**Volume 5**

**Returnable Schedules – Tendering Instructions**

**Contract for the provision of Highway Term Maintenance Services**

**DN581359**

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# Evalution of Tenders

There are three stages of evalution that will be undertaken by the Authority.

The first will take place upon receipt of RTP submissions. This is a Selection stage. Any supplier may submit the RTP documentation to be considered for this contract.

The second will take place upon receipt of ISIT submissions and the third will take place upon receipt of ISFT submissions. These are Award stages. Only suppliers that have passed the selection stage will be invited to submit ISIT and ISFT documentation. There will be a negotiation stage, ITN, following ISIT submission, this stage is not subject of evaluation.

|  |  |  |
| --- | --- | --- |
| **Stage** | **Type** | **Assessment Criteria** |
| RTP | Selection | Selection Questionnaire – Pass/Fail and Scored Questions Table 8 Capacity and Capability. |
| ISIT | Award | Price 60%:Quality 30%:Social Value 10% |
| ITN | n/a | n/a |
| ISFT | Award | Price 60%:Quality 30%:Social Value 10% |

The evaluation procedure will consist of two types of evaluation Selection and Award. Selection will take place first and will be conducted by the Authority’s Commercial and Procurement Team with the assistance of key stakeholders. Applicants’ responses to the Selection Questionnaire will be evaluated within the selection stage of the evaluation procedure and evaluation panellists will examine the capacity and capability of Applicants, including previous experience to perform the Contract.

The award stage of the evaluation procedure will take place following the selection stage and only where the Applicant has been judged to have passed the selection stage. The award stage examines how the Applicant proposes to deliver the Contract and will be conducted by a panel of key stakeholders. The size, make up and experience of the evaluation panel will reflect the scale and complexity of the activity to be evaluated, and may include a degree of specialist input consistent with the nature of the procurement. A representative from the Authority’s Commercial and Procurement Team will moderate evaluation sessions.

Evaluation panellists will be provided with Applicants’ Bids prior to evaluation sessions but no scores will be agreed until an official session in convened. During the evaluation session Bids will be evaluated against the published evaluation criteria and scoring guidelines. Bids will not be scored comparative to one another. Evaluation panellists will be encouraged by the moderator to discuss Applicants’ Bids with a view to arriving at a single, agreed, moderated score for each question and/or method statement response. The moderator will record the moderated score and a summary of the evaluator’s comments sufficient to justify the score, which will be provided to Applicants alongside any notification of the decision to award the Contract.

## RTP Stage

The Selection criteria will be applied at this stage.

### Preliminary Compliance

The Authority will assess whether all requisite sections of the Applicant’s Bid have been completed and all necessary information, schedules and any other Bid requirements have been supplied for each stage in the procurement in accordance with the following:

|  |  |
| --- | --- |
| **Schedule** | **Title** |
| **1.1** | Selection RTP PAS91 2017 |

The Applicant’s response shall be considered to have failed and will be excluded from the procurement where it fails to complete and/or submit any of the required schedules as set out above.

The additional Schedule 1.2 Certificate of Confidentiality TUPE is not required to be submitted for a supplier to be considered at the Selection stage. This schedule should be sent to the Authority prior to the submission of the RTP document through the messaging function of the e-tendering portal in order to view the confidential TUPE information provided by the incumbent. The Authority would recommend that interested Applicants request the TUPE information prior to considering whether to participate in this procurement exercise.

### Evaluation of the Selection Questionnaire

Evaluation of the Selection Questionnaire shall be conducted as follows:

|  |  |  |
| --- | --- | --- |
| **Section** | **Topic** | **Means of evaluation** |
| Table 1 | Supplier identity, key roles and contact information | For information only |
| Table 2 | Financial Information | Pass/fail – Economic and financial standing |
| Table 3A | ESPD option, Grounds for  mandatory exclusion and non-payment of tax and social security contributions (mandatory exclusion) | Pass/fail |
| Table 3B | Grounds for  discretionary exclusion | Pass/fail – Authority discretion |
| Table 4 | Health and safety: policy and capability | Pass/fail – Authority discretion |
| Table 5 | Equal opportunity and diversity policy and capability | Pass/fail – Authority discretion |
| Table 6 | Environmental management policy and capability | Pass/fail – Authority discretion |
| Table 7 | Quality management policy and capability | Pass/fail – Authority discretion |
| Table 8 | Supplementary questions in respect of organizational technical and/or professional capability | Scored  and Information Only |
| Table 9 | Additional – Authority specific questions | Pass/Fail |

### Means of evaluation: for information only

Sections and/or questions marked for information will not be evaluated. However, all information requested must be completed by the Applicant.

