

London Borough of Hammersmith & Fulham

Report to: Cabinet

Date: 02/11/2020

Subject: Business Case & Procurement Strategy for the major refurbishment of three housing estates: Sullivan Court SW6, Becklow Gardens W12, and Emlyn Gardens W12

Report of: Cabinet Member for Housing – Councillor Lisa Homan

Responsible Director: Tony Clements, Strategic Director for Economy Department

Report author: Vince Conway, Senior Programme Manager, Capital Delivery

Summary

This report seeks approval of the Business Case & Procurement Strategy for the major refurbishment of three housing estates: Sullivan Court SW6, Becklow Gardens W12, and Emlyn Gardens W12.

Recommendations

It is recommended that Cabinet approves the Business Case & Procurement Strategy for procurement of each of the following works contracts:

1. The major refurbishment of Sullivan Court estate SW6 at an estimated value of £6.081m.
2. The major refurbishment of Emlyn Gardens estate W12 at an estimated value of £4.5m
3. The major refurbishment of Becklow Gardens estate W12 at an estimated value of £4.3m
4. Approves a £5.8m capital budget, funded by HRA borrowing, to progress Becklow Gardens and Emlyn Gardens with the remaining £3m funded from uncommitted and unallocated budgets identified within the overall programme.

Wards Affected: Sands End, Askew

H&F Priorities

Our Priorities	Summary of how this report aligns to the H&F Priorities
<ul style="list-style-type: none"> Building shared prosperity 	<p>The procurement strategy will require suppliers to demonstrate their commitment to social value including how they can support local businesses</p>
<ul style="list-style-type: none"> Creating a compassionate council 	<p>Investment in social housing enables the council to fulfil its landlord function and provide good-quality homes to local people that are safe, secure and genuinely affordable</p>
<ul style="list-style-type: none"> Doing things with local residents, not to them 	<p>Residents have been consulted in the preparation of this scheme including formal ballots to decide door styles and communal redecorations. The consultation will continue post-procurement to include site set-up arrangements and further information on the delivery stage.</p>
<ul style="list-style-type: none"> Being ruthlessly financially efficient 	<p>The project will be competitively tendered and awarded on the basis of most economically advantageous tender as set out in the procurement strategy. There will be robust contract management and a strong site presence to ensure quality standards and value for money.</p>
<ul style="list-style-type: none"> Taking pride in H&F 	<p>The evaluation criteria set out in the procurement strategy will require contractors to give details of their approach to energy consumption, use of sustainable materials, transport plan, site waste management, and noise pollution.</p>

Financial Impact

The HRA Capital Programme approved on 1 July 2019 included a budget for the works for Sullivan Court Phase 2 - the amount allocated is £6.081m which is sufficient to meet the estimated costs of the scheme.

The July 2019 report had no specific budget allocation for Becklow Gardens and Emlyn Gardens as the scope of the works required had not been confirmed at the time.

However, the £8.8m cost of these schemes will form part of the additional capital compliance works within a revised 2021 HRA Financial Plan to be considered by Cabinet in 2021. Due to a favourable movement of interest rates in comparison to that forecasted in the 2020 Financial Plan the HRA can sustain the cost of servicing the debt associated with these additional compliance works. The financial modelling

that underpins the plan has been stress tested for steeper increases in future interest rates which has confirmed it can accommodate an additional capital budget for the £5.8m required for Becklow Gardens and Emlyn Gardens, funded by HRA borrowing. The remaining £3m will come from what remains of the unallocated budget for future years that was approved by Full Council on 26 February 2020 via the “Four Year Capital Programme 2020 to 2024 and Capital Strategy 2020/21” report. Following this approval, there will be £1m remaining of the unallocated capital budget.

Whilst modelling suggests that the HRA can afford the additional capital costs of £5.8m, there are a number of risks and sensitivities within the HRA business plan that will need to be considered as part of the approval of a wider HRA capital and compliance programme. These will be set out in a future separate compliance programme report. As the HRA’s capacity to borrow for compliance and repairs is limited by the ability for it to service its debt, the procurement of these contracts may mean that funding is not available for other priority schemes in the future and/ or the individual schemes within the programme may need to be prioritised.

