

NORTH LONDON WASTE AUTHORITY

REPORT TITLE:

NORTH LONDON HEAT AND POWER PROJECT – APPOINTMENT OF ARCHITECT

REPORT OF:

HEAD OF LEGAL AND GOVERNANCE

FOR SUBMISSION TO:

AUTHORITY MEETING

DATE:

7 December 2017

SUMMARY OF REPORT:

At its meeting on 22 June 2017, the Authority agreed to procure architects to support it in the implementation of the Development Consent Order for a replacement Energy Recovery Facility at the EcoPark, with associated works, including a Resource Recovery Facility (RRF) with a new Reuse and Recycling Centre (RRC), and EcoPark House, a visitor reception centre which can also be used for education on waste related matters. Following that meeting, a procurement exercise for architects was carried out, and this report recommends the appointment of architects following that exercise.

RECOMMENDATIONS:

The Authority is recommended to:

1. Note the report (including the confidential appendix on part II of this agenda)
2. Appoint bidder C as Architect for the Authority in accordance with this report
3. Delegate authority to the Head of Legal and Governance to finalise contracts in accordance with the decision to appoint architects

SIGNED:Head of Legal and Governance

DATE: 27 November 2017

1 INTRODUCTION

- 1.1 In February 2017 the Secretary of State granted the Authority's application for a Development Consent Order (DCO) for a replacement Energy Recovery Facility, with associated works, including a Resource Recovery Facility (RRF) with a new Reuse and Recycling Centre (RRC), and EcoPark House, a visitor reception centre, on the Edmonton EcoPark, the project known as the North London Heat and Power Project (NLHPP).
- 1.2 Following the grant of the DCO, and at its meeting on 22 June 2017 the Authority agreed to procure architects to provide concept architect and executive architect services for the implementation of the NLHPP.

2 PROCUREMENT PROCESS

- 2.1 The value of the architect contract was estimated at £1.5M over the period of the project.
- 2.2 Because of this estimated value, the Authority published a notice in the Official Journal of the European Union on 12 July 2017 inviting tenders for the provision of Architect and Design Consultancy relating to the North London Heat and Power Project. A similar notice was published on Contracts Finder. The procurement was conducted in accordance with the open procedure under Directive 2014/24/EU as implemented by the Public Contracts Regulations 2015.
- 2.3 Under this process, bidders were required to complete the Selection Questionnaire and to submit a tender at the same time. The Architect and Design Consultancy Services contract was not divided into lots.
- 2.4 The suitability assessment, in accordance with the Selection Criteria published with the procurement documents, was carried out and the tenders submitted by bidders who passed the suitability assessment were evaluated in accordance with the award criteria published with the procurement documents.
- 2.5 A summary of the minimum requirements required as part of the Selection Questionnaire for both tenders are provided below. Bidders were required to score a minimum of 50% of the total scores for Technical and Professional Ability to pass the minimum requirements for Selection.

Selection Questionnaire	Minimum Requirements
Part 1: Potential Supplier Information	Required Data
Part 2: Exclusion Ground	Pass / Fail
Part 3: Economic and Financial Standing	Pass / Fail
Part 3: Technical and Professional Ability	Scored
Part 3: Modern Slavery Act 2015	Pass / Fail
Part 3: Minimum insurance levels	Pass / Fail
Part 3: Additional Questions (Supply Chain)	Scored

3 AWARD CRITERIA

- 3.1 Evaluation of the bids was carried out in accordance with the published award criteria, and the outcomes were moderated in accordance with the tender documentation in the interview. The weighting of the evaluation criteria was split into 30% cost and 70% quality. The Authority reserved the right to exclude a bidder that scored zero to two in any level two criterion within the cost or quality criteria.
- 3.2 A total of 20 marks were available under the Architect and Design Consultancy Services contract for the cost criterion which was scored relative to the Authority's benchmark dayrate. The benchmark day rates for the contract were calculated based on the average day rates from previous market information obtained by the Authority.
- 3.3 The summed total cost of the day rates submitted by a bidder was scored relative to the percentage deviation from the summed total cost of the Authority's benchmark day rates. The percentage deviation and the relative marks achievable are presented below:

