


Tender Report

Invitation to Submit Final Tender

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DOCUMENT CONTROL

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Executive Summary

This report is intended to provide Stroud District Council with a brief description of the process leading to the Invitation to Submit Final Tenders Stage and the subsequent receipt, evaluation, moderation and weighting for each of the Tenderers' tender submissions.

Three tenderers were taken from the Selection stage and invited to participate in dialogue. Outline submissions from the tenderers were presented and developed through the dialogue process in readiness for issuing the Invitation to Submit Final Tender.

An overview from the dialog phase of the agendas can be found in Appendix B and clarifications in Appendix A.

The Invitation to Submit Final Tenders responses were initially assessed for completeness and compliance. Following this assessment all submissions were considered suitable for evaluation however some risks were noted during the process and have been expanded upon in the preferred bidder section 5 note: The risks predominantly belong to the unsuccessful tenderers.

The scored evaluation of the submissions has been undertaken by a team comprised of council officers and professional consultants from Gleeds Cost Management Ltd. The evaluation and moderation were undertaken in line with best practice offering:

- Equitability of opportunity
- Transparency in process
- Integrity of conduct in running the procurement
- Confidentiality of individual tenderers proposition
- Auditability of whole process to demonstrate the above

Following the evaluation process **Tenderer X is considered the most economically advantageous tender** response to be taken forward to the Preferred Tenderer Stage.

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	Subject	Total Weight available	Tenderer 1 Weighted Score	Tenderer 2 Weighted Score	Tenderer 3 Weighted Score
a	Business Plan	10.00%			
b	Financial Commitment	5.80%			
c	Acceptance of Risk	5.80%			
d	Commercial Returns	5.40%			
e	Delivery Cost for Development	2.70%			
f	Viability Tests / Quantum of Guaranteed Development	2.70%			
g	Contracting Strategy	2.70%			
h	Structure & Governance incl Job Descriptions	3.00%			
i	General Management Arrangements	3.00%			
j	Programme	2.40%			
k	Sales and Marketing Strategy	2.40%			
l	Design Standards	11.30%			
m	Development Offer - Residential	9.10%			
n	Development Offer - Commercial	4.60%			
o	Development Offer - Public Realm	6.50%			
p	Development Offer - Community Facilities	5.40%			
q	Sustainability Proposals	9.00%			
r	Social Value Proposals	8.00%			

The table above shows the tenderers moderated score, the weighting applied for each question and the weighted score for each question.

The overall evaluation scores are:

Tenderer 1 –

Tenderer 3 –

Tenderer 2 –

Therefore, it is proposed that Tenderer X is appointed as Preferred Tenderer and taken forward to the next stage. This is subject to the successful completion of the stand-still period and acceptance of the council's Development Agreement.

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Tenderer X can now be revealed as

Moderated evaluation commentary is located in section two with additional detail relating to design, social value and sustainability is located in appendix D.

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Introduction

Introduction

This report has been drafted in relation to the procurement of a development partner for Stroud District Council. The report has been drafted at the conclusion of the Invitation to Submit Final Tenders stage, in order that the preferred tenderer can be selected by Stroud District Council for the Brimscombe Port development opportunity.

The Invitation to Submit Final Tenders documentation was produced by Gleeds Cost Management Ltd in conjunction with Stroud District Council and K & L Gates.

This report is to be read in conjunction with the SQ report which articulates the process and results of the shortlisting exercise which selected the 3 potential developers which were invited to participate.

The shortlisting process was undertaken utilising the PAS 91 construction specific Selection Questionnaire (SQ), as approved by Members at the meeting of Strategy and Resources Committee on 17 December 2019 in order to shortlist potential tenderers. The Selection Questionnaire responses were scored and moderated by officers and the Councils advisors.

A procurement portal was set up to centrally manage documents, requests, clarifications and submissions, all of which are stored in accordance with the Public Contracts Regulations 2015. This data room was managed by Kirk Hardy from Gleeds Cost Management Ltd. This procurement portal was utilised throughout each stage of this process with restricted areas representing SQ, ITPD & ISFT stages.

The final procurement timetable with all dates across the process can be found below

Publication of Contract Notice	29.10.2021
Deadline for submission of SQ clarification questions	12.11.2021
Final SQ clarifications to be issued	19.11.2021
Deadline for return of completed SQs by 12 noon	29.11.2021
Issue Invitation to Participate in Dialogue (ITPD)	07.02.2022
Deadline for return of Outline Submissions by 12 noon	04.03.2022
Commencement of Dialogue	15.03.2022
Dialogue	15.03.2022 to ITSFT
Issue ITSFT	01.04.2022
Commencement of Evaluation and Moderation	03.05.2022
Notification of Contract Award decision to Developers (provisional)	13/07/2022
Standstill Period Ends (provisional)	26/07/2022
Award of Contract (provisional)	Sept 2022

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Tender process

Competitive dialogue

The programme initially set out a 3-dialogue session per developer approach. These sessions were broken down into key modules/subjects to enable the appropriate SDC and developer team members to attend at appropriate times and ensuring no undue burden of time spent in meetings which do not relate to their specialist area.