The contractor recommended for appointment will first be subject to an assessment of their financial stability which at the very least will be a credit check as well as confirmation of turnover. It is recommended that the minimum criteria for this is:

- A CreditSafe score greater than 50 (deemed as low risk)
- An average turnover of the last two years of at least double the contract value. This will need to be confirmed by audited accounts or if the company has a small company filing exemption then it will need to be confirmed by the company’s auditors or external accountants.

Other indicators of financial performance may be considered including (if relevant) the contractors stock market performance.

Legal Implications

1. This report recommends approval of the procurement strategy for the major refurbishment of three housing estates: Sullivan Court SW6, Becklow Gardens W12, and Emlyn Gardens W12, as further detailed in Appendix 1 (Procurement Strategy) of this report.
2. The estimated value for Sullivan Court Phase 2 exceeds the current EU Works threshold of £4,733,252 as set out in the Public Contracts Regulations 2015 (“PCR”), therefore the procurement exercise is subject to the full remit of the PCR. The estimated values for Becklow Gardens and Emlyn Gardens are each below the EU works threshold. However the similarity of the procurements and the fact they are being procured at a similar time by a single unit of the Council means that under the PCR rules, the three contracts need to be aggregated for the purpose of identifying which EU rules to apply. Therefore, all three contracts need to be procured in a way that is compliant with the PCR.

3. Appendix 1 of this report details the procurement strategy and confirms that calling off a third-party framework would be best suited to meet the Council's needs. Officers have identified the South East Consortium Internal and External Building Works Framework ("SEC") Lot 1b: Major Refurbishment over £1m to be the preferred option which meets the Council's needs. The start date of the SEC Framework was 23rd October 2019, and it expires 4 years later.
4. In view of the classification of these contracts as all needing to be procured in accordance with the PCR, in order to be able to use this framework, it must have been procured in a way that is compliant with the rules set out in the PCR for the procurement of frameworks. If it was not procured in a compliant way, then the Council would be in breach of the PCR rules in using the framework.
5. Accordingly the procurement of the framework by SEC has been reviewed by the legal adviser through analysis of the EU contract notice and award notice. This sets out that there was a contract notice placed for a 6-lot framework, which included lot 1 as recommended here, for Major Refurbishments, with lot 1b being for projects over £1m in value. The works proposed by the Council are therefore in scope of the framework, and also local authorities are within the class of permitted framework users. The framework commenced around a year ago.
6. The only slight risk is in relation to the value of the framework as notified in the contract award notice, which is stated to be £100m. This is because of an EU case last year, which provided that where a framework is stated to have a certain value, it is not simply an estimate but a limit, meaning that once the limit is reached, the framework can no longer be used. The figure of £100m is not high when dealing with works contracts, and indeed the Council is proposing to place £15m of contracts itself through this framework. The framework started around a year ago and SEC have confirmed that to date the throughput value is circa 20% of the total so there remains plenty of capacity within the framework at this stage.
7. Turning to Contract Standing Orders, the three contracts are all High Value contracts. CSO 18.1 requires procurement strategy reports of this value to be approved by Cabinet. The proposal to conduct a mini competition under the SEC Framework complies with the Competition requirement under CSO 19.1 for High Value contracts. Contract Award will also require approval by the relevant Cabinet Member.
8. All contracts awarded as a result of this procurement strategy must be recorded in the Council's Contracts Register, capitalEsourcing.
9. The departure of the UK from the EU on 31st December 2020 will not make any difference in this context to the need to comply with regulations around public procurement, because the PCR are transposed on an almost identical basis in domestic law on the exit date, and the few differences are not material to the proposals in this report

Implications completed by: Deborah Down, senior associate with Sharpe Pritchard LLP, on secondment to the Council. ddown@sharpepritchard.co.uk

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Background Papers Used in Preparing This Report

Asset Management Compliance Strategy and Capital Programme, Cabinet July 2019
Delivering Social Value in Hammersmith and Fulham, Cabinet May 2020 –
PUBLISHED

DETAILED ANALYSIS

Proposals and Analysis of Options

1. The proposals and analysis of options are set out in Appendix 1. Works need to be undertaken to maintain a satisfactory standard to the external fabric and communal parts of the buildings and to ensure homes are safe, warm and weathertight.

