



TENDER REPORT

for

Pool Upgrade Works

at

John Smeaton Leisure Centre

Scheme Nr: 14-24-16-3-1195

June 2016

NPS LEEDS LTD

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APPENDIX A
Tender Analysis

1 TERMS OF REFERENCE

This report has been prepared by NPS Leeds Ltd following the receipt of price and quality submissions for the refurbishment and general upgrade of the swimming pool at John Smeaton Leisure Centre, Leeds.

The aim of this report is to determine the validity of the returned documents and identify the most suitable tender for the proposed works.

All tender reports are confidential and are intended to be read by the addressees only.

2 INTRODUCTION

The tenders have been assessed on the competitiveness of the pricing and the quality assessment based on the Project Method Statements and quality submission documents. Price/Quality assessment is 80/20.

Five tenderers were selected from the YORbuild Framework by the Projects Programmes & Procurement Unit of Leeds City Council.

On 12 May 2016 the tender documentation was issued to the tenderers.

The project details are as follows:

Project Title	Pool Upgrade Works – John Smeaton Leisure Centre
Scheme Number	14-24-16-3-1195
Client	Leeds City Council
Tender Documents	Contract Data Parts 1 & 2 Form of Tender The Prices / Activity Schedule Works Information Site Information Sample Form of Agreement
Contract	NEC3 Engineering and Construction Contract 2013 – Option A
Start Date	11 th July 2016
Access Date	25 th July 2016
Completion Date	14 th October 2016
Contract Period	14 weeks (from Start Date – 12 weeks from Access Date)
Retention	5%
Rate of Damages	£6,924.00 per week
Defects Period	52 weeks
Insurance Option	Loss of or damage to the works, Plant & Materials by <i>Employer</i> . Additionally, the <i>Contractor</i> is asked to provide the following Insurance cover: <ul style="list-style-type: none">- Public Liability £10m;- Employer's Liability £10m;- Professional Indemnity £2m; all in each and every occurrence.

5 ARITHMETICAL AND TECHNICAL CHECK

- The Prices i.e. Summary of the Prices, and completed Activity Schedules from all the returned tenderers were submitted for evaluation and checking by NPS Leeds Ltd on Monday 13 June 2016.
- Several issues with regards to Pricing were raised with the tenderers. These included:
 - Request for further breakdown of Preliminaries costs (the 'Schedule of Rates');
 - Clarification of Direct Fee / inclusion of YORbuild2 fee;
 - Clarification of inclusion of Insurance Backed Guarantee;
 - General comments on levels of pricing of certain items;
 - Split of 'other items' included within the tender sum.
- All commercial queries with regards to the Bergar Building Co. Ltd tender were resolved; although a slight adjustment was required to the tender sum due to an incorrect fee % being included. This was deemed to be a genuine arithmetical error, as advised by David Galloway (by e-mail dated Monday 13/06/16 received at 16:56), which meant that an adjustment could be made. The outcome was that this reduced the tender sum from ~~£2,572,269~~ by ~~£237,937~~ to ~~£2,334,332~~.
- JP Developers Ltd initially failed to return a completed Activity Schedule however, the fee %'s included were deemed to be correct. Although the value of the Preliminaries was the lowest of the 3 returned tenders (and closest to the PTE) the value of the measured work was the highest, which led to this tender being the highest of the returned tenders.
- RH Fullwood & Co. Ltd responded promptly to the commercial queries raised and the fee %'s included were deemed to be correct. The preliminaries and the measured works were both 'mid' value i.e. they were neither the lowest nor highest from the returned tenders, although some elements of the measured work section appeared high in comparison to the PTE and lowest tender.

3 TENDER OPT OUT

William Birch & Sons Ltd decided to opt out of the tender process following the tender issue as they had been awarded some additional work since responding to the expression of interest (EOI) and no longer had the capacity to tender for the works. Hobson & Porter Ltd failed to return a tender.

4 PRICE

Three tender prices were returned to the Executive Director of Legal Services on Wednesday 8 June 2016 and these were opened and registered.

The returned tender prices were as follows:-

Bermar Building Co. Ltd	80.00 points
JP Developers Ltd	62.40 points
RH Fullwood & Co. Ltd	69.90 points
Hobson & Porter Ltd	DNR
William Birch & Sons Ltd	DNR

The maximum number of marks available for price is 80. This number of marks is awarded to the lowest tender price. The remaining tender prices attract reduced scores relative to the price difference above the lowest price.

See Appendix A for details of the Prices / tender analysis.

The tenders vary from [redacted] to [redacted] a range of 22%.

6 TENDER RECONCILIATION

- The Pre Tender Estimate (PTE) for the scheme was £360k, this being below the range of tenders.
- The lowest tender figure of £410k is 16% above the estimate. The main reason for this is the difference between the value of the Preliminaries contained within the lowest tender and the PTE. The value of the measured works of the lowest tender is within that of the PTE.
- Within the other tenders submitted, the value of the Preliminaries were more realistic (in comparison to the PTE) however, the value of the measured works were higher. As an aside, the value of the actual tiling, which is the main purpose of the Contract, remained fairly consistent across the PTE and returned tenders (at circa. £36k - £37k).
- Berman Building Co. Ltd and RH Fulwood & Co. Ltd are well known to NPS and LCC, whereas JP Developments Ltd appear to be a new name on the YOUbuild2 tender list (although they would have satisfied certain criteria to get onto the Framework).

7 OTHER TENDER MATTERS

- Planning Consent: N/A
- Building Control: N/A

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8 SUMMARY AND RECOMMENDATION

Tenderer	Quality Score	Price Score	Total Score	Rank
Bermar Building Co. Ltd	14.20	80.00	94.20	1
JP Developments Ltd	9.80	62.40	72.20	3
RH Fullwood & Co. Ltd	15.80	69.90	85.70	2
Hobson & Porter Ltd	N/A	N/A	N/A	
William Birch & Sons Ltd	N/A	N/A	N/A	

- Based on the Price assessment, Bermar Building Co. Ltd are the preferred Contractor. When combined with the Quality assessment (compiled separately from the Price assessment) Bermar Building Co. Ltd are still the preferred Contractor, although the difference in scoring has narrowed.
- The tender price in the sum of [redacted] (excluding VAT) submitted by Bermar Building Co. Ltd is arithmetically correct and all pricing queries have been resolved.
- Prior to any appointment however, it is recommended that the following are confirmed with the preferred Contractor:
 - **Programme;** the Contractor's programme should be reviewed and agreed by the Employer. The dates should match those as set out in section 2 of this report (and Contract Data Part One). A programme has not been submitted to NPS Leeds Ltd for comment or review as part of this report.
 - **Insurances;** due to the nature of the works, it should be confirmed that the Contractor holds the requisite insurances (as stated in Contract Data Part One) and that the Contractor shall provide the Insurance Backed Guarantee as set out in the tender / contract documents (and does so within two weeks of the Access Date).
- This report confirms that, on the basis of the Price assessment scoring, combined with the Quality assessment scoring (compiled separately from the Price assessment), the tender of Bermar Building Co. Ltd can be accepted once the necessary approvals have all been gained. These may include chief officer approval (by way of central finance) and delegated decision (from the appropriate chief officer) as well as approval from the Projects, Programmes and Procurement Unit (PPPU) of Leeds City Council that a compliant tender process has been followed.

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