The agendas for these meetings can be found in Appendix B. The approach here was to ensure all subjects relating to the tender documentation were presented and reviewed by the team to give feedback as to the alignment of their approach with the council's requirements. (via the clarification process)

SDC issued an extension to the dialogue process to include an additional 4th session following the solutions presented at Dialogue session 3. The goal of this session was to focus on key areas of potential non-conformances with the specification. The following clarifications were considered key for this meeting, this was undertaken for all tenderers.

Car Parking - Clarity on the council's position to the Car Parking Requirement	The council's position on Car Parking remains in line with the requirement set out in the Output Specification. A further clarification on how this will be scored in the tender submission will follow on clarification 29.
SDC clarification - Building Heights	The height of buildings has to have regard for the constraints of the site in particular heritage and landscape. Clarification 41 contains relevant extracts taken from the Output Specification, Section 3.2.1.
SDC Clarification - Scoring Criteria for the commercial element of the response	<p>To provide clarity on how the price element of the assessment will to be scored, please find guidance below;</p> <p>Section A This section will assess the capital receipt element of the viability, this will be scored by: The highest anticipated land value payment will be awarded 100%. Lower land value payments will be awarded a percentage based on the value proportionate to the lowest land value payment received (e.g. a land value payment of £9 would be awarded a score of 90% if the highest land value payment is £10). Minus values will score 0 in this section.</p> <p>Sections B to K These sections will assess the overall viability by reviewing the robustness of the inputs provided within the business plan template ensuring the number and information provided to support (in line with the word count and guidance), both align and sufficient detail has been provided to enable assurance against the output specification, the development offer and business plan template.</p> <p>*note - 'Sections' referenced above relate to the scoring criteria located in the ITPD</p>

In relation to scale & height when considering the councils requirements in your design, SDC would like to bring your attention to the following extract of the specification which will be key for consideration in the tender assessment;

SDC clarification -
Output Specification

The Local Planning Authority welcome innovative approaches to architectural style, construction method and materials, encouraging modern methods of construction, providing that they pay regard to the character of the site. Pastiche mill type buildings that would challenge the hierarchy of the remaining historic buildings on and adjacent to the site would be unlikely to be supported. Generic waterfront development of a single scale and limited palette of non-locally distinctive materials should be avoided. We seek a lively and welcoming mix of height and design, reflecting the historic use of the site and drawing on the varied architectural influences of industry and the local vernacular.

Care is needed on heights and massing of buildings; whilst some tall structures are likely to be appropriate, particularly in the middle of the site, these should be broken up by buildings that respect human scale on the site edges. Overly restrictive standards with regard to matters such as privacy etc. may not always be applied in the interests of good development, however, secured by design principles should be applied wherever possible.

Clarification process

The clarification process was undertaken to record any communications received and sent out to the Tenderers. Due to challenges in the tenderers understanding the portal these were communicated via e-mail. All clarifications issued during this time have been provided in Appendix A.

Clarifications were issued to all parties in all instances to ensure each developer was given the same opportunity to consider the point. A process for considering commercially sensitive clarifications which could provide exposure to the other developers was considered however this was not necessary for the clarifications received during the ITPD period.

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Evaluation Process

Evaluation Team

The evaluation of the Invitation to Submit Final Tenders was undertaken by a team of 6 evaluators.

Each of the evaluators was selected to undertake the evaluation of questions which complemented their skill sets and areas of work, be it as an officer of the council or professional consultant.

The full question set, and guidance can be found in appendix C

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valuation

Moderation

There were a series of moderation sessions undertaken over a 5-day period. Each moderation session was chaired by Chris Bowmer (Gleeds Cost Management Ltd) being independent and not undertaking any of the evaluations.

All evaluators were required to submit their individual scoring and reasoning 24 hours prior to the moderation session. This allowed the Chair to collate the evaluations and ensure that all evaluations were undertaken independently.

The moderation sessions were undertaken in a manner where the opinion of each individual was considered to have equal importance with each member invited to provide their justification for the score they proposed. Following an agreed moderated score, the Chair drafted the moderated narrative live on screen with the input of all evaluators.