### Means of evaluation: pass/fail

Applicant’s responses to sections and/or questions marked pass/fail will be considered to have failed and will be excluded from the procurement process under the following circumstances (where they apply):

* where the Applicant responds with a ‘yes’ to any of the circumstances listed under Table 3A Grounds for mandatory exclusion, whether the Applicant itself (where bidding as the Prime Contractor) or the Applicant or any consortium member (where bidding under a consortium structure);
* where the Applicant’s response contravenes any relevant legislation; or
* where the respective section is incomplete.

### Means of evaluation: pass/fail – Authority discretion

Applicant’s responses to sections and/or questions marked pass/fail will be considered to have failed and will be excluded from the procurement process under the following circumstances (where they apply):

* where the Applicant responds with a ‘yes’ to any of the circumstances listed under Table 3B Grounds for discretionary exclusion, whether the Applicant itself (where bidding as the Prime Contractor) or the Applicant or any consortium member (where bidding under a consortium structure);
* where the Applicant’s response fails to offer the Authority sufficient assurance that its requirements will be met;
* where the Applicant’s technical and professional ability, as explored through previous experience is, in the Authority’s view, inappropriate or inadequate to meet the Authority’s requirements as set out in the Procurement Documents;
* where the Applicant fails to confirm it already has and/or will acquire the type and level of insurance cover required;
* where the respective section is incomplete.

### Means of evaluation: pass/fail – Economic and financial standing

The Applicant is required to self-declare its ability to provide at least one of a number of different types of information, such as company accounts, statement of turnover or cash flow forecast that demonstrate its financial standing although the Applicant is not required to submit its accounts, etc. as part of its Bid.

Should the Applicant provide no response to this section it will be considered to have failed and will be excluded from the procurement process.

Prior to the award of the Contract the Authority shall undertake to follow up with the successful Applicant to ensure that the documents declared are available and that they demonstrate that the Applicant has an acceptable level of economic and financial standing to perform a Contract of the required size and complexity. This will include an assessment regarding the ability of the Applicant to continue as a going concern, which is intended to identify considerations that would justify moving to not award the Contract on the basis of the likely future performance of the Applicant concerned.

The Authority will be entitled to consider all information contained in the financial information submitted by the Applicant. Prior to any decision not to award the resultant Contract to the Applicant on this basis, the Authority may seek clarification of the relevant consideration from the Applicant and will take into account any explanation offered by the Applicant.

Initially basic checks will be made on an Applicant’s title and any relevant registration details (e.g. registered number at Companies House) by the Authority’s Finance team. The Authority will check whether the Applicant is trading or dormant and whether it has a parent company. The status of the accounts will also be determined to check whether accounts submitted are for the last accounting period for which statements have been filed and whether there are later accounts that are overdue.

When considering profitability, the Authority will look at the gross profit margin and operating profit margin. These ratios will indicate the efficiency of the organisation. A loss in the year will be looked at in conjunction with the balance sheet resources available to cover this loss.

When looking at liquidity, the Authority will use the current ratio and the acid test ratio. The current ratio is a measure of financial strength and addresses the question of whether the Applicant has sufficient current assets to meet the payment schedule of its current debts with a margin of safety for possible losses in current assets. The Acid Test ratio will measure liquidity and excludes stock to include liquid assets only.

The Authority will look at the Applicant’s balance sheet and determine the net worth of the organisation and that element that can be mobilised in a financial crisis. The Authority will look at the net assets and also the net tangible worth (excluding intangible assets). The Authority will also look at debt ratio and total debts against total asset.

The Authority will make its evaluation based on the below:

|  |  |  |
| --- | --- | --- |
| **Risk Level** | **Score** | **Definition** |
| High Risk | Fail | Unacceptable risk or risks identified |
| Low Risk | Pass | No risks identified or some minor risks identified |

Any decision to not to award the resultant Contract following the application of the financial assessment evaluation methodology will be formally recorded and the Applicant will be notified. Under these circumstances the Authority may offer the contract to the second placed Applicant.

### Means of evaluation: Scored

Questions listed in ‘Table 8 - Supplementary questions in respect of organizational technical and/or professional capability’ will be scored where indicated by the Authority.

There scoring for each specific question is set out below.

