

Report of: Contracts Project Manager

Report to: Chief Officer Property and Contracts and Chief Officer Housing Management

Date: 07/12/2016

Subject: Approval of the Evaluation Criteria for the Procurement of Private Sector Adaptations – Bathing and General Build workstreams and Waiver of CPR15.2 in relation to the pricing element of the evaluation of tenders.

Are specific electoral wards affected? If relevant, name(s) of ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, access to information procedure rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

1 Purpose of this report

1.1 The purpose of this paper is to seek Chief Officer

1.1.1 approval for the tender evaluation criteria for both the Bathing and General Build private sector adaptations in line with CPR 15.1 and;

1.1.2 to seek a waiver to CPR 15.2 which determines that “.the price element of evaluation will always be 40% or greater..”

2 Background and Main Issues

2.1 Property and Contracts, Health and Housing and PPPU procurement teams have developed revised tender documentation in line with the report submitted to SMT on 30 September 2016.

2.2 CPR 15.1 (Pg. 18 para 2) requires that “...*The evaluation criteria will be predetermined and approved (as an administrative decision) by the relevant Chief Officer and disclosed to all tenderers...*”

2.3 The evaluation criteria details for Bathing are set out in Appendix 1 and it is proposed to evaluate tenders on 100% quality criteria. There is no price evaluation criteria proposed for this workstream.

- 2.4** In terms of the General Build tender evaluation criteria, Appendix 2 sets these out in detail. Similarly it is proposed to evaluate tenders on 100% quality criteria. There is no cost evaluation criteria proposed for this workstream.
- 2.5** The Health and Housing Adaptations team have developed a fixed pricing model for bathing adaptation works which is proposed to be agreed with all successful contractors and forms part of the tender documents. Any contractors submitting quality tenders will be deemed to have accepted these prices. The Property and Contracts Commercial team are satisfied with this in terms of representing a reasonable market reflection of prices for the private sector bathing adaptations. The work will then be allocated on a rotational basis to the 4 appointed contractors (with a further list of 3 reserved contractors on the list).
- 2.6** In terms of the General Build Adaptations, the Health and Housing team propose to appoint all successful contractors to the contractors list. The work allocation in this case will be on the basis of seeking a minimum of 3 tenders from this list (on a rotational basis) to provide best value for money for private owners who have agreed for the Health and Housing team manage the delivery of the works on their behalf.
- 2.7** CPR15.2 (Pg. 18 Para 3) stipulates that
- “The price element of evaluation will always be 40% or greater. Any decision to waive this rule by a Chief Officer will be in accordance with CPR27 and must be justified in the circumstances. Authorised Officers should always consider whether a ‘price –quality separated’ approach may be applicable. This involves the first stage being a quality assessment which tenderers either pass or fail. Tenderers who pass are then assessed purely on price.”*
- 2.8** This report therefore seeks a waiver under CPR15.2 to allow 100% of the tender evaluation to be based on quality criteria with a minimum pass threshold of 4 out of 10 points for each question.
- 2.9** It’s worth noting that these contracts are to deliver private sector adaptations and they are not council contracts. Therefore is no requirement to comply with Leeds City Council’s CPRs. However it has been agreed by the project team to work within the spirit of the CPRs as good practice.

3 Corporate Considerations

3.1 Consultation and engagement

Consultation has taken place with the Health and Housing Adaptations team who have been involved in developing the tender documents including the tender evaluation criteria. PPPU Officers from both the legal and procurement teams have contributed and led on legal requirements within the tender documents and are satisfied with the final documents. Property and Contracts teams have supported the procurement project both from commissioning and commercial aspects. Leeds City Council’s Information Governance teams have contributed to developing relevant data protection aspects of the tender documents.

3.2 Equality and diversity / cohesion and integration

An equality, diversity, cohesion and integration impact assessment has been undertaken which has indicated that there are no negative impacts arising from undertaking this procurement.

3.3 Council policies and best council plan

The procurement of these contracts will enable the delivery of adaptations works (bathing and general build) to private owners within the city and therefore contribute to two key objectives within the Best Council Plan by;

- a) Ensuring high quality public services - improving quality, efficiency and involving people in shaping their city. With a focus on:
 - improving public health
 - improving housing
- b) Delivery of Better Lives programme - helping local people with care and support needs to enjoy better lives. With a focus on:
 - helping people to stay living at home
 - joining up health and social care services
 - creating the right housing, care and support

3.4 Resources and value for money

3.4.3 The procurement will be carried out in an open and transparent manner in line with Public Contract Regulations and EU Public Procurement Directives whilst ensuring competition is sought to identify best value as set out in Appendix 1 and 2 of this report.

3.4.4 The workstream will be contract managed by the Health and Housing Adaptation Team within Housing Leeds. Although not a requirement under the current arrangements, consideration will be given to developing a contract management plan for these works as in line with CPR 3.1.16.

3.5 Legal Implications, access to information and call In

3.5.5 PPPU (legal and procurement teams) have been extensively involved and consulted on the documents developed to deliver the private Sector Bathing and General Build Adaptations. The contracts involved has specifically been drawn up as bespoke contracts between the private owners and delivery contractors with a further agreement drawn up by legal services between the private owners and the Health and Housing Teams acting as contract administrators on behalf of the private owners.

3.5.6 A Privacy Impact Assessment was completed from which it was determined that the *Data Controller* role sits with each of the delivery contractors. Assessment of how contractors respond to the requirements of the Data Protection Act 1998 is part of the quality evaluation criteria and the tender documents have been amended to reflect these requirements working with the LCC information Governance Team. A draft Information Sharing Agreement has also been

incorporated into the tender documents which will be a mandatory requirement for successful contractors to sign up to prior to any work being allocated to them.

- 3.5.7 There are no call-in requirements for this report or any subsequent reports relating to the private sector contracts as the Council is not a party to these. However the decision to waive CPR15.2 will be a Significant Operational decision and will be subject to publication.

3.6 Risk management

- 3.6.1 As the proposals do not form part of the council contracting arrangements, there are no contractual risks identified with the specific contracts.
- 3.6.2 There is a potential risk that based on the proposals to set fixed prices for the bathing workstream, that the number of returned tenders may be limited or reduced due to the commercial model proposed. This was considered to be a relatively low risk as prospective tenderers are currently working to this model and there has been keen interest received through

4 Conclusions

- 4.1 The tender documents has been developed and signed off by officers within Health and Housing, Property and Contracts (commercial and commissioning, PPPU (legal and procurement teams) and Information Governance teams. This report seeks the approval of the tender evaluation criteria in line with CPR15.

5 Recommendations

- 5.1 The Chief Officers for Property and Contracts and for Housing Management are requested to
- 5.2 Approve the Tender Evaluation Criteria for Private Sector Bathing and General Build Adaptations as set out in Appendix 1 and 2
- 5.3 Approve the waiver of the price element for tender evaluation under CPR15.2 and in line with CPR27.

6 Background documents¹

- 6.1 Appendix 1 – Private Sector Bathing Adaptations Tender Evaluation Criteria.
- 6.2 Appendix 2 – Private Sector General Build Tender Evaluation Criteria.
- 6.3 Equality, Diversity, Cohesion and Integration Screening document for Bathing and General Private Sector Adaptations.

¹ The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.