Financial Pro-forma Evaluation

Question A was set to score the overall financial cost or receipt to the Council. This question was scored on a quantitative basis as per the evaluation criteria shown to the right.

Tenderer 1	Tenderer 2	Tenderer 3
Rank	Rank	Rank
Score %	Score %	Score %

To summarise the key considerations and potential risks found following the review of the financial proformas a summary of each can be found below:

- **Tenderer 1 -**
- **Tenderer 2 -**
- **Tenderer 3 -**

A

Can you fully demonstrate that you can deliver a commercially viable project by providing a fully costed business plan in the format provided?

This section will assess the capital receipt element of the viability located on cell H74 of your financial proforma, this will be scored by: The highest anticipated land value payment will be awarded 100%. Lower land value payments will be awarded a percentage based on the value proportionate to the lowest land value payment received (e.g. a land value payment of £9 would be awarded a score of 90% if the highest land value payment is £10). Minus values will score 0 in this section.

Qualitative Evaluations

The table below provides the moderated scores and supporting narrative as agreed in the moderation sessions:

Question	Tenderer 1	Tenderer 2	Tenderer 3
B			
Moderated Score			
Question	Tenderer 1	Tenderer 2	Tenderer 3
C			
Moderated Score			
Question	Tenderer 1	Tenderer 2	Tenderer 3
D			
Moderated Score			
Question	Tenderer 1	Tenderer 2	Tenderer 3
E			
Moderated Score			
Question	Tenderer 1	Tenderer 2	Tenderer 3
F			
Moderated Score			
Question	Tenderer 1	Tenderer 2	Tenderer 3
G			
Moderated Score			
Question	Tenderer 1	Tenderer 2	Tenderer 3
H			
Moderated Score			
Question	Tenderer 1	Tenderer 2	Tenderer 3
I			
Moderated Score			
Question	Tenderer 1	Tenderer 2	Tenderer 3
J			
Moderated Score			

Question	Tenderer 1	Tenderer 2	Tenderer 3
K			
Moderated Score			
Question	Tenderer 1	Tenderer 2	Tenderer 3
L			
Moderated Score			
Question	Tenderer 1	Tenderer 2	Tenderer 3
M			
Moderated Score			
Question	Tenderer 1	Tenderer 2	Tenderer 3
N			
Moderated Score			
Question	Tenderer 1	Tenderer 2	Tenderer 3
O			
Moderated Score			
Question	Tenderer 1	Tenderer 2	Tenderer 3
P			
Moderated Score			
Question	Tenderer 1	Tenderer 2	Tenderer 3
Q			
Moderated Score			
Question	Tenderer 1	Tenderer 2	Tenderer 3
R			
Moderated Score			

Post-Tender Clarifications

There were [Number]/no clarifications raised for the responses moderated above.

Tenderer 1

Tenderer 2

Tenderer 3

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Results

Weighted Scores

The weightings for each qualitative question were applied to the moderated result. The table below shows all tenderers' moderated score, the weighting applied for each question and the weighted score for each question.

Therefore, the overall evaluation results are as follows:

Subject	Moderated score Tenderer 1	Moderated score Tenderer 2	Moderated score Tenderer 3	Total Weight available	Score per point	Tenderer 1 Weighted Score	Tenderer 2 Weighted Score	Tenderer 3 Weighted Score
a Business Plan								
b Financial Commitment								
c Acceptance of Risk								
d Commercial Returns								
e Delivery Cost for Development								
f Viability Tests / Quantum of Guaranteed Development								
g Contracting Strategy								
h Structure & Governance incl. Job Descriptions								
i General Management Arrangements								
j Programme								
k Sales and Marketing Strategy								
l Design Standards								
m Development Offer - Residential								
n Development Offer - Commercial								
o Development Offer - Public Realm								
p Development Offer - Community Facilities								
q Sustainability Proposals								
r Social Value Proposals								

The tables below summarise the overall score and individual qualitative questions and below the scored appropriately weighted;

The results of which are:

1. Tenderer 1 –%
2. Tenderer 3 –%
3. Tenderer 2 –%

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Preferred Tenderer Letter Considerations

A preferred tenderer letter will be issued in which the council sets out to the preferred tenderer the issues identified as part of the evaluation process which need to be addressed prior to execution of the development agreement.

Tenderer 1

Tenderer 2

Tenderer 3

Appendix A

Clarification Responses

Appendix B

Competitive Dialogue Agenda

Session	Tenderer	Date	Topic

Appendix C

Stroud District Council Scoring Criteria

(See Tender Evaluation Matrix)

Appendix D

ISFT Design Response

These will be Displayed in the Exempt Session of the
Strategy and Resources Committee Meeting