



London Borough of Hammersmith & Fulham

Cabinet

18 JULY 2011

LEADER

Councillor Stephen Greenhalgh

AWARD OF A FRAMEWORK AGREEMENT FOR AGENCY WORKER SERVICES

This report seeks approval to award a Framework for Agency Worker services to **Pertemps Recruitment Partnership Ltd** to commence on 1 October 2011 for a period of 4 years.

A separate report on the exempt part of the agenda provides exempt information about the procurement process.

Wards:

All

CONTRIBUTORS

AD (HR)
AD (IT and
Procurement)
DFCS
ADLDS

**HAS AN EIA BEEN
COMPLETED?
YES**

**HAS THE REPORT
CONTENT BEEN
RISK ASSESSED?
YES**

Recommendations:

1. That approval be given to the award of the (Pan-London) Framework for Agency Worker Services, on behalf of the Council, to Pertemps Recruitment Partnership Ltd, to commence on 1 October 2011 for a period of 4 years.
2. That authority be delegated to the Leader, in conjunction with the Director of Finance & Corporate Services and the Assistant Director (Legal & Democratic Services), to award a call-off contract for 4 years to the new provider.
3. That officers arrange contract mobilisation meetings with the successful tenderer to ensure a smooth implementation.

1. BACKGROUND

- 1.1 The tender process for the Agency Worker services has reached the point where the Council is now able to award the Framework following a detailed and comprehensive tender evaluation.
- 1.2 The contract for provision of Temporary Agency Workers represents an important component of the Council's workforce resource enabling it to 'flex' in line with peaks and troughs of overall workloads during the year.
- 1.3 In order to seek greater efficiencies, it was considered that a collaborative approach, where a number of Councils could participate and join a framework for the provision of these services would provide the best opportunity for securing the most cost effective service in the future. Consequently senior officers sought interest from their counterparts in London in joining the Framework and the Council has worked very closely in partnership with LB Harrow in undertaking this procurement exercise to establish the Framework. LB Harrow intend to enter into a call-off contract from this Framework at its inception. Further interest has also been expressed by other boroughs to join as their current contractual arrangements expire.
- 1.4 This report recommends that the Framework is awarded to **Pertemps Recruitment Partnership Ltd** who submitted the most economically advantageous tender in terms of the specified price/quality evaluation model. It also recommends that officers hold meetings with the successful contractor to agree/implement contract mobilisation.
- 1.5 The recommendation is that the Framework will commence on 1 October 2011 and will be for a period of 4 (four) years. However, the aim will be that all contracts called off from the framework will have co-terminus expiry dates to facilitate the re-tendering of the service by the participating councils.
- 1.6 These services are being tendered to renew contract arrangements upon expiry of the Council's current arrangements on 30 September 2011. A key objective is to contain Agency Worker services costs whilst optimising service quality.
- 1.7 These services are currently provided by a 'Neutral Vendor' Supplier under contract with this Council. Historically, annual expenditure has reduced over the past few years due to tenure discounts and using fewer agency workers. Last year (2010/11) the spend was approximately £15.65m. plus on-site management fee £219,363 and Licences £71,244.
- 1.8 It was established that, in the circumstance that the Framework was awarded to a new provider for either or both Hammersmith & Fulham and LB Harrow, a number of staff had TUPE rights of transfer arising out of their working on LBHF and Harrow Agency worker arrangements with external providers.

- 1.9 In February 2011 Cabinet Member approval was given for the Council's existing contract for Agency Worker services to be re-awarded, but re-tendered in the form of a Framework which could be accessed by other Councils in London.
- 1.10 Key objectives were to contain costs, to provide better value for money, and maintain service efficiency.

2. EVALUATION OF TENDERS

- 2.1 In September 2010, a voluntary OJEU contract notice was published inviting expressions of interest. Subsequently in February 2011, following evaluation of applicants, a shortlist of five (5) companies were approved by Members to be invited to tender via Cabinet member decision. The short-listed companies were as follows.