Property

2. Sullivan Court is an estate built in the 1950's on the site of Hurlingham polo grounds. 13 blocks, providing 268 homes, are included in this project, the other six blocks are currently undergoing works as part of a separate contract. The majority of blocks are five-storey deck access, the exceptions being Blocks A, J, and K which are six storeys and Block B, a three-storey mansion block. Block A provides commercial properties on the ground floor. The estate is in the South Fulham housing area and Sands End ward.
3. Becklow Gardens estate is situated off the Askew Road on land acquired in 1938 and provides 247 homes in five five-storey and one six-storey block. The estate is in the Hammersmith North housing area and Askew Ward.
4. Emlyn Gardens estate was built in the 1930's and provides 246 homes in twelve five-storey deck access blocks. The estate is in the Hammersmith North housing area and Askew Ward.

Proposed Works

5. The proposed works consist of structural and concrete repairs to private balconies and public walkways, new FD30/FD60 front entrance doors, roof repairs, works to chimneys and rainwater goods, and general external and internal communal fabric repairs and redecoration. Additional fire safety works such as compartmentation, emergency lighting and new signage are included across all blocks as required. Subject to further surveys, window replacement is anticipated to Blocks J,S,U and V on Sullivan Court and all blocks on Becklow Gardens.

Reasons for decision

6. The project at Sullivan Court is one which the Council has committed to deliver as part of the Asset Management Compliance Strategy and Capital Programme approved at 1st July Cabinet 2019. The proposed projects at Becklow Gardens and Emlyn Gardens are similarly guided by the principles of the strategy and priorities have been agreed by the Economy Department's Capital Board chaired by the Assistant Director of Operations.
7. The decision above is required to initiate the tender process for each project and appoint a contractor to carry out the works required in these buildings.

Equality Implications

8. It is not anticipated that the approval of these proposals, as set out in the recommendations, will have any direct negative impact on any protected groups, under the Equality Act 2010.

Implications verified by: Fawad Bhatti, Policy & Strategy Officer, tel. 07500 103617.

Risk Management Implications

9. Proposals made are in accordance with the Council's continuing ambition to improve fire safety and security for residents. Works should be undertaken in full consideration and application of HM Government, Health and Safety Executive, Public Health and Industry guidelines to maintain safe distancing at work and other measures to mitigate risks associated with Covid-19. Ensuring works of this nature happen will form a part of the recovery of the construction industry following the lockdown.

Implications verified/completed by: Michael Sloniowski, Risk Manager, tel 020 8753 2587, mobile 07768 252703.

Business Implications

10. The council's new Social Value Strategy became effective on the 15 May 2020 and introduced a mandatory requirement for all procurement activities over £100,000 to generate a minimum 10% in social value.
11. Suppliers will be required to complete the council's Social Value Matrix to demonstrate how they will create added social value for Hammersmith & Fulham if the Contract is awarded to their organisation. They will be asked to provide details on outcomes identified in the Matrix and provide a method statement demonstrating how these will be achieved.
12. Suppliers will also be required to register on the Social Value Portal so that their activity against targets can be monitored.
13. Given the nature of the proposed contracts it is anticipated that the social value outcomes will be focused on employment and training opportunities, community initiatives, local supply chain, and climate impact.
14. Suppliers will also be required to engage with the council's employment brokerage service, WorkZone, to ensure that employment, apprenticeship and skills opportunities are made available to local residents.
15. The contract will include KPIs around meeting identified social value outcomes.