**Question S1-Q1 – Experience & Capability**

Each of the headings within this question will be scored as to the relevance the example provided demonstrates experience of the same works or services and the degree to which the evidence demonstrates capability. The following headings will be scored.

a) Safety Defect Repairs

b) Winter Service

c) Routine and Environmental Works – Planned and Reactive Gully Maintenance

d) Routine and Environmental Works - Drainage Jetting

e) Routine and Environmental Works - Verge Maintenance

f) Emergency Service – Out of Hours and Civil Emergency Response

g) Programme Management and Delivery

|  |  |  |
| --- | --- | --- |
| **Score** | **Description** | **Criteria for awarding score** |
| **3** | **Good evidence** | experience of service of same type and/or capability demonstrated |
| **2** | **Satisfactory evidence** | experience of service of similar type and/or some capability demonstrated |
| **1** | **Poor evidence** | experience of service of dissimilar type and/or little capability demonstrated |
| **0** | **No evidence** | no experience of service and/or capability demonstrated |

Applicants will scored between 0 – 21 Marks for this question.

**Question S1-Q2 Technical Skill & Ability**

Each of the headings within this question will be scored to the degree to which the information provided demonstrates capacity and capability. The following headings will be scored.

a) Safety Defect Repairs

b) Winter Service

c) Routine and Environmental Works – Planned and Reactive Gully Maintenance

d) Routine and Environmental Works - Drainage Jetting

e) Routine and Environmental Works - Verge Maintenance

f) Emergency Service – Out of Hours and Civil Emergency Response

g) Programme Management and Delivery

|  |  |  |
| --- | --- | --- |
| **Score** | **Description** | **Criteria for awarding score** |
| **3** | **Good evidence** | capacity and/or capability demonstrated |
| **2** | **Satisfactory evidence** | some capacity and/or capability demonstrated |
| **1** | **Poor evidence** | little capacity and/or capability demonstrated |
| **0** | **No evidence** | no capacity and/or capability demonstrated |

Applicants will scored between 0 – 21 Marks for this question.

**Question S1-Q3 Staff Numbers**

Each of the headings within this question will be scored to the degree to which the information provided demonstrates capacity and capability. The following headings will be scored.

a) Safety Defect Repairs

b) Winter Service

c) Routine and Environmental Works – Planned and Reactive Gully Maintenance

d) Routine and Environmental Works - Drainage Jetting

e) Routine and Environmental Works - Verge Maintenance

f) Emergency Service – Out of Hours and Civil Emergency Response

g) Programme Management and Delivery

|  |  |  |
| --- | --- | --- |
| **Score** | **Description** | **Criteria for awarding score** |
| **3** | **Good evidence** | capacity and/or capability demonstrated |
| **2** | **Satisfactory evidence** | some capacity and/or capability demonstrated |
| **1** | **Poor evidence** | little capacity and/or capability demonstrated |
| **0** | **No evidence** | no capacity and/or capability demonstrated |

Applicants will scored between 0 – 21 Marks for this question.

**Question S1-Q4 Decarbonisation**

This question will be scored as to the relevance the examples provided demonstrate commitment and capability to decarbonisation.

|  |  |  |
| --- | --- | --- |
| **Score** | **Description** | **Criteria for awarding score** |
| **16** | **Exceptional evidence** | exceptional commitment and capability demonstrated |
| **12** | **Good evidence** | commitment and capability demonstrated |
| **8** | **Satisfactory evidence** | some commitment and capability demonstrated |
| **4** | **Poor evidence** | little commitment and capability demonstrated |
| **0** | **No evidence** | no commitment and capability demonstrated |

Applicants will scored between 0 – 3 Marks for this question.

**Question S1-Q5 Remedial Notices**

This question is for information only and is not scored.

The responses to this section will be scoring in accordance with the above scoring matrices and the scores added together to arrive at a total score out of 100. The Authority will use these scores to determine the ranking of Applicants to proceed to Down-Selection as summarised below.

**Table – 8 Summary of Marks to be Awarded**

|  |  |  |
| --- | --- | --- |
| **No** | **Question** | **Marks** |
| **S1-Q1** | Experience & Capability | 0-21 |
| **S1-Q2** | Technical Skill & Ability | 0-21 |
| **S1-Q3** | Staff Numbers | 0-21 |
| **S1-Q4** | Decarbonisation | 0-16 |
| **S1-Q5** | Remedial Notices | Not Scored |
| **Total Score** | | **0-100** |

### Down-Selection

The Authority will invite a maximum of 6 (Six) Applicants from the RTP stage to be invited to the ISIT Stage.