Adecco Group UK
Hays Specialist Recruitment
Manpower UK Ltd
Morson Human Resources Ltd
Pertemps Recruitment Partnership Ltd

- 2.2 An Evaluation Tender Model was published with the Invitation to Tender (ITT) documents which is attached as Appendix 1. This required tenders to be evaluated through a staged approach, with those having passed through the earlier stages being evaluated on the basis of a 60/40 Price/Quality Model.
- 2.3 The five short-listed companies were invited to tender. Two companies withdrew from the tendering process prior to the tender return date, leaving three companies who submitted tenders on or before the deadline of 29 April 2011.
- 2.4 The 3 organisations who submitted tenders were evaluated in accordance with the agreed Tender Evaluation Model. Each tender submission was checked for completeness and each satisfied the criteria set out in Stage 1 of the evaluation model. Each tender was then subjected to detailed examination of quality at stage 2.
- 2.5 TUPE and Pension details of those staff eligible to transfer were not available when tenders were invited in March 2011 and thus, initially, tenders were invited to be submitted on a 'non-TUPE' basis (ie tenderers would simply base their submissions on the anticipated level of staffing, salaries etc required to provide the service without taking into account specific details of staff due to transfer).
- 2.6 TUPE and Pension details of those staff eligible to transfer became available significantly later in the tender period. These details were forwarded to the

three tenderers (after the initial tender return date) as part of a subsequent post-tender clarification where, under the aegis of the Council's secure e-tendering portal, each of the 3 tenderers were requested to provide details of any further costs arising out of employment of the staff eligible to transfer. Thus tenderers had submitted a 'TUPE' bid. Those responses were opened and downloaded on 19 May 2011.

- 2.7 Tenderers were further requested to clarify their licensing costs as well as a minor adjustment to their discount for overall volume (£), again under the aegis of the Council's secure e-tendering portal and those responses were opened and downloaded on 24 May 2011.
- 2.8 These costs were incorporated into evaluation of original tendered submissions and taken into account in evaluation of each tenderer to the Council.
- 2.9 Detailed evaluation of both price and quality were then completed in accordance with the agreed evaluation model. Presentations were made by all three tenderers against a pre-determined format and set of questions. These presentations were evaluated and scored as part of quality.
- 2.10 **Pertemps Recruitment Partnership Ltd** scored consistently highly across all elements of both price and quality. Detailed scoring results are set out in the exempt part of the agenda.
- 2.11 Based on the example 'basket' of job roles set out and priced in the tender document, a comparison of example hourly pay rates with pay rates for each role proposed by tenderers shows that Pertemps propose to base their charges for provision of Agency workers on significantly lower hourly pay rates than 1st day equivalent rates currently paid under existing arrangements and the other two tenderers.

A full analysis of the results is set out at Annex C to the exempt report.

3 FINANCIAL EFFECTS

- 3.1 In 2010/11, the Council's overall spend on agency staff was £15.65M, the previous year spend was in the region of £20M. Therefore the Council, through reduced demand, has seen a reduction of over £4M on agency staff.
- 3.2 Based on the tendered basket of job roles, a saving of approx 20% is shown based on Day 1 rates (see Annex B of the exempt report). However this does not include tenure discounts (which are currently enjoyed under the existing contract but would cease with the new contract). If tenure discounts were taken into account then the apparent saving would reduce. Furthermore, the overall spend on Agency workers for 2012/13 is projected to fall by 23%, followed by similar reductions year-on-year for the remainder of the contract.. In addition, the Agency Workers Directive comes into effect in October this year (at the same time as the commencement of the contract).

In some cases, through the requirement to 'harmonise' pay rates and conditions of service with permanent workers, increases in pay rates/ultimate charge rates will result. This will have the effect of reducing these savings further.

