

Report of the Corporate Landlord

Administrative Accommodation Project

Summary

1. The Corporate Landlord has undertaken a comprehensive procurement process for the appointment of design and construction partners for the Administration Project. The process has been conducted on the basis of MEAT (Most Economically Advantageous Tender). When the results of the MEAT evaluation establish a preferred bidder that is not the lowest price the matter should be recommended to members for final approval. In this case, of the five appointments, three are not the lowest price.

Background

2. The council published an OJEU notification in May 2006 seeking expressions of interest from interested consultants and constructors to work as an integrated partnering team to design and construct the new office accommodation at Hungate. The notice stated that the council wished to engage with companies with a proven record of partnering on similar projects, working within integrated teams, showing a commitment to open book accountability, and an openness to sharing benefits and savings.
3. Interested parties were requested to apply for one or more of the following categories or Lots:

Lot 1 – Constructor

Lot 2 – Architect, Structural Engineering, Space Planner and Planning Supervisor

Lot 3 – Mechanical and Electrical Engineer

Lot 4 – Quantity Surveyor

Lot 5 – Project Manager

4. Tender documents were issued to short listed consultants and constructors following an appraisal of their pre-qualification submissions. The tender documents detailed the scope of the work, contract conditions, outline user brief and tender evaluation criteria.
5. The tender evaluation criteria stated that the award of contract would be MEAT and provided details of how price and quality factors would be assessed.
6. The qualitative criteria were assessed by an interview for the Constructor, Quantity Surveyor and Project Manager prior to the receipt of the price. This clearly demonstrated to the Tenderers that the qualitative assessment could not be influenced by price, but contributed to the final evaluation on a quality price basis.
7. The response for both design categories (Lots 2 and 3 above) was very strong and a different approach was adopted to allow more companies to compete. Tenderers were informed that they should submit their price before interview and that a maximum of five firms for each lot would be interviewed. All interviewed firms had to meet the project's affordability criteria.
8. Having met the affordability criteria the award would be made on a qualitative basis to the company that demonstrated the greatest skill, experience and suitability during the interview. It was considered that this approach would ensure that the council would get the right companies for this project.
9. Evaluations of the tenders are now completed. The recommendations for both Constructor and Project Manger identified, through the price/quality evaluation, that the lowest financial bidders should be awarded the lots. The remaining categories identified companies whose tenders were not the lowest but which met the affordability criteria and they had demonstrated through interview and qualitative assessment that they were the most suitable appointment for this project.
10. The attached appendices give a summary of the results of both price and qualitative assessments.

Appendix 1 – Constructor

Appendix 2 – Architect, Structural Engineer, Space Planner, Planning Supervisor

Appendix 3 – Mechanical and Electrical Engineer

Appendix 4 – Quantity Surveyor

Appendix 5 – Project Manager

Consultation

11. The council's procurement team were consulted regarding the processes to be adopted.
12. The interview panels for Constructor, Project Manager and Quantity Surveyor consisted of officers from Property Services. It was recognised that for the design lots that the membership of the evaluation panel needed to have a wider representation. Officers from Property Services were joined by the council's Sustainability Officer, Executive Member for Corporate Services and representatives from the preferred Constructor and Project Manager. This enabled a wide range of issues to be explored with each tenderer.
13. Officers have notified all successful and unsuccessful Tenderers in accordance with OJEU requirements. All unsuccessful Tenderers have been provided with written feedback and offered an opportunity for further face-to-face feedback if required. Several Tenderers have accepted this offer.
14. Unsuccessful Tenderers were informed of their rights to challenge the decisions in accordance with the European Procurement Regulations. All Tenderers have accepted the decisions.
15. Feedback from the tenderers on the process has been very positive. A number welcomed the council's openness and transparency in the process adopted and applauded our choice of the partnering approach to the design and construction of this important building in York.

