

Volume 0

House Building and Housing Refurbishment Framework Agreements

Soft Market Testing



Contract Term: This is a Request for Information, not an Offer to Tender; no contract can be resultant from this document. Following a formal tender process, the term would be January 2019 to December 2022.

**Correspondence relating to this Pre-Market Test may only be made through the Messaging area on the Due North Portal, ProContract.**

Closing date for receipt of Market Testing Response Document on ProContract: **No later than midnight on 14 September 2018**

Contents

[PART A – INFORMATION FROM THE AUTHORITY 3](#_Toc523305324)

[1 Introduction 3](#_Toc523305325)

[1.1 Purpose of this Market Test 3](#_Toc523305326)

[1.2 Subject Matter of this Market Test 3](#_Toc523305327)

[1.3 Expected outcomes from this Market Test 3](#_Toc523305328)

[1.4 Prior Involvement of Tenderers should this Market Test become a full procurement exercise 3](#_Toc523305329)

[2 Timescales & Contact Details 4](#_Toc523305330)

[2.1 Method of Contact 4](#_Toc523305331)

[2.2 Details of Buyer 4](#_Toc523305332)

[2.3 Timescales 4](#_Toc523305333)

[3 Required Information 4](#_Toc523305334)

[4 Background Summary 5](#_Toc523305335)

[5 Outline Scope 5](#_Toc523305336)

[5.1 Housing Repairs and Refurbishment 5](#_Toc523305337)

[5.2 House Construction 5](#_Toc523305338)

[6 Terms Applicable to Response Document 6](#_Toc523305339)

[6.1 Defined Terms applicable to this entire Response Document 6](#_Toc523305340)

[6.2 General Terms applicable to this entire Response Document 7](#_Toc523305341)

[PART B – INFORMATION FROM THE RESPONDENT 9](#_Toc523305342)

[1 Form of Company Details 9](#_Toc523305343)

[2 Specific Question Set 10](#_Toc523305344)

[3 Declaration 15](#_Toc523305345)

# PART A – INFORMATION FROM THE AUTHORITY

The Authority provides the information in this Part A to assist the Respondent in answering all questions and all sections in Part B of the Pre-Tender Market Testing document.

# Introduction

## Purpose of this Market Test

This Market Test is being undertaken by Liverpool City Council on behalf of Foundations, Liverpool’s Local Authority Housing Company.

This Market Test has been proposed and initiated for the purposes of providing information to the Authority. It is not to be construed as a request to submit an Offer by a Respondent at any stage.

The Authority requires information on the existing supply market and capabilities of the suppliers within that market relating to the Subject Matter of the Pre-Tender Market Test.

The Authority welcomes all and any information submitted as a Response to this Pre-Tender Market Test.

## Subject Matter of this Market Test

The setup of new frameworks agreements for housing repairs and refurbishment and house construction to include the development of new build housing projects, including, housing, flats and apartments. Foundations anticipates a wide range of projects being delivered under the framework, from single smaller sites to complex multi-site projects and this is reflected in the proposed framework structure detailed below.

## Expected outcomes from this Market Test

The expected outcome from this Market Test is:

1. To alert the supply base as to this upcoming procurement
2. Gain a measure of potential interest in this procurement, confirming it as a viable route to market
3. To obtain information relating to the project constraints that we should factor into the procurement, to drive the best possible process and result in the context of the supply market capability and capacity

## Prior Involvement of Tenderers should this Market Test become a full procurement exercise

This Market Test is issued subject to the Public Contract Regulations 2015, Regulation 40 paragraphs (1) to (3), which state that public authorities may conduct market consultations with a view to preparing the procurement and informing economic operators of their procurement plans and requirements.

Subject to Public Contract Regulations 2015, Regulation 41, any Respondent understands that all and any information they receive, and all and any information they submit, may be reproduced in full or partial format and disseminated as the Authority deems appropriate to any Tenderers or Bidders as part of a formal tendering procedure should one arise from this Market Test. This is in accordance with Regulation 41 (2) (a), in addition to the fixing of appropriate time limits as determined in Regulation 41 (2) (b).

If it becomes necessary to exclude a Tenderer due to prior involvement, the Authority reserves this right and must do so to remain compliant with Regulation 41 (3), but the Respondent shall have the opportunity to demonstrate that they would not be capable of distorting competition in accordance with Regulation 41 (4).

# Timescales & Contact Details

## Method of Contact

The only permitted method of response under this Pre-Tender Market Testing document is though the Due North Portal, ProContract (also referred to as “The Chest”).

It is strongly recommended that you register on The Chest, as any resultant tender will also be issued through this portal. The portal is utilised by a number of authorities in the north west of England.

Directly contacting the buyer detailed below is acceptable for a preliminary discussion, but all conversations must be formally recorded in writing. Detailed discussions are strictly prohibited, and utilisation of The Chest is preferred for all substantial discussion and information relating to this Market Test.

## Details of Buyer

The Buyer’s details are:

|  |  |
| --- | --- |
| Buyer Job Title | Consultant |
| Buyer Name | Phil Gardener |
| Office