Deviation from Authority benchmark day rate cost	Marks (Architect and Design Consultancy Services)
≥30% less than the benchmark day rate	20
>0% to <30% less than the benchmark day rate	11 - 19
0% deviation from the benchmark day rate	10
>0% to <30% more than the benchmark day rate	1 - 9
≥30% more than the benchmark day rate	0

- 3.4 A further 10 marks were available based on a value for money exercise (see below for details).
- 3.5 Bidders were instructed to submit an example exercise to demonstrate value for money and allocation of resources which was scored on a qualitative basis as follows:

Value for Money and Resource Allocation	Marks (Technical only)
Demonstrates excellent value for money and excellent resource allocation across tasks	9 - 10
Demonstrates good value for money and good resource allocation across tasks	7 - 8
Demonstrates adequate value for money and adequate resource allocation across tasks	5 - 6

Demonstrates poor value for money and poor resource allocation across tasks	3 - 4
Fails to demonstrate value for money and/or very poor resource allocation	0 - 2

3.6 A total of 70 marks were available for the quality criterion for each tender with the subcriteria detailed in the table below:

Quality Subcriteria)	Marks
Relevant skills, qualifications and experience of individuals providing the services	10
Understanding of public sector working including best value and communications skills	5
Acceptance of the published contract conditions	5
5 method statements	50 (split equally between the five method statements)
Total	70

4 BIDDERS

4.1 The Authority's return deadline was 13:00 on 7 September 2017.

4.2 The Authority received seven (7) tenders and all tenders were received by the return deadline. One tender did not meet the minimum requirements and was disqualified.

4.3 All bidders who passed the selection were interviewed in accordance with the procurement documents. The interviews were conducted by a selection panel comprising NLWA officers and Authority Members and were held at NLWA offices on 2 November 2017. The bidders were required to make a presentation on two pre-specified method statements and on the quality sub criterion relating to the bidder's understanding of public sector working including best value and communications skills.

5 OUTCOME OF PROCUREMENT AND CONCLUSION

5.1 The table below summarises the outcome of the evaluation for the procurement. The names of the bidders and the detail of the bids are set out in the confidential appendix to this report on part II of this agenda.

5.2 The outcome of the evaluation is as follows:

	A	B	C	D	E	F
Total Score out of 100	58.30	77.92	80.50	54.19	72.70	69.00

5.3 It is recommended that the contract for the provision of architect and design services be awarded to bidder C as the most economically advantageous bid for the contract in

accordance with the published award criteria. It is further recommended that the contract should be awarded for a term of ten (10) years commencing on 9 January 2018 with the Authority having a right to extend the contract period for a further period of up to five years on five separate occasions not exceeding 12 months each.

- 5.4 If the recommendation in this report is approved, a 10 day standstill period will be observed in accordance with the Public Contracts Regulations 2015. The contract award notices will also be published on the OJEU within 30 days of the contracts being awarded and similar notices will be published on Contracts Finder.

6 COMMENTS OF THE LEGAL ADVISER

- 6.1 The appointment of an adviser for architect and design services as recommended in this report is incidental to the furtherance of the Authority's statutory functions under section 51 of the Environmental Protection Act 1990 as a waste disposal authority. The Authority has the power to carry out activities that are incidental to the furtherance of its statutory functions under section 111 of the Local Government Act 1972.
- 6.2 The contract recommended in this report is classified as public services contracts under the Public Contracts Regulations 2015 and the value of the contract is above the current EU threshold for public services contract of £164,176. Therefore part 2 of the Public Contracts Regulations 2015 applies to the procurement and award process. The Authority must also comply with the Contract Standing Orders and the EU principles of equal treatment, non-discrimination, transparency and proportionality.
- 6.3 The procurement process carried out by the Authority as set out in this report and the recommendation for contract award comply with the requirements of the Public Contracts Regulations 2015 and the Authority's Contract Standing Orders. The Authority must ensure that the mandatory 10 day standstill period is complied with prior to contract award. The Authority must also publish a contract award notice within 30 days of the award in the OJEU. A similar notice must also be published on Contracts Finder.

7 COMMENTS OF THE FINANCIAL ADVISER

- 7.1 The outcome of the tenders is in line with expectations and the medium term forecast that was reported to the Authority at the February Authority meeting. Actual costs will be determined by the level of work that has to be completed and this will be monitored and updated in future budget reviews.

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REPORT ENDS