3.3 In overall terms it is very difficult to precisely predict the effect of application of these tendered rates upon appointment and provision of the service by Pertemps. However:

- by opting for an Off-site service the Council will avoid paying an Annual Management fee (for an On-site service) which is currently £219k. This is partly offset by an £24k increase in charges for 'Peopleclick' software licences from the recommended provider. The ongoing net saving will therefore be £195k per annum.*
- further containment of costs will occur as and when the tendered tenure discounts become available.
- future rebates on volume discounts, particularly if other London Councils join the framework, will increase the savings.
- tendered 'one-off' costs for IT integration (£5k) and deployment of Implementation Team (£10k) will also be incurred in Year 1.

3.4 The net resultant financial effect of the changes set out in 3.2, 3.3 and 3.6 are summarised as follows.

	Year 1 £,000	Year 2 £,000	Year 3 £,000	Year 4 £,000
Net Annual effect (excluding volume discount)	-1501	-1116	-1041	-871
Net Annual effect if RBKC & WCC joined Framework in Yr 2 (ie additional volume discount)	-1501	-1154	-1071	-896

3.5 The TAP considers that the tender submission represents value for money, is economically advantageous to the Council (and the LB Harrow and any other London Council who joins the framework in the future) and thus recommends that the contract is awarded to **Pertemps Recruitment Partnership Ltd.**

3.6 It is understood that contract arrangements for these services in RB Kensington & Chelsea and Westminster CC expire in 2012 and meetings are arranged with our counterparts to examine the potential for those boroughs to utilise the Framework. If, as part of Tri-borough working, those authorities did join then further 'volume' savings of between £39k - £25k could be achieved

for H & F. 'Volume' discounts would also yield additional savings for the other participant authorities.

- 3.7 The Tender Evaluation Panel, which was chaired by the Assistant Director (HR) – Finance & Corporate Services and included representatives from the HR Managers in Hammersmith & Fulham and LB Harrow as well as Procurement, Legal and Finance, considered the results of this analysis. Scores for price and quality were calculated in accordance with the Price/Quality evaluation model. On this basis, the tenderer recommended above offered the most economically advantageous tender for appointment as the provider on the Framework.

4. KEY BENEFITS OF THE NEW CONTRACT

- 4.1 **Pertemps Recruitment Partnership Ltd** is a very well established company with proven experience and expertise in providing these specialised services to a wide range of Councils.
- 4.2 There are budget containment/savings set out in para 3 above.
- 4.3 Reduction in total cost for the provision of all aspects of Agency Worker provision and working towards achieving ongoing cost reductions and savings.
- 4.4 The Tri-borough Adult Social Care HR workstream led by H & F could provide the opportunity to utilise this service to source agency workers in this area of work for all three boroughs.
- 4.5 Pertemps Recruitment Partnership's IT systems are able to provide a compatible interface (with or without 'Peopleclick') with other boroughs' IT platforms.
- 4.6 Assurance of supply – ensuring the timely provision of correctly vetted, suitably qualified and experienced Agency Workers..
- 4.7 Quality – ensuring all Agency Workers have the capability and aptitude to fulfil the requirements of the allocated role.
- 4.8 Service flexibility – the systems and processes implemented by the Provider will provide rapid fulfilment of positions. Provision of transparent and accurate management information to enable improved monitoring of the service, including equality and diversity issues.
- 4.9 Innovation – the Provider will develop a continuous improvement programme designed to constantly improve service, costs and use of technology. This is a key benefit as the Contract will be awarded for a significant period of 4 (four) years. It is vital that the service delivery remains at a "best in market" level.

- 4.10 Transformation Programme– the Provider will be expected to support the Customers in their ambitious transformation programmes and work closely with partners and stakeholders to achieve an efficient and effective workforce for the future.
- 4.11 Added Value – The Provider will support the Councils' in their commitment to work with their local community and businesses in economic regeneration activities.