Implications verified/completed by: Kamal Motalib, Head of Economic Development, tel, 07773353914.

Digital Services Implications

16. IT Implications: No IT implications are considered to arise from the proposal in this report. Should this change, Digital services should be consulted.
17. IM Implications: A Privacy Impact Assessment will need to be completed to ensure all potential data protection risks arising from this proposal are properly assessed with mitigating actions agreed and implemented.
18. Any suppliers appointed as a result of this report will be expected to have a Data Protection policy in place and all staff will be expected to have received Data Protection training
19. Any contracts arising from this report will need to include H&F's data protection and processing schedule which is compliant with Data Protection law.

Implications verified by: Tina Akpogheneta, Interim Head of strategy and Strategic relationship manager, Digital Services, tel 07824 538622

LIST OF APPENDICES:

Appendix 1 – Business case

**BUSINESS CASE & PROCUREMENT STRATEGY RELATING TO
THE MAJOR REFURBISHMENT OF THREE HOUSING ESTATES:
SULIVAN COURT SW6, BECKLOW GARDENS W12, EMLYN
GARDENS W12**

BUSINESS CASE

1. BUSINESS CASE – WHY THE PROCUREMENT IS NEEDED

- 1.1 The subject properties form part of the Council's housing stock of over 17,000 homes which require ongoing capital investment to ensure they are safe, secure, warm, and weathertight. In particular, in the aftermath of the tragedy at Grenfell Tower, the council has committed to improving fire safety in its stock and this, together with ensuring other statutory compliance, will be a priority for investment in the coming months and years. At Becklow Gardens and Emlyn Gardens there are specific issues with spalling concrete which, although temporarily made safe, present a danger to the public and will require attention in the short term. The council needs to secure a suitable contractor or contractors, to ensure this project is delivered efficiently and effectively.

2. FINANCIAL INFORMATION

- 2.1 Sullivan Court Phase 2 is a project the council has committed to deliver as part of the Asset Management Compliance Strategy and Capital Programme approved at 1st July Cabinet. The current approved budget is £6.081m.
- 2.2 This report seeks approval of a £5.8m capital budget, funded by HRA borrowing, to progress Becklow Gardens and Emlyn Gardens with the remaining £3m funded from uncommitted and unallocated budgets identified within the overall programme.

3. OPTIONS APPRAISAL AND RISK ASSESSMENT

3.1 Options and analysis of options

3.1.1 Option1 – Do Nothing

The works need to be done to ensure the properties are compliant with safety standards therefore doing nothing is not an option.

3.1.2 Option 2 – Carry out an open tender.

This would lengthen the process so is not a preferred option. Advantages of using South East Consortium are provided under Option 3.

3.1.3 Option 3 – Use existing South East Consortium framework

This is the preferred option. The SEC provides a selection of OJEU-compliant frameworks and offers a quicker route to pre-selected suppliers already assessed as suitable for social housing providers. The council has successfully procured eight major refurbishment projects and various fire safety schemes via this route in the last year, we have a good relationship with the SEC who understand our particular requirements. The previous tender exercises have generated a good breadth of interest which has in turn allowed a robust analysis of tenders to achieve and demonstrate value for money. The services offered to the council include:

- drafting tender documents (for client approval)
- seeking tenders through a secure portal
- carrying out financial evaluation of tenders
- facilitating the technical/quality evaluation of tenders (assessment undertaken by client)
- issuing contract award letters
- option for preparation of contract documents

3.1.4 Option 4 – Procure a Council-owned set of frameworks

A proposal that the council establishes its own set of frameworks remains under consideration. However, the procurement of the long-term repairs model has been a greater priority and resources from across the council have been directed to this major task. In addition, further information from the recently started stock condition survey programme would be beneficial to shape the needs of the service and the type of framework or contracts required for the longer term.

4. THE MARKET

- 4.1 The market for building contractors is well-developed. The SEC frameworks offer a breadth of potential contractors with extensive experience in the social housing sector. There are 12 contractors on the recommended framework, so making a good response likely.

