

NORTH LINCOLNSHIRE COUNCIL

CHILDREN'S SERVICES CABINET MEMBER

**BUILDING SCHOOLS FOR THE FUTURE (BSF):
EVALUATION OF FINAL SUBMISSIONS AND SELECTION OF PREFERRED
BIDDER**

OBJECT AND KEY POINTS IN THIS REPORT

- 1.1 To consider the recommendation of the BSF Project Board regarding the evaluation of final submissions from the two bid teams invited to continue in dialogue following interim evaluation of bids.
- 1.2 The key stages undertaken in arriving at the recommendations in this report are as follows:
- Three bid teams were engaged in initial dialogue with the Council from February 2008, under an invitation to continue dialogue (ITCD)
 - The bid teams were asked to submit interim bids for evaluation in June 2008.
 - The results of the interim evaluations were reported to the BSF Board on 8 September 2008 and the Board endorsed the outcomes. Two bid teams, Generation Education North Lincolnshire and May Gurney Ltd were invited to enter the second stage of ITCD.
 - Once the evaluation team was satisfied that two complete submissions had been developed during the resumed ITCD stage, the council proceeded to the invitation to submit final bids (ITSFB).
 - Having considered the outcomes of the two bids submitted at ITSFB stage, the Board is now recommending to the Cabinet Member that these results be approved.

2. BACKGROUND INFORMATION

- 2.1 The procurement plan for BSF in North Lincolnshire was based on the 'competitive dialogue' process. This means that the Council has engaged in detailed dialogue and negotiation with potential bidders

until a preferred bidder has been selected.

- 2.2 In order to bring a greater degree of focus to the latter stages of this process, we reduced the field to two bidders by evaluating all bids at an interim stage.
- 2.3 By its nature, an interim bid assessment looked at bids that are not at the final stage for submission. However, the bids were all sufficiently developed and this allowed for a thorough and rigorous evaluation to be completed. The process was undertaken by the BSF Team, other co-opted council officers, schools' representatives and with support from specialist consultants. This evaluation process continued into the ITSFB stage, with the same five areas for evaluation that carried the same weightings as were used at ITCD.
- 2.4 The outcome of the evaluation following ITSFB has been endorsed by the BSF Board. Further information on this, based on the report considered by the BSF Board, is attached at Appendix 1. The result is that May Gurney Ltd should be nominated as the preferred bidder for North Lincolnshire BSF. This means that May Gurney Ltd will be engaged in a further process of finalising details prior to the contract for BSF being signed. The Board therefore recommends that Cabinet Member approves the outcome as described.

3. OPTIONS FOR CONSIDERATION

- 3.1 The first option is to accept the recommendation of the BSF Project Board.
- 3.2 The second option is not to accept the recommendation of the BSF Project Board.

4. ANALYSIS OF OPTIONS

- 4.1 Option 1 above would allow the procurement of BSF to continue according to the agreed plan.
- 4.2 Option 2 above would not allow the procurement of BSF to continue according to the agreed plan.

5. RESOURCE IMPLICATIONS (FINANCIAL, STAFFING, PROPERTY,IT)

- 5.1 Financial
 - 5.1.1 The financial implications of this report are reflected in the overall BSF programme budget.
- 5.2 Staffing
 - 5.2.1 There are no direct staffing implications arising from this report.

5.3 Property

5.3.1 There are no direct property implications arising from this report.

5.4 IT

5.4.1 There are no direct IT implications arising from this report.

6. OTHER IMPLICATIONS (STATUTORY, ENVIRONMENTAL, DIVERSITY, SECTION 17 – CRIME AND DISORDER, RISK AND OTHER)

6.1 The risk elements of BSF are considered monthly by the BSF Board. There are no other direct implications associated with this report.

7. OUTCOMES OF CONSULTATION

7.1 The BSF Project Board has considered the issues reflected in this report and has made its recommendation to the Cabinet Member for Children's Services.

8. RECOMMENDATION

8.1 That the outcome of the BSF interim evaluation process as set out in paragraph 2.4 of this report be approved, namely that May Gurney Ltd be selected as the preferred bidder for North Lincolnshire BSF.

SERVICE DIRECTOR LEARNING SCHOOLS AND COMMUNITIES

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Date: 24 March 2009

Background Papers used in the preparation of this report: Cabinet Member Report – PB
Report to BSF Board 24 March 2009.

ITSFB Evaluation Result Report

1. Introduction

On the 30th January 2009, having a fully worked up solution agreed with the council for each bidder, a decision was taken to close dialogue and invite Generation Education North Lincolnshire and May Gurney Limited to proceed to the 'Invitation to Submit Final Tender' phase of the procurement. The intention at this stage is to eliminate one of the bidders and appoint a Preferred Bidder.

