
Report of: ICT Strategic Sourcing Manager

Report To: Deputy Director of Adult Social Care

Date: 3 February 2014

Scheme: ITS130005 Electronic Care Brokerage System (YORE-9A5FV6)

Subject: Tender Evaluation Report

1. Contract Details

- 1.1. This contract is for the supply of an Electronic Care Brokerage System for use by Adult Social Care.
- 1.2. The contract will be for three years, commencing from the date of award, with the option to extend for two further period of 12 months at the Council's discretion. The estimated value of the contract is £121,943 over the initial three year term.

2. Background

- 2.1. Adult Social Care currently operates a small team of staff within the "Care Communication Centre" to communicate with homecare Providers, currently under contract, in order to "broker" homecare.
- 2.2. The same team has the responsibility to process the invoices received for payment. The current processes rely heavily on worker input, employ only very basic technology and, by their manual nature, impose delays on the brokering of care packages and payment of invoices.
- 2.3. Due to the limitations of the technology available to the team, homecare Providers seeking work are required to engage in a time-consuming process to obtain the information they need in order to bid for available care packages and have those bids assessed and approved.
- 2.4. The current manual processes are inefficient and require considerable administrative resource to operate.
- 2.5. The object of this tender process is to introduce new technology to replace the inefficient paper, fax and telephone based systems for commissioning domiciliary care services, with a web-based system that will support greater automation in the commissioning of home care packages.

3. Selection and Tendering Process

- 3.1. A restricted tender procedure was advertised and run electronically on the Council's procurement portal, Yortender.

4. PQQ Stage

- 4.1. The Pre-Qualification Questionnaire (PQQ) was published on 5th August 2013 with a return date of 4th September 2013.
- 4.2. The PQQ evaluation team comprised six experienced officers from Adult Social Care and ICT with procurement support and moderation provided by the ICT Strategic Sourcing team.
- 4.3. The PQQs were evaluated in accordance with the published criteria (Appendix 1).
- 4.4. Seven PQQs were returned and the four suppliers who scored over 60% were invited to tender (in accordance with the minimum required score detailed in the published criteria) - @UK Plc, BiP Solutions Ltd, Matrix SCM Ltd and Oxford Computers Ltd.
- 4.5. A summary of the scores achieved by each applicant can be found in Appendix 2.

5. Tender Evaluation

- 5.1. Tender documents were published on 5th November 2013 with a return date of 11th December 2013.
- 5.2. Of the four organisations invited to tender three submitted a response with BiP Solutions Ltd declining to do so. The reason for BiP Solutions Ltd's non-submission was sought but no response was received.
- 5.3. The ITT evaluation team comprised six experienced officers from Adult Social Care and ICT with procurement support and moderation provided by the ICT Strategic Sourcing team.
- 5.4. The submissions were evaluated in accordance with the evaluation criteria published with the Invitation to Tender (Appendix 3).
- 5.5. Each section in the tender documentation has been scored based on written responses to each of the requirements and a product demonstration.
- 5.6. One supplier (@UK Plc) failed to meet the minimum required score as detailed in the published criteria).
- 5.7. A summary of the scores achieved by each applicant can be found in Appendix 4.
- 5.8. The price evaluation was only undertaken on those Suppliers that met the minimum quality threshold and a summary can be found in Appendix 4.
- 5.9. One supplier (Matrix SCM Ltd) placed additional conditions upon the Council that are unacceptable:
 - Price must be at least 30% of the total offer score for all care transactions
 - At least 90% of service agreements must be awarded to the top-ranked offer at the end of the client review period
 - At least 98% of transactions must follow the agreed policies and process flows signed off at implementation
 - At least 80% of LCC's 'in-scope' spend must be procured and subsequently transacted through the Application
 - At least 80% of the Customer's requirements must have an offer window in excess of 4 hours

6. Conclusion

6.1. The evaluation team concluded that

- 6.1.1. The submission from @UK Plc must be excluded as it failed to meet the minimum quality criteria.
- 6.1.2. The submissions from Matrix SCM and Oxford Computer Consultants Ltd were not fully detailed in terms of the proposed additional development and timescales / requirements for implementation.
- 6.1.3. The submission from Oxford Computer Consultants Ltd represented the most economically advantageous tender, subject to the required additional information being provided and acceptable.