PROCUREMENT STRATEGY

5. CONTRACT PACKAGE, LENGTH AND SPECIFICATION

- 5.1 Each contract will be a one-off tender for specific works at each estate. Specifications have been prepared by Baily Garner and initial drafts were shared and discussed with residents. The proposed form of contract is a JCT Intermediate Works with contractor design.
- 5.3 The proposed framework to be used is the Internal and External Building Works OJEU Ref 2019/S 078-184728 which was awarded 23/10/2019 and expires 22/10/2023. Specifically, it is proposed to use Lot 1b: Major

Refurbishment over £1m. This Lot offers twelve contractors, all of whom have extensive experience in delivering social housing refurbishment projects.

- 5.4 It is proposed to invite expressions of interest from SEC-appointed contractors for the relevant lot of the above framework and conduct a mini-competition. The award criteria will be based on 60% Quality and 40% Price in line with the recommended ratio for High Value contracts set out in CSOs 37.1.2. Details of the evaluation criteria are provided at para 10.

6. SOCIAL VALUE, LOCAL ECONOMIC AND COMMUNITY BENEFITS

- 6.1 The procurement will adhere to the Social Value Policy approved by Cabinet on 11th May 2020 and effective from 15th May 2020. Social Value will be a part of the award criteria and make up a minimum of 10% of the overall assessment and social value key performance indicators (KPIs) will be part of their contract terms.
- 6.2 Each tender process will require bidders to complete the Themes Outcomes and Measures (TOMs) Framework for social value measurement.
- 6.3. Officers will assess bidders' record in the creation of jobs or apprenticeships for local residents and work experience placements for local schools and colleges. Evaluation will consider bidders use of local suppliers.
- 6.4 The evaluation process will include questions on contractor's environmental policy such as how it has addressed its carbon footprint, it's approach to air pollution, how it minimises and controls waste and promotes recycling and energy efficiency.
- 6.5 Contractors will also be assessed on how they can engage with the local community e.g. by supporting local resident groups, clubs or charities.

7. OTHER STRATEGIC POLICY OBJECTIVES

- 7.1 The Housing Capital Programme provides the delivery mechanism for the council's strategic priority of ensuring that its housing stock is safe, sustainable, and well managed.

8. STAKEHOLDER CONSULTATION

- 8.1 There has been ongoing consultation with residents to explain the nature and scope of the works, programme, and broad timescales. Residents will receive further correspondence prior to work starting on site, updating them regarding the programme, the scope of works and the level of support in place for residents from officers within the Capital Delivery Team.
- 8.2 Leaseholders were not formally consulted on these procurement frameworks and they retain the right to nominate their own contractor during the first part of a two-stage consultation process.

- 8.3. Procurement regulations mean that a supplier cannot be added to an existing framework. If a leaseholder nominates an alternative contractor, and this supplier is not on one of the frameworks outlined in this report, the nominated contractor will be assessed for capability and capacity against the council's criteria. If the nominated contractor satisfies the criteria then the council will be required to undertake a wholly separate tender process. If this does occur, it is proposed to advertise for a contractor or contractors on an open basis by placing an advert on the Council's tender portal, using the same evaluation criteria as set out below.
- 8.4 All relevant Leasehold consultations before, during and after the tender exercise will be strictly adhered to in accordance with legislation and the Council's policy on consultation. A Notice of Intention (NOI) consultation notice has been issued for Sullivan Court Phase 2 and NOI for Becklow Gardens and Emlyn Gardens will be sent out at appropriate time. A Notice of Proposal (NOP) will be sent out for each project following evaluation of returned tenders. This will include the two lowest bids from the tendering exercise. In addition, separate meetings will be held with leaseholders before works start on site.

9. PROCUREMENT PROCEDURE

- 9.1 It is proposed to use an established framework as set out above and conduct a mini-competition using the SEC framework described above, and using a JCT Intermediate Works contract with contractor design.
- 9.2 In the circumstances set out in paragraph 8.3 arise, or a procurement from the SEC framework otherwise fails, then an advert will be placed on the Council's tender portal using either the open or restricted EU procedure.