5 RECOMMENDATION BY THE TENDER APPRAISAL PANEL (TAP)

- 5.1 The Tender Appraisal Panel chaired by the Assistant Director (HR) – Finance & Corporate Services met on 3rd June 2011 and agreed to recommend **Pertemps Recruitment Partnership Ltd** as the Framework provider subject to clarification of costs for IT integration and Implementation being resolved. Those matters have now been satisfactorily resolved.
- 5.2 That the Framework Agreement to be awarded for a period of 4 (four) years.
- 5.3 That authority be delegated to the Leader, in conjunction with the Director of Finance & Corporate Services and Assistant Director (Legal & Democratic Services), to award a call-off contract for 4 (four) years to the new provider.
- 5.4 That the basis of the call-off contract be an off-site service (model 1B).
- 5.5 The Tender Appraisal Panel further recommends that officers arrange contract mobilisation meetings with the successful tenderer and the current provider to ensure a smooth implementation.

6. RISK MANAGEMENT

- 6.1 In order to mitigate the risk of service disruption, the Council proposes a two-month mobilisation period, during which the Council will work with both the existing service provider and the new contractor to effect a smooth transfer in accordance with a detailed implementation plan to achieve full transfer by 1st October 2011.
- 6.2 Risks have been considered throughout the procurement process and as part of the Corporate Risk & Assurance register under risk entry number 11, Market Testing of Services. Risks are also discussed at Competition Board and reviewed by the Executive Management Team and as part of project management.

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7. EQUALITY IMPLICATIONS

- 7.1 A Predictive Equality Impact Assessment has been conducted and is available electronically. No adverse impacts have been identified.
- 7.2 Key issues and actions from the Equality Impact Assessment and additional comments from Harrow are set out below:
- The contract requires the supplier to operate as a 'neutral vendor' and provide local SME suppliers with an opportunity to supply agency workers to the Councils.
 - Through the tender specification and the evaluation process, prospective suppliers were required to demonstrate, how they will promote equalities and support customers in meeting their equality targets and how they will manage the service in a way that ensures the customers' priorities on equalities are met.
 - The Agency Worker Regulations (effective from 1 October 2011 i.e. contract commencement) are intended to ensure that there is appropriate protection of temporary agency workers through the application of the principle of equal treatment, including pay. The supplier will be required to provide Management Information reports on agency workers pay, which will be monitored to ensure compliance with Agency Worker Regulations.

8. COMMENTS OF THE DIRECTOR OF FINANCE AND CORPORATE SERVICES

- 8.1. The Director of FCS can confirm that the current cost of the contract is £219k per annum, after allowing for the £24k increase in cost for the licensing there would be a net saving to the council of £195k in a full year. The report identifies initial set up costs of £15k., reducing the first years saving in 2011/12 to £82.5k.
- 8.2 The full year saving £195k from 2012/13 will contribute to the overall MTFS targets.

9. COMMENTS OF THE ASSISTANT DIRECTOR (LEGAL AND DEMOCRATIC SERVICES)

- 9.1 The services referred to in this report were advertised in the OJEU on a voluntary basis and are therefore subject to the full regime of the Public Contracts Regulations 2006. The provisions of the 2006 Regulations have been complied with in relation to this procurement.

10. COMMENTS OF THE ASSISTANT DIRECTOR (PROCUREMENT & IT STRATEGY)

- 10.1 The Assistant Director (Procurement & IT Strategy) has been consulted on the report and agrees with the recommendations.
- 10.2 Broad analysis of the outcomes indicate that the Framework will result in financial benefits for this council and for other participating bodies (initially LB Harrow). A move towards transactional pricing will be more beneficial than the current management fee which will represent an immediate saving on current costs.
- 10.3 Following award, a contract award notice will need to be placed in the Official Journal of the European Union (OJEU) within 48 days.