Where more than six Applicants have passed the initial compliance check and the selection questionnaire the Authority will down-select Applicants based on their ranked scores determined from their Table 8 submission. Where any Applicant’s scores are tied resulting in more than six applicants being identified to be invited to the ISIT stage, the Authority will select those Applicants in order of the highest scoring by question in the following sequence:

* First – S1-Q4 Decarbonisation
* Second – S1-Q2 Technical Skill & Ability
* Third – S1-Q1 Experience & Capability
* Fourth – S1-Q3 Staff Numbers

Where fewer than 6 Applicants have passed the initial compliance check and selection questionnaire the Authority will proceed to invite all Applicants to the ISIT stage.

## ISIT and ISFT Stages

The Award Criteria will be applied at these stages.

### IMPORTANT NOTE

The following information is provided at the point of publishing the Contract Notice where the Authority is seeking Applicant’s responses to the Request to Participate part of the Procurement exercise.

This information is provided in order to be sufficiently precise in identifying the nature and scope of the procurement and to inform suppliers as to whether they request to participate. The Authority’s intended conduct of these stages of the Competitive Procedure with Negotiation are set out below with regards to compliance, the breakdown of award criteria in to sub-criteria and detailed scoring methodologies.

The Authority reserves the right to update or amend the following information and instructions prior to the issue of Invitation to Submit Initial Tenders. Any update or amendment to this document or any of the procurement documents will be communicated to Suppliers through the e-tendering portal.

### Preliminary Compliance Stage

The Authority will assess whether all requisite sections of the Applicant’s Bid have been completed and all necessary information, schedules and any other Bid requirements have been supplied for each stage in the procurement in accordance with the following:

|  |  |
| --- | --- |
| **Schedule** | **Title** |
| **2.1** | Award ISIT ISFT |
| **2.2** | Acceptance of Conditions of Contract |
| **2.3** | Form of Tender |
| **2.4** | Contract for the Declaration of Direct or Indirect Interest |
| **2.5** | Contract as to the Certificate of Canvassing |
| **2.6** | Certificate of Confidentiality |
| **2.7** | Contract Data Part 2 |
| **2.8** | Price List |
| **2.9** | Tender Assessment Sheet (CD2) |
| **2.10** | Commercially Sensitive Information |

The Applicant’s response shall be considered to have failed and will be excluded from the procurement where it fails to complete and/or submit any of the required schedules as set out above.

### Evaluation of Award Questions ISIT & ISFT

### Award Criteria

This Tender will be evaluated on the basis of MEAT (most economically advantageous tender) consisting of a combination of price, quality and social value. For this Tender the split is 60% Price 30% Quality and 10% Social Value. The Weighting for each Award Criteria and any constituent scoring for these is set out in table below:

|  |  |  |
| --- | --- | --- |
| **Evaluation criteria breakdown** | **Marks** | **Weighting** |
| **Quality** (Schedule 2.1 ISIT ISFT) | | **30%** |
| **Objective 1** | |
| 1.1 Provision of vehicle fleet(s) for service delivery | 5 |
| 1.2 Reducing carbon emissions from highways activity | 15 |
| **Objective 2** | |
| 2.1 Safety Defect Repairs | 10 |
| 2.2 Winter Service | 10 |
| 2.3 Routine and Environmental Works – Planned and Reactive Gully Maintenance | 5 |
| 2.4 Routine and Environmental Works – Drainage Jetting | 5 |
| 2.5 Routine and Environmental Works – Verge Maintenance | 5 |
| 2.6 Emergency Service – Out of Hours and Civil Emergency Response | 5 |
| 2.7 Programme Management and Delivery | 10 |
| **Objective 3** | |
| 3.1 Organisational Structure | 10 |
| 3.2 Collaborative Working | 10 |
| 3.3 Performance Management | 10 |
| 3.4 Mobilisation | 10 |
| **Objective 4** | |
| 4.1 Local Government Reorganisation – a Flexible and Agile Service | 15 |
| 4.2 Resources and People | 10 |
| 4.3 New Technologies, Innovation and Digital Transformation | 15 |
| **Objective 5** | |
| 5.1 Financial Monitoring, Audit and Reporting | 10 |
| **Objective 6** | |
| 6.1 Commercialisation and external funding | 10 |
| **Objective 8** | |
| 8.1 Local Government Reorganisation – Informing Communities | 10 |
| **Social Value** (Schedule 2.1 ISIT ISFT) | | **10%** |
| **Objective 7** | |
| 7.1 SV Calculator Tool | 5 |
| 7.2 SV Proposals | 5 |
| **Price** | | **60%** |
| Schedule 2.8 Price List | |
| Schedule 2.9 Tender Assessment Sheet (CD2) | |

It will be on this basis that the Authority will identify the Most Economically Advantageous Tender to be Awarded the Contract.