7. Award Recommendations

7.1. The evaluation panel recommend that the Director of Adult Social Services, approves the waiver of Contract Procedure Rule 3.1.23, as required by Contract Procedure Rule 17.5.1, to enter into negotiations with Oxford Computer Consultants Ltd.

Appendix 1 – PQQ Evaluation Criteria

Evaluation Criteria

Responses will be evaluated in accordance with the following criteria.

The PQQ questions are split into two sections:

- **Section 1** contains the Section A questions relating to your technical capacity, resources and references. **This section will account for 100% of the marks available.** Where no response is provided in relation to any question, a supplier will be rejected.

The evaluation panel will comprise officers from Leeds City Council ICT Service and Adult Social Care. The answer to each marked criterion will be scored individually by each member of the evaluation panel using the following criteria.

Score	Meaning	Interpretation
0	Unacceptable	Failed to provide a response or the information provided is wholly inconsistent with the requirement.
1	Very poor	Substantially inconsistent with the requirement. There is insufficient information or clarity to determine whether the Applicant meets the Council's requirement.
2	Poor	Material weaknesses, issues or omissions. Falls short of meeting the majority of the requirement.
3	Weak	Some weaknesses, issues or omissions. Lacking detail, clarity and/or evidence with regard to <i>several</i> key elements of the requirement.
4	Less than satisfactory	Some weaknesses, issues or omissions. Lacking detail, clarity and/or evidence with regard to <i>at least one</i> key element of the requirement.
5	Satisfactory	Meets all the key elements of the requirement but the response is not fully detailed or backed up with clear evidence in some areas.
6	Good	Meets all the key elements of the requirement. An acceptable response supported by evidence but lacks detail in some areas.
7	Very good	Meets all the key elements of the requirement. Relevant and detailed information has been provided and backed up with clear evidence, indicating that the majority of the requirement will be met with no significant weaknesses, issues or omissions.
8	Excellent	Meets the entire requirement. Relevant and detailed information has been provided and backed up with clear evidence. There are no weaknesses, issues or omissions.

The individual scores will be collectively moderated and the final score will be the average of the individual panel member scores. Once the final score for each question has been determined, the appropriate weighting will be applied.

You should read each question carefully and ensure your answer directly responds to all the requirements of the question. The evaluation will be undertaken strictly in line with the information requested

Applicants must score a minimum of 60% on the marked section to be considered for short listing to the tender stage.

The following weighting will be applied to the Section A questions, reflecting their level of importance in the overall evaluation:

Ref	Criteria	Weighting
A1	Experience in delivering Electronic Care Brokerage systems	35%
A2	Experience in delivering on-going value to clients.	25%
A3	References	0%
A4	Contracts awarded	20%
A5	Management, supervisory and operational structure	5%
A6	Company accreditations and memberships	5%
A7	Staff qualifications	5%
A7	Sub-contracting / supply chain management	5%
TOTAL		100%

- Section 2 seeks answers to general questions regarding your organisation, including your financial standing, health and safety practices, insurance details, etc. These questions are not allocated a mark but will be assessed for compliance and all questions must be answered. Potential Providers may be rejected where either a response is not provided or the response gives the Council cause for concern, e.g. financial status, non-compliance with our stated minimum insurance requirements, etc. Where no response is provided or the response is missing the requested information, a supplier may be rejected.

The Potential Provider must be in a sound financial position to participate in this procurement and provide on-going services for the duration of the contract. This will entail independent financial checks. Assessments are carried out on the latest published audited Financial Statements. Potential Providers with a negative net worth or where the value of the contract exceeds 25% of their turnover may be excluded from the selection process.