LOCAL GOVERNMENT ACT 2000
LIST OF BACKGROUND PAPERS

No.	Description of Background Papers	Name/Ext of holder of file/copy	Department/ Location
1.	All background papers, including: Contract advert; Contract specifications; Tender evaluation models; Letter and tendering instructions to short-listed organisations. Tender submissions Written Clarifications Notes of TAP meetings	Debbie Morris/Valerie Ayton AD - HR (Finance & Corporate Services) 020 8753 3068/2449	Human Resources, Finance & Corporate Services Hammersmith Town Hall, King Street, W6 9JU
2.			
CONTACT OFFICER:		NAME: Valerie Ayton EXT. 2449	

Evaluation Model – Framework for Agency Worker Services

1. Introduction

- 1.1. The Authority is committed to providing high quality, value for money services and will evaluate each Tender according to 3 successive stages, as set out below.
- 1.2. The Authority will award the Framework Agreement fairly on the basis of quality and cost. The Tender Appraisal Panel (TAP) will evaluate the quality of tenders using a weighted model. Quality will account for **40%** (40 points) of the overall evaluation process and price **60%** (60 points).
- 1.3. The Authority's approach to evaluation will be equitable and transparent and will allow Tenderers to tender on the basis of quality at an affordable price. It allows the TAP to recommend the selection of a tender that meets the key quality requirements and therefore represents best value for money, i.e. the economically most advantageous tender.

2. Provision of Additional Information

- 2.1. If at any time during its evaluation of a Tender the TAP forms the view that any matter requires clarification, it may require the same from the Tenderer concerned in writing.

3. Stages

There will be a 3-stage evaluation of returned Tenders:-

3.1 Stage 1 - Checking for Validity

- 3.1.1 A valid Tender shall be received in accordance with the ITT. Validity will involve checking that all requisite documents are completed, enclosed and signed where required in accordance with the Instructions to Tenderers.
- 3.1.2 Tenders that do not pass this Stage 1 will be rejected and not considered further except, at the Authority's sole discretion, in the case of minor omissions that can be rectified in accordance with any reasonable request of the Authority (for example missing signature or date etc. - for the avoidance of doubt this is not an exhaustive list).

3.2 Stage 2 - Detailed Consideration of Tenders

- 3.2.1 All Tender submissions reaching this stage will be awarded points in relation to Price and Quality. Presentations will also be scored and comprise part of the Quality evaluation.
- 3.2.2 Tenders reaching this stage will, after evaluation against the detailed criteria set out below (eg Quality/Price), be ranked in order of aggregate score.
- 3.2.3 **Evaluation of Price**
- 3.2.4 **Tenderers are required to tender for each model (1A, 1B, 2A and 2B) contained in the Charges schedule. Failure to do so will result in your tender being rejected.**
- 3.2.5 The maximum score that can be achieved for Price element is **60** points. This will be split, with 50 points awarded for tendered costs as set out below (see 3.2.8), with the remaining 10 points comprised of 5 points for Tenure Discount and 5 points for Volume Discount as set out in paragraph 3.2.9.
- 3.2.6 Tendered costs for the Authority for provision of Off-Site (summary total S and/or T) and On-Site services (summary total U and/or V) will be determined by reference to the completed charges schedule at Schedule 7.
- 3.2.7 The total Annual cost for Hourly charges, Management Fees and One-off costs of service transfer shall comprise each of four (4) options:

Total base tender price

- **hourly pay rates for specified job categories (item A)**

Added to:

Option 1 - Model 1A (Off-site)

Plus*:

- Panel Vendor % Mark-up (item F)
- Neutral Vendor hourly transaction fee (item H)

Or

Option 2 - Model 1B (Off-Site)

Plus*:

- Panel Vendor Fixed £p Mark-up (item J)
- Neutral Vendor hourly transaction fee (item H)

Or

Option 3 - Model 2A (On-Site)

Plus*:

- Panel Vendor % Mark-up (item F)
- Neutral Vendor £p hourly management fee (item N[a])
Alternatively
- Neutral Vendor £p Annual management fee (item N[b])

Or

Option 4 - Model 2B (On-Site)

Plus*:

- Panel Vendor Fixed £p Mark-up (item J)
- Neutral Vendor £p hourly management fee (item N[a])
Alternatively
- Neutral Vendor £p Annual management fee (item N[b])

***In addition, tendered hourly statutory charges (item B, C and D) shall be added to each option. Similarly One-off costs for set up, TUPE, IT systems and transition/migration will also be added to each option.**