On the 9th February 2009, the council received final bid proposals from the two bidders who had been invited to make submissions. The bidders supplied two hardcopy responses (one master copy to be used as a reference and one working copy to be consulted for clarification during evaluation). Proposals were also submitted on CD Rom and lodged on the BSF Project site on E-box.

2. The Respondents

The following submitted formal responses,

- **May Gurney Limited**- a wholly owned subsidiary of May Gurney Integrated Services plc- a public limited company listed on the AIM, offering as a type A bidder:
 - LEP investors- May Gurney Ltd, Mass Consultants Ltd, NPS Property Consultants,
 - Partnering Services- May Gurney Ltd, Mass Consultants Ltd, Cranfield University, NPS Property Consultants,
 - Design-NPS Property Consultants and May Gurney Ltd.,
 - ICT Provider- MASS Consultants Ltd and Cranfield University,
 - Construction-May Gurney Ltd and Hall Construction Group,
 - Hard Facilities Management – May Gurney Ltd, Norfolk County Services Ltd.

- **Generation Education North Lincolnshire** – a joint venture Partnership-offering as a type A bidder:
 - LEP Investors- Sewell Group plc, Barclays Private Equity Ltd.,
 - Partnering Services- Sewell Group plc,,
 - Design- Adeas Architects Ltd
 - ICT Provider- Ergo Computing (UK) Ltd, Synetrix, Eclipse Education UK Ltd
 - Construction- Houlton Construction and Sewell Construction Ltd.,
 - Hard Facilities Management- Sewell FM Ltd.,
 - Soft Facilities Management- Sewell FM Ltd.

There were no material changes to the PQQ, ITPD or ITCD at this stage including any changes to details previously disclosed to the Contracting Authorities.

3. Compliance

All bids were checked for formal compliance at opening and were considered to be compliant in that regard.

4. Evaluation and Clarification

As in previous stages, evaluation was undertaken using the AWARD software. This allowed for personal evaluation to be undertaken at a variety of locations with the inputs being fed into a central database.

The ITSFB is divided into five sections

- **LEP and Partnering**
This related to the establishment of the LEP, what it would do, how it would do and show that it had done, how it would improve and show it, and what resources it proposed to deploy. It was broken down into sections as follows: Partnering services, Key Performance Indicators, Design Philosophy Continuous Improvement Plan, Business Plan, Interface Issues (i.e. risk allocation) and Supply Chain Management.
This section carried 40% of the total score available to bidders.
- **Design and Build (including FM)**
This section looked at the proposals with regard to the sample schools (Melior and Brumby) – bidders were required to show their designs, how they would carry out the works at the schools, effect handover following substantial completion, and their proposals for maintaining the buildings.
This section contained 30% of the total score available to bidders.
- **ICT**
This section looked at the bidders' proposals as to the integration of ICT into the design of the buildings, the nature of the proposed service, the Virtual Workspace (the educational rather than technical aspects of the service – e.g. the Learning Platform) and how the proposed service would help deliver the change management agenda.
This section contained 20% of the total score available to bidders.
- **Financial**
This section was split into two parts, LEP Financial section and Sample School Financial section, and looked at the proposed costs and affordability. The review of technical and financial proforma sought to ensure that there was a sound financial base for the projected price and the bidders' proposals.
This section contained 5% of the total score available to bidders.
- **Legal**
This section looked at the draft contractual documentation prepared by each bidder as compared with the draft contracts agreed with PfS, and considered any derogations proposed.

This section contained 5% of the total score available to bidders.

As with the ITCD stage, each section was evaluated by a specialist sub group made up of team members, other officers of the council with specialisms in the subject area, and external consultants.

Every section was divided into parts, which were then scored on a scale of 0-10 (0 being 'unacceptable', 10 being 'exceptional', and 5 being 'meets expectations'). In effect, this meant there was a maximum score for each section (set out above) of 10 times it's weighting – e.g. in the case of LEP and Partnering, a maximum of 400.

Each section was initially checked for clarification issues by members of the relevant sub groups and then evaluated in light of any required clarifications supplied by the bidders. Each team member was required to complete a personal evaluation of their subject area and record their scoring on AWARD.

Clarification issues were raised directly with bidders via e-mail and clarification interviews were held with each bidder where further clarification was required. The process did not involve presentations by the bid teams. A log of clarification issues raised with bidders and their responses has been kept.

The individual evaluators scores were subject to a group consensus meeting at which an agreed overall view was entered under the "consensus" heading on AWARD.

This moderation exercise constituted the initial score for each section which was carried forward for confirmation or further moderation to a meeting of the Evaluation Panel on Friday 20th March, the results of which are set out below.

5. Scores

Out of 1000,

May Gurney Ltd – 614.5
Generation Education NL - 501

6. Recommendation

Based on the above methodology and scoring it is recommended that May Gurney Limited be appointed as Preferred Bidder.

A Williamson
BSF Project Director

24th March 2009