10. CONTRACT AWARD CRITERIA

- 10.1 Each contract will be awarded to the most economically advantageous Tender based on a combination of price and quality. Tenderers for each contract will be evaluated based on their Quality submission (Method statement) and Price (Commercial) submission, the ratio used will be 60% Quality and 40% Price. SEC has confirmed that the proposed quality/price ratio is within the parameters of their procurement framework.
- 10.2 For all tenders under the mini-competition process, there will be two stages to the evaluation of the quality criteria.
- 10.3 Stage 1 – Compliance: As part of the mini-competition process under a third-party framework, each Tender must achieve a minimum level of acceptability as defined by the compliance standards set out in the table 1 below. The Authority reserves the right to reject without further discussion any Tender which does not meet the compliance standards.

Table 1: Compliance

Compliance Standard	Rationale
Compliant and bona fide Tender	Each Tender shall be checked to ensure that there is no material breach of ITT conditions; that the Tender is complete; that there is no collusion or corruption or anti-competitive behaviour; and that all required information is provided.
Legal Acceptability	Each Tender shall be checked to ensure that there is no legal impediment to the Authority entering a contract with the successful Tenderer in the Authority's form e.g. conflict of interest.
Complete Tender	Each Tender shall be assessed as to whether the Tenderer has confirmed that it is able to provide the Services as detailed within the Service Specification.

10.4 Stage 2 – Quality award Criteria (Technical Envelope): Quality will be assessed based on a Tenderer's written submissions in the Technical Envelope to the award criteria as set out below in Table 3.

10.5 The scoring table is set out in Table 2 below. 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 Table 2 below. A Tender must score 4 or above for each of the criteria otherwise it may be rejected.

Table 2: Zero to 10 Marking Scheme

Score	Rating	Criteria for Awarding Score
0	Totally Unacceptable	No response or response completely fails to address all of the Council's requirements
1	Unacceptable	Very limited or vague response which fails to address key areas or meet key Council requirements, or the response received contains a large number of weaknesses or omissions in a majority of aspects
2	Poor	Limited or vague response that only meets some of the

		key Council requirements but with numerous material weaknesses or omissions and the Council has serious doubts about aspects of the response which gives rise to serious concerns, or inadequate information has been provided
3	Unsatisfactory	The response addresses a number of key Council requirements but is unsatisfactory in a number of material respects. The proposal contains some material weaknesses or omissions which give the Council some concerns
4	Weak	The response generally meets the key Council requirements but with some aspects which give the Council concern because either they are incomplete or contain minimal material weaknesses or omissions, or differ from the Council's requirement necessary to meet the criteria in at least one aspect
5	Satisfactory	The response addresses a majority of key Council requirements and is generally satisfactory but does not demonstrate any clear strengths
6	Generally Good	The response is generally good in all material respects but does contain some minor weaknesses or omissions. The proposal does, however, have at least one clear strength.
7	Strong	The response is of a good quality in all respects with good concepts and approaches, but contains a few minor weaknesses or omissions with a clear strength in a key area.
8	Very Good	High quality response with clear, coherent and high quality proposals that present a fully workable response with clear strengths in key areas, and any minor weaknesses or omissions which may be present in the response may be acceptable as offered
9	Outstanding	Very high quality, considered response with outstanding features in a majority of areas. A very strong response overall with no material weaknesses or omissions
10	Excellent	Exemplar response in all material respects. The response also demonstrates significant strengths and has no weaknesses or omissions

10.6 The Quality section of the Tender has sub-sections as follows:

Table 4: **Quality Criteria**

Section	Criteria	Weighting
1	Management Structure and Resources	5%
2	Planning, Programming and Resourcing of Works	25%
3	Quality Control	25%
4	Customer Care	15%
5	Health and Safety	10%
6	Social Value	20%
	Total	100%

10.7. After completing their individual scoring exercise, members of the evaluation team will meet and consider each Tender and a consensus on scoring for each Tenderer's responses to the award criteria will be reached.