3.2.8 Each Tender will be awarded points based on its relationship with the lowest average tendered cost for Model 1A, model 1B, Model 2A and Model 2B

The Tender with the **lowest average tendered cost across all four models** (x) will be awarded a maximum score of **50** Points; each of the remaining Tenders (y) will be awarded points on a pro rata basis in accordance with the following formula:

$$1 - ((y - x)/x) \times 50$$

Where x = lowest aggregated tender total
y = aggregated tender total other than lowest

For example, if the lowest aggregate tender total (for the Authority) ie x, was £2000k :-

Tender	£ x	£ y	Points Awarded
A	2000		50.00
B		2100	47.50
C		2200	45.00
D		2500	37.50

Please note that the figures are merely examples and are in no way an indication of the contract value.

3.2.9 Finally the tendered Tenure Discount and Volume Discount related to the aggregate value of annual spend by participating Contracting Bodies set out in the Charges Schedule will be evaluated and a maximum of **5** points awarded for **each** element in accordance with the following scoring scheme.

Tenure Discount

Placement Term	Discount tendered (D)	Probability (P)	(D) X (P)	Tendered Discount offered	Points awarded
3 months/12 weeks		50%		yes/no	0.5/0
6 months/24 weeks		25%		yes/no	0.5/0
9 months/36 weeks		15%		yes/no	0.5/0
12 months/52 weeks		10%		yes/no	0.5/0
Evaluated average discount max 3 points				Max 2 points	

The tenderer tendering the highest average discount taking account of the probability (P) (total discount offered across all categories ÷ 4) will be awarded an additional 3 points. Maximum points awarded will therefore be **5**.

For illustration, a worked example follows. In this example, if discounts offered were as below and the averaged discount (2.5) were the highest value amongst all tenderers, 1.5 points would be awarded for tendering discounts in 3 categories and 3 points would be awarded for the highest average discount = total 4.5 points.

Placement Term	Discount tendered (D)	Probability (P)	(D) X (P)	Tendered Discount offered	Points awarded
3 months/12 weeks	0	50%	0	yes/no	0.5/0
6 months/24 weeks	12	25%	3	yes/no	0.5/0
9 months/36 weeks	20	15%	3	yes/no	0.5/0
12 months/52 weeks	40	10%	4	yes/no	0.5/0
Evaluated average discount max 3 points			2.5	Max 2 points	1.5 points

£ Volume Discount

Value of Aggregate Spend by Participating Bodies	Probability of event – weighting to be applied	Element to be evaluated with discount	Element with discount and probability weighting applied
£20 - £30 million	50%	The mid point of this value band (ie £25m)	*sub-totals for evaluation to be calculated as below
£30 - £40 million	25%	The mid point of this value band (ie £35m)	ditto
£40 - £60 million	11%	The mid point of this value band (ie £50m)	ditto
£60 - £90 million	8%	The mid point of this value band (ie £75m)	ditto
£90 - £150 million	6%	The mid point of this value band (ie £120m)	ditto
Grand Total			Grand total of all calculated sub-totals

*A sub-total shall be calculated for each category by applying the average tendered discount (for the annual spend bands shown in the pricing document) to the mid point of the value band shown above. This will then be multiplied by the probability weighting to give the sub-total. The resultant grand total for all categories will be assessed. The tenderer with the highest grand total will score **5** points. The remaining tenderers' grand totals will be scored on a pro-rata basis (other than highest grand total/highest grand total x **5**).

For illustration, a worked example follows.

If tendered discounts for individual spend levels (which together comprise the £20 - £30m band shaded above) were:

Spend Levels	% Retrospective Discount
£20m - £22.5m	2
£22.5m - £25m	2
£25m - £27.5m	4
£27.5m - £30m	4
Average discount	3

The average discount will be applied to mid point of Aggregate spend £20m - £30m and multiplied by the probability of event (50%) giving a subtotal of £375,000.

$$£25m \times 3\% = £750000 \times 50\% = \underline{£375000} \text{ etc}$$

Using this means of calculation throughout, the tenderer achieving the highest resultant total value for the 5 volume discount bands (shown above in the first table) will be awarded **5** points. Remaining tenderer's grand totals will be scored on a pro-rata basis.