Note: All of the information you submit within this PQQ will be treated in the strictest of confidence.

Appendix 2 – PQQ scores

		1	2	3	4	5	6	7
Question	Weighting	@UK PLC	Assistive Partner Ltd	BiP Solutions Ltd	Matrix SCM	OLM Systems Ltd	Oxford Computer Consultants Ltd	Shop4support Limited
A1	35%	29.17%	19.69%	24.79%	29.17%	10.94%	16.77%	18.96%
A2	25%	17.71%	13.54%	16.67%	20.31%	8.33%	14.58%	11.46%
A3	0%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
A4	20%	14.17%	10.83%	15.83%	16.67%	8.75%	13.75%	10.83%
A5	5%	4.17%	2.71%	3.44%	3.96%	3.54%	3.54%	2.92%
A6	5%	3.54%	2.71%	3.33%	3.13%	3.75%	3.44%	1.56%
A7	5%	3.54%	2.92%	3.44%	3.75%	3.44%	3.54%	2.81%
A8	5%	4.38%	4.38%	4.38%	4.38%	4.38%	4.38%	4.38%
TOTAL	100%	76.67%	56.77%	71.88%	81.35%	43.13%	60.00%	52.92%

Appendix 3 – ITT Evaluation Criteria

1.0 Introduction

- 1.1 This document describes the method the Council will use to evaluate your tender submission, which must contain sufficient information to demonstrate how you will meet the requirements of the Service Specification. It is important to ensure that any information you submit is relevant to the Quality Criteria detailed below. Information which is not relevant will not be taken into account.

2.0 Evaluation Method

- 2.1 Your tender submissions will be evaluated on both quality and price. A score will be awarded for each element of the evaluation criteria. The maximum amount of marks available for price will be 40%. The maximum amount of marks available for quality will be 60%. The quality evaluation criteria that will be used to assess the compliance of offers to the Service Specification are detailed in 3.0 Quality Criteria.
- 2.2 Your tender submission will be assessed and scored by an evaluation panel comprised of officers from Leeds City Council Adult Social Care and ICT Services with the relevant experience to assess the technical, operational and commercial aspects of your submission.
- 2.3 In addition to the evaluation panel, the Council may consult, where appropriate, with representatives of partner organisations and other employees of the Council. To enable this consultative process, it will be necessary to share tenderers' responses (excluding pricing information) with Consultees. They may read and review relevant aspects of the submission and provide comments to the evaluation panel, in the form of strengths and weaknesses, to be taken into account by scorers prior to final scoring. Consultees may also attend tenderer's presentations to provide additional feedback on the proposed solutions to the evaluation panel. Consultees do not score the tender submissions.

3.0 Quality Criteria

- 3.1 Each of the following quality criteria has been determined and weighted in accordance with its relative importance to the Service Specification.

Section 2(a) Statement of Requirements

A1	Accessing the Brokerage System	6%
A2	Adding an ISA to the System	6%
A3	Viewing ISAs on the System	6%
A4	Working with ISAs	6%
A5	Expressions of Interest and Bidding on ISAs	6%
A6	Awarding an ISA	6%
A7	Management Information and Reporting	5%
A8	Interfaces	5%
A9	Documentation and Training	3%
A10	Support and Maintenance Arrangements	3%
A11	Commercial Terms	0%
A12	Professional Services	3%

Section 2(b) Technical System Requirements 5%

- 3.2 The answer to each marked criterion will be scored individually by each member of the evaluation panel using the following criteria:

Score	Meaning	Interpretation
0	Unacceptable	Failed to provide a response or the information provided is wholly inconsistent with the requirement.
1	Very poor	Substantially inconsistent with the requirement. There is insufficient information or clarity to determine whether the Applicant meets the Council's requirement.
2	Poor	Material weaknesses, issues or omissions. Falls short of meeting the majority of the requirement.
3	Weak	Some weaknesses, issues or omissions. Lacking detail, clarity and/or evidence with regard to <i>several</i> key elements of the requirement.
4	Less than satisfactory	Some weaknesses, issues or omissions. Lacking detail, clarity and/or evidence with regard to <i>at least one</i> key element of the requirement.
5	Satisfactory	Meets all the key elements of the requirement but the response is not fully detailed or backed up with clear evidence in some areas.
6	Good	Meets all the key elements of the requirement. An acceptable response supported by evidence but lacks detail in some areas.
7	Very good	Meets all the key elements of the requirement. Relevant and detailed information has been provided and backed up with clear evidence, indicating that the majority of the requirement will be met with no significant weaknesses, issues or omissions.
8	Excellent	Meets the entire requirement. Relevant and detailed information has been provided and backed up with clear evidence. There are no weaknesses, issues or omissions.

The individual scores will be collectively moderated and the final score will be the average of the individual panel member scores. Once the final score for each question has been determined, the appropriate weighting will be applied.

- 3.3 A minimum qualification threshold of 60% will apply to Section 2(a) Statement of Requirements as a whole. That is, Tenderers must score a minimum of 60% of 55% = 33% to qualify. In addition, the Council reserves the right to disqualify any Tenderer that does not provide an answer to any question or that does not provide a compliant answer in relation to those marked "C" - Compliance.
- 3.4 A minimum qualification threshold does not apply to Section 2(b) Technical System Requirements, however, the Council reserves the right to disqualify any Tenderer who's submission identifies an incompatibility with the Council's ICT Infrastructure
- 3.5 The four stage assessment of the tenderers submission will be:

Stage 1 Assessment

An assessment of the tender submissions and any tender clarifications will be made by the evaluation panel and a score will be agreed.

Stage 2 Assessment

Tenderers will be invited to present their solution to a group consisting of the evaluation panel and service users from within the Council. Based on the presentations and feedback from service users, the evaluation panel will review the tender submissions and determine the extent to which the requirements have been met.

The scores which were awarded to each requirement during Stage 1 of the evaluation process may be adjusted up or down as a result of the presentations. In particular, if a tenderer has made claims in the written submission which cannot be adequately demonstrated during Stage 2, this may result in a reduced score for that requirement.

Stage 3 Assessment

The Council will take up references in order to further validate the responses detailed within the ITT. This will take the form of written reference requests, reference calls and/or reference site visits. The nominated reference sites should be able to provide an independent view of the Tenderers services being offered as part of this contract.

Tenderers should ensure in advance that the reference sites listed in their PQQ submission are able and willing to be contacted or visited and will assist in discussing their solution to Leeds City Council.

There may be a list of generic questions (including the contractor's performance of the contract) which will be put to each referee contacted. There may also be specific questions relating to items in the tender response where it is felt there is a need to further explore answers that were provided in the tender submission or arising out of tender clarifications and presentations.

The scores which were awarded to each requirement during Stage 2 of the evaluation process may be adjusted up or down as a result of the site visit. In particular, if a Tenderer has made claims of performance and benefits in the written submission which cannot be adequately demonstrated during Stage 3, this may result in a reduced score for that requirement.

The Council may disqualify a Tenderer where it has been unable to obtain satisfactory references.

Stage 4 Assessment

Based on information gathered from the previous 3 Stages the evaluation panel will agree a final score for the Quality section of the tenderers' bids.

If, after agreeing the final score, any tenderer fails to meet the minimum qualification threshold detailed in 3.3, they may be eliminated from the tender at this stage.

4.0 Price

- 4.1 The price evaluation will only be undertaken on those submissions that meet the minimum quality threshold as detailed in 3.0 Quality Criteria. The price used for the evaluation will be the cost of Software and Services, i.e. individual sheets within the Section 5 Pricing Schedule will not be evaluated in their own right and value add options will not be counted, unless the Council identifies that they are required to meet a mandatory part of the requirement.