10.8 If during the evaluation team's consensus meeting a Tender is scored 3 or less for a response to any of the award criteria the Tender may not be further considered.

10.9 For those Tenders which at the evaluation team's meeting score 4 or above for all responses to the award criteria the evaluation will proceed.

10.10 Each score for a response to an award criterion will be multiplied by the relevant sub-weighting to arrive at a weighted score. Weighted scores will be added together to produce a total score out of 100. The overall quality weighting will then be applied, 60% for works.

.11 PRICE (COMMERCIAL ENVELOPE): The Tender with the lowest total sum will automatically score 100% of the price element in the Commercial Envelope. Thereafter each other Tender is compared against the lowest priced Tender in accordance with the following formula to arrive at a score to one decimal point:

$$(A \div B) \times C = X$$

Where:

A = the lowest submitted price of all Tenders

B = the total price submitted by Tenderer

C = the maximum percentage score i.e. 100%

X = the score for Price

10.12 Based on a notional figure of £60,000 for the lowest Tender price and using the formula set out in paragraph 10.11 above the Commercial Envelope score for price would be as set out below and then weighted by 30% for Consultancy Services and 40% for works:

TENDERER	PRICE	SCORE AWARDED (X)
1	£60,000 (A)	100%
2	£70,000 (B)	86%
3	£80,000 (B)	75%
4	£90,000 (B)	67 %

10.13 COMPILATION OF PERCENTAGES AWARDED FOR QUALITY AND PRICE

The percentages awarded to each Tender for the Price (Commercial Envelope) and Quality (Technical Envelope) elements of the evaluation are added together to arrive at the most economically advantageous Tender i.e. the Tender with the highest total percentage awarded.

PROJECT MANAGEMENT AND GOVERNANCE

11. PROJECT MANAGEMENT

- 11.1 The Assistant Director, Property and Compliance is the strategic lead for the housing capital programme. The Head of Capital Delivery will lead the operational team overseeing the appointed consultants and contractors.
- 11.2 The SEC will facilitate the tender process with officers from the Capital Delivery team evaluating tenders. They charge a fee for doing this based on the contract value.
- 11.3 Regular project monitoring meetings will be diarised to report on progress to senior management.

12 INDICATIVE TIMETABLE

Milestone	Date
Approval of Procurement Strategy	November 2020
Issue Tender documents	November 2020
Tender return	December 2020
Evaluation complete	January 2021
Section 20 Notice of Estimates issued	January 2021
Section 20 Notice of Estimates expiry	February 2021
Observations responded to	February 2021
Contract award report approval (subject to S20)	February 2021
Award Notification	March 2021
Standstill ends	March 2021
Letter of Acceptance	March 2021
Start on site	April 2021
Completion on site	April 2022

13. CONTRACT MANAGEMENT

- 13.1 The Head of Capital Delivery will manage the relationship with Baily Garner the consultants appointed for the housing capital programme. Baily Garner will have the role of contract administrator the works contract and will be responsible for issuing all instructions, variations, notices etc. to contractors. The appointed Quantity Surveyor will provide cost control and valuation of works.
- 13.2 A suite of KPIs will be used to monitor, measure and report on the performance of both consultants and contractors. Example KPIs will include:
- Resident satisfaction of contractor performance
 - Defects – condition of each property/block in respect of number of defects at the point of handover
 - Safety (Main Contractor) – number of reportable accidents each month; average number of people on site
 - Construction time taken within properties
 - Percentage of properties completed to programme
 - Time to produce pre-construction cost information
 - Predictability of cost
 - Environmental impact, control of waste, noise, dust during construction process
 - Local labour and training
 - Time to complete scope of works and outline specification (Multi-disciplinary consultant)
 - Time to complete final account (Quantity Surveyor)
 - Time to produce health and safety files (Multi-disciplinary consultant)
 - Client satisfaction