Evaluation of Quality

Quality shall account for 40% of the total points that can be awarded for your tender (ie max 40 points)

The TAP will assess each Method Statement submission to determine the degree to which the quality criteria have been met. A score out of 4 will be awarded for each question in the Contractor's Proposals in accordance with Table 1 set out below.

Any tenderer who scores 0 (unacceptable) for any question forming part of the quality submission will be deemed disqualified and its tender submission for price and quality will be rejected and not further considered.

Table 1

Marks	Rating	Description
4	Excellent	High quality, fully meeting all the requirements of the Specification, no shortcomings
3	Good	Good quality, meeting requirements of the Specification, robust, few if any shortcomings
2	Fair	Average Quality, meeting most requirements of the Specification, some shortcomings
1	Poor	Well below average, meeting few requirements of the Specification, significant shortcomings
0	Unacceptable	No information provided or so little information provided to prevent a judgement to be formed

Evaluation of Quality shall be conducted through assessment and scoring of your submitted Method Statement Questionnaire. A maximum of **35 points** may be awarded through this process. In addition a maximum of **5 points** may be awarded

through assessment and scoring of a Presentation that you are required to provide after tenders have been received. The Method Statement responses comprise the following Sub Criteria with individual weightings.

Sub Criteria	Max points
Service Delivery <i>Evaluated through tender submission only</i>	18
Procedures & Processes in support of service delivery <i>Evaluated through tender submission only</i>	5
Innovation / Continuous Service Development <i>Evaluated through tender submission only</i>	4
Implementation & Marketing the Service <i>Evaluated through tender submission only</i>	4
Existing Suppliers and Local Suppliers <i>Evaluated through tender submission only</i>	4
	35

For illustration, a worked example follows.

In evaluating **Section 5 Service Delivery (max 18 points)**, responses to 17 questions are evaluated (evaluator scoring 0 – 4 for each question). The maximum evaluator scores will therefore be 68.

In the event that a tenderer's submission for this section of the questionnaire achieves a total evaluator score of 51, the points score taken forward and added to scores for other sections will be as follows:

$$51 \div 68 = 75\% \text{ of max score (18)}$$

$$= \underline{13.5}$$

- **Presentations**
-
- Presentations will be scored and will account for **total 5 points**.

Tenderers reaching this stage will be invited to make a presentation which will comprise:

- an introductory summary by the Tenderer of key elements of its submission. For the avoidance of doubt this summary will not be scored.
- a Q & A session where a set of predetermined questions will be asked of Tenderers. For the avoidance of doubt the same questions will be asked of each Tenderer invited to the Presentation and will be scored in accordance with Table 1.
- Further details of the weighting for each question and the Quality Sub Criteria to which they relate will be forwarded to Tenderers prior to the closing date for receipt of tenders of 29 April April 2011.

Overall Evaluation

Finally the aggregate weighted Price/Quality scores will be combined to obtain the total weighted score for each Tenderer. The Tenderer with the highest total weighted score will be the Tenderer offering the most economically advantageous Tender.

For the avoidance of doubt, evaluation scores will be reviewed by the full TAP and individual scores may be moderated in accordance with Table 1 on page 6.

Following award of the Framework, each Contracting Body will enter into a Call-off Contract selecting:

- option 1A – Standard service, Transaction Fee Percentage Mark-up,
- option 1B – Standard service, Transaction Fee Fixed pence Mark-up
- option 2A – Management Fee, On Site Support Service Percentage Mark-up
- or
- option 2B – Management Fee, On Site Support Service Fixed Pence Mark-up

as the basis of pricing the provision of the Services.

If the option is to select either Model 2A or 2B then Contracting Bodies will select

- Neutral Vendor £p hourly management fee (item N[a])
- OR
- Neutral Vendor £p Annual management fee (item N[b])

as a means of payment of the management fee.