- 4.2 In addition, a cost of ownership calculation will be made by the Council based on the bid price plus any additional infrastructure costs that the Council calculate will be required to implement and support the proposed solution for the life of the contract in the Council's ICT environment. These additional costs may include hardware and operating system purchase and operating costs, third party licences and support that may be required, technical resources or staff training required as well as machine room space and resource time needed.
- 4.3 The lowest cost of ownership will be awarded the full 40% of tender marks available for price. For the remaining qualifying bids, the difference between that cost and the lowest cost of ownership will be calculated. This difference will be expressed as a percentage of the lowest cost of ownership and that percentage difference will then be deducted from the available marks for cost. This means in practice that a bid that is 50% higher than the lowest cost of ownership bid will only score 50% of the available marks; a bid that is double the lowest cost of ownership bid (i.e. a difference of 100%) will not score any marks; a bid that is more than double will score a negative mark.

Example Price Evaluation

Cost % of total marks

40%

Cost of Ownership	£100,000	£50,000	£75,000	£125,000
difference to lowest price	£50,000	£0	£25,000	£75,000
% Difference	100%	0%	50%	150%
% Points to deduct	40%	0%	20%	60%
Price Score	0.0%	40.0%	20.0%	-20.0%

5.0 Completion of Evaluation Process

- 5.1 The evaluation panel will prepare a report for senior management/project board approval recommending acceptance of the tenderer scoring the highest combined score of quality and cost. References and financial checks will be taken into account before recommending the winning tenderer. Any tenderer may be rejected in the event that unsatisfactory references and financial checks are received.
- 5.2 Once a report has been approved it will be subject to the Council's governance procedures, including call-in for scrutiny, before confirming the award of tender.

Appendix 4 – ITT Scores

Quality

No.	Description.		@UK Plc	Matrix SCM	Oxford Computer Consultants
Section (a) - Statement of Requirements					
A1	Accessing the Brokerage System	6%	4.09%	4.88%	4.97%
A2	Adding an ISA to the System	6%	3.42%	3.71%	3.75%
A3	Viewing ISAs on the System	6%	3.03%	3.93%	3.60%
A4	Working with ISAs	6%	2.85%	4.75%	3.75%
A5	Expressions of Interest and Bidding on ISAs	6%	2.45%	4.75%	3.75%
A6	Awarding an ISA	6%	3.05%	4.20%	3.75%
A7	Management Information and Reporting	5%	2.41%	3.42%	3.58%
A8	Interfaces	5%	2.71%	3.65%	2.89%
A9	Documentation and Training	3%	2.21%	2.23%	2.40%
A10	Support and Maintenance Arrangements	3%	2.23%	2.17%	2.30%
A11	Commercial Terms	0%	0.00%	0.00%	0.00%
A12	Professional Services	3%	2.00%	2.15%	2.51%
Sub-Total		55%	30.45%	39.84%	37.25%
Section 2(b) - Technical System Requirements		5%	3.2500%	3.0500%	3.4250%
Total Quality Score		60%	33.70%	42.89%	40.67%

Price

Cost % of total marks

40%

	Matrix SCM±	Oxford Computer Consultants	@UK Plc*
Cost of Ownership	£724,125	£121,943	£201,550
difference to lowest price	£602,182	£0	£79,607
% Difference	494%	0%	65%
% Points to deduct	198%	0%	26%
Price Score	-157.5%	40.0%	13.9%

Notes

* As detailed within the evaluation criteria, the price evaluation was only undertaken on those submissions that met the minimum quality threshold. The equivalent score for @UK Plc is shown for comparison purposes.

± The pricing of the software and hosting charges proposed by Matrix SCM was based upon a percentage of the Council's spend on domiciliary care services, with a cap of 1% per annum. For the purpose of this evaluation, 1% of £15.7m, being the cost of independent sector homecare in 2012/13, was used. The projection for 2013/14 is £18.2m.

Overall

	@UK Plc	Matrix SCM	Oxford Computer Consultants
Quality	33.70%	42.89%	40.67%
Price	N/a	-157.53%	40.00%
Total Score	N/a	-114.64%	80.67%