisfactory – response is complete but fails to provide adequate evidence that all minimum requirements can be satisfied.
3	Less than satisfactory – response is complete but fails to satisfy all minimum requirements or fails to provide adequate evidence that these requirements can be satisfied.
2	Poor – response is in part incomplete, non compliant, fails to meet any minimum requirements or lacks an evidence base.
1	Poor – response is incomplete, non compliant, fails to meet any minimum requirements, lacks an evidence base or is unlawful.
0	No response – no submission was made.

13. Each question will be scored and then the sub-weighting applied to give a weighted score for quality. The score will be to the nearest two decimal points.

Examples

Points Awarded	Sub Criteria Score	Calculation	Total Score
0	3	0/10 x 3	0.00
5	3	5/10 x 3	1.50
10	3	10/10 x 3	3.00

14. A Tenderer's evaluation score will be based on the Tenderer's written Tender submission, but this will be clarified (and its veracity and accuracy verified) by the following methods:
 - By responses to clarification questions raised by the Council (if any)
 - Written feedback from referees (if taken up).
15. The initial score will be based on the evaluators' review of the Tenderer's response document and be updated based on further clarification of the response ascertained in the other methods outlined above. The final scores therefore may differ from the initial scores to reflect the full evaluation process undertaken by the evaluation panel. Overall scores will be calculated to ascertain the Tenderer's overall percentage score.
16. To manage this process openly and fairly, there will also be a process of moderating and agreeing clarifications to avoid there being any preferential treatment shown to any Tenderer, and to ensure that any areas for clarification are consolidated.
17. There needs to be a careful distinction between clarifications and omissions and the process is not about providing an opportunity to address something that has not been addressed as this would be unfair to other Tenderers.
18. Tenderers are advised that the evaluation panel shall conduct a 'consensus scoring process' where moderation of the scores awarded during the exercise will take place. The moderation shall give regard to any variance in the scores between the evaluators. A consensus score will be agreed by the evaluators for each of the evaluation criteria.

THRESHOLDS

19. The scoring table is set out at paragraph 12. Each response to the award criteria will be marked out of a possible score of 10. The scoring will be based on the general principles and descriptions shown in the table at paragraph 12.
20. Tenderers should note that for method statements two (2), three (3) and four (4) a Tenderer must score 5 (satisfactory) for each of the sub-criteria otherwise it may be rejected.

EVALUATION OF PRICE

21. A price evaluation model ("the model") has been designed to help the Council carry out a robust evaluation of price. The model has been prepared using

historical data in relation to the service and predicted annual spend levels. The rates, prices and percentage adjustments captured in the Form of Tender will be used to populate the model.

22. The model has been produced in Microsoft Excel 2003.
23. Tenderers should note that all Schedule of Rates are pre priced and that their tendered percentage adjustments should include for all costs as detailed within the Preliminaries and the Contract documents. The total of each Annex will be calculated and carried to the summary page. Tenderers are to complete the Guidance Tab contained in Volume 3 Document 8.
24. Where appropriate each Annex will be adjusted by the tendered percentage adjustments, inserted in the Form of Tender as follows:
 - (i). Annex 1 - Pre Priced Schedule of Rates for Periodic Electrical Installation Testing - Contract A – subject to percentage adjustment A1 and multiplied by indicative quantities derived from historical data.
 - (ii). Annex 2 - Pre Priced Schedule of Rates for Periodic Electrical Installation Testing – Contract B - subject to percentage adjustment A2 and multiplied by indicative quantities derived from previous historical data.
 - (iii). Annex 3 - Pre Priced Schedule of Rates for Electrical Remedial Works subject to percentage adjustment A3 and multiplied by indicative quantities derived from previous historical data.
 - (iv). Annex 4 – Tenderer’s Schedule of Hourly Charges, inserted in the Form of Tender and multiplied by indicative number of hours derived from historical data.
25. The Council will review, not score, the information submitted by Tenderers in response to the guidance tab, ‘guidance on calculating tender adjustment A1 & A2’ located in Volume 3, Document 8 of the Tender Documents to satisfy itself that the prices submitted by Tenderers on Annex 1 and Annex 2 in Volume 3, Document 8 of the Tender Documents are robust and sustainable.
26. As noted, the Council reserves the right to clarify or hold clarification meetings with Tenderers concerning any aspects arising from a Tenderer’s submission including without limitation, the Tenderer’s response to these sections.
27. The Tenderer with the lowest lump sum price will be awarded 70 points. The lowest cost submitted will be used as the baseline for establishing the % weighting for the remaining Tenderers using the following formula:

The following formula will be used to evaluate the score - $(A/B) \times C$ - where:

A = Lowest Lump Sum Price

B = Next Lowest Lump Sum Price

C = Overall Weighting for Price

Example:

Lowest tender £650,000. Awarded 70 points

Next lowest tender £700,000.

$\frac{£650,000}{£700,000} \times 70\% =$ Awarded 65 points

For the avoidance of doubt where the lowest price is scored this will be divided by itself as A/A rather than A/B so will score maximum Price score.

ABNORMALLY LOW TENDERS

28. Notwithstanding the scoring methodology referred to above, Tenderers are advised that the Council will scrutinise very carefully any Tender that contains a price which appears very low (having regard, amongst other things, to the prices submitted in the other Tenders received). In this regard, Tenderers' attention is drawn to the Council's power under regulation 30(6) of the Public Contract Regulations 2006 (as amended) to disregard/reject any Tender that is abnormally low.

DISCLAIMER

29. The price will be evaluated by applying the figures in the Tenderer's completed pricing evaluation model to the assumed Volumes of Works. These assumed Volumes are made by the Council purely for the purpose of evaluating Tenders and for no other purpose and are not an indication or prediction of the quantities of Works which the Council will require or which the Contractor will provide under any awarded Contract.
30. Save for the purpose of comparing Tenders, the quantities inserted in the pricing evaluation model by the Council, shall not bind the Council in any way and does not constitute any warranty, representation, indication, estimate or prediction of the volumes and quantities of any Works which the Council may require or the Contractor will provide under any awarded Contract.

FINAL SELECTION AND RECOMMENDATION

31. The scores achieved for both quality and price will be added together to give an overall score. The overall scores will then be used to rank the Tender submissions.
32. The top two (2) scoring Tenders shall be awarded either Contract A or Contract B. Contract A will be awarded to the Tenderer achieving the best price for the Council and its leaseholders.

TIE BREAK

33. In the event of a tie break (where two or more top scoring Tenderers have the same total weighted score including both quality and price), the Council shall select from amongst those Tenderers the submission of the Tender with the highest weighted score for method statement 3. In the event that this still results in a tie break the Council shall select from amongst those Tenderers the submission with the highest weighted score for price.