### Evaluation of Quality and Social Value

Schedule 2.1 ISIT ISFT contains the non-price Award Questions. These are divided between **Quality** questions and **Social Value** questions.

Applicants should refer to the Authority’s requirements as set out in these procurement documents to ensure that they meet or exceed the minimum requirements.

The score given by the evaluation panel to each Applicant’s responses’ to the Award questions will be based on, and reflect, the degree to which the Applicant has clearly answered the questions.

**Quality**

The scoring matrix to be applied to the Quality questions is as follows:

**Scoring Matrix – Quality (Objectives 1-6 & 8)**

|  |  |
| --- | --- |
| **Score** | **Criteria for Awarding Score** |
| **5** | The response has covered all the requirements of the question |
| **4** | The response has covered most of the requirements of the question with only a single omission |
| **3** | The response has covered most of the requirements of the question with a small proportion of requirements only partially covered or not covered at all |
| **2** | The response has covered some of the requirements of the question however more than a small proportion of the points only partially covered or not covered at all |
| **1** | The response has covered only a few of the requirements of the question or has only partially covered those requirements or not covered them at all |
| **0** | The response has not addressed any of the requirements of the question |

**Social Value**

The evaluation of the two Social Value questions differs from the evaluation of other questions.

For the first question applicants are required to propose Social Value commitments to question 7.1 SV1. These are in line with the Themes Outcomes Measures (TOMs )approach. Definitions for each of the outcomes are included within the spreadsheet together with instructions concerning the document’s completion.

Applicants are not expected to offer Social Value for every outcome available. Decarbonisation measures have been removed from this spreadsheet as these are covered in a separate Quality question.

Each Outcome has a stated financial value and has a weighting which reflects the priorities of the Authority. Applicants are required to enter their commitments which will then create a weighted financial value as shown in the Total for purposes of evaluation box. This weighted financial value will be divided by the Applicants Total for evaluation purposes submitted in response to Schedule 2.8 Price List to create a ratio. Scores will be awarded according to that ratio as follows:

**Scoring Matrix – Social Value 7.1 SV1**

|  |  |
| --- | --- |
| **Score** | **Weighted Social Value Ratio** |
| **5** | >59% |
| **4** | 46% - 59% |
| **3** | 31% - 45% |
| **2** | 16% - 30% |
| **1** | 6% - 15% |
| **0** | <6% |

The second question 7.2 SV2 sets out the method and approach to implementation and measurement contained within question 7.1 SV2. This will be scored in accordance with the standard Social Value scoring methodology:

**Scoring Matrix – Social Value 7.2 SV2**

|  |  |
| --- | --- |
| **Score** | **Description** |
| **5** | Exceptional |
| **4** | Very Good |
| **3** | Good |
| **2** | Satisfactory |
| **1** | Poor |
| **0** | No response |

### Evaluation of Price

The evalution of Price will be based on the following two documents submitted by Tenderers:

* **Price List** (Schedule 2.8)
* **Tender Assessment Sheet (CD2)** (Schedule 2.9)

Each document produces a ‘Total price for evaluation purposes’, these two figures will be added together to produce the Total to be used in the evaluation of tenders.

**Price List**

The Price List is set out in Schedule 2.8. Tenderers shall provide a rate, price or percentage, for each and every item within the price list as indicated in that document. Failure to do so may lead to the tender being disqualified.

The quantities shown in the Price List are for evaluation purposes only, the Authority offers no guarantee as to volumes ordered through the term of the contract. The individual rates and percentages provided by the tenderer will apply during the term of the contract.

**Tender Assessment Sheet (CD2)**

The Tender Assessment Sheet (CD2) is set out in Schedule 2.9. Tenderers shall complete all sections of this form with the same rates as provided in their Schedule 2.7 Contract Data Part 2. The tender assessment sheet will apply and verify the Tenderers CD2 rates to set quantities as an example compensation event, this will produce a ‘Total price for evaluation purposes’.

**Price Evaluation**

Total tendered price = sum of Schedule 2.8 Price List + Schedule 2.9 Tender Assessment Sheet (CD2)

The lowest Total tendered price will be allocated a maximum score of 60%.

Other tendered prices which are greater will be scored using the following equation:

|  |
| --- |
| % Score = Lowest price tender x 60  Higher price tendered |

Example:

* Lowest tendered price £200,000 scores 60.00%
* Second lowest tendered price £220,000 = 54.55%
* Third lowest tendered price £265,000 = 45.28%