Options

Lot 1 - Constructor

16. The preferred and appointed constructor is Shepherd Construction.
17. Shepherd Construction was established as preferred bidder on the basis of a MEAT assessment and was the lowest price. Therefore, no other option is offered to members and no decision other than to acknowledge this appointment is necessary.

Lot 2 - Architect, Structural Engineer, Space Planner, Planning Supervisor

18. The preferred consultant is RMJM Ltd
19. RMJM was established as preferred bidder on the basis of a MEAT assessment and was not the lowest price. If members are not satisfied with this recommendation they have the option to refer the matter back to the Corporate Landlord for further assessment.

Lot 3 – Mechanical and Electrical Engineer

20. The preferred consultant is Gifford

21. Gifford was established as preferred bidder on the basis of a MEAT assessment and was not the lowest price. If members are not satisfied with this recommendation they have the option to refer the matter back to the Corporate Landlord for further assessment.

Lot 4 – Quantity Surveyor

22. The preferred consultant is WT Partnership
23. WT Partnership was established as preferred bidder on the basis of a MEAT assessment and was not the lowest price. If members are not satisfied with this recommendation they have the option to refer the matter back to the Corporate Landlord for further assessment.

Lot 5 – Project Manager

24. The preferred consultant is Turner and Townsend
25. Turner and Townsend were established as preferred bidder on the basis of a MEAT assessment and was the lowest price. Therefore, no other option is offered to members and no decision other than to acknowledge this appointment is necessary.

Analysis

26. For all Lots the appropriate processes have been followed, all evaluations have been audited and checked for accuracy and the Corporate Landlord is satisfied that the recommended appointments made to members are in the best interest of the council and its delivery of this important project.
27. Referring any of these recommendations back for further assessment will result in delay for the project and that delay would add to the costs of the project.

Corporate Priorities

The administrative Accommodation project contributes to the following priorities.

28. Improve our focus on the needs of customers and residents in designing and providing services (10)
29. Improve Efficiency and Reduce Waste to Free Up More Resources (13)

Implications

30.
 - **Financial** *All recommended appointments have met the affordability criteria for this project and budget is in place to fund them.*

- **Human Resources (HR):** None
- **Equalities:** None
- **Legal** *All legal aspects of these appointments are included in the terms and conditions of appointment and the use of the NEC (partnering) contracts.*
- **Crime and Disorder** *none relating to this process*
- **Information Technology (IT):** None
- **Property** *All contained within this report*
- **Other**

Risk Management

31. In compliance with the Councils risk management strategy the main risks that have been identified in this report are those which could lead to the inability to meet business objectives (Strategic) and to deliver services (Operational), leading to financial loss (Financial), non-compliance with legislation (Legal & Regulatory), damage to the Council's image and reputation and failure to meet stakeholders' expectations (Governance).

Recommendations

32. Members are asked to:
- (1) Acknowledge the appointment of Shepherd Construction as Constructor for the Administrative Accommodation project.
 - (2) Approve the appointment of RMJM Ltd as the Architect, Structural Engineer, Space Planner and Planning Supervisor for the Administrative Accommodation Project.
 - (3) Approve the appointment of Gifford as the Mechanical and Electrical Engineer for the Administrative Accommodation Project.
 - (4) Approve WT Partnership as the Quantity Surveyor for the Administrative Accommodation Project.
 - (5) Acknowledge the appointment of Turner and Townsend as Project Manager for the Administrative Accommodation project.

Contact Details

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Report Approved **Date** *9 February 2007*

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Wards Affected: *List wards or tick box to indicate all*

All

For further information please contact the author of the report

Background Papers:

All relevant background papers must be listed here.

Administrative Accommodation Tender Document

Annexes

Appendix 1 – Constructor

Appendix 2 – Architect, Structural Engineer, Space Planner, Planning Supervisor

Appendix 3 – Mechanical and Electrical Engineer

Appendix 4 – Quantity Surveyor

Appendix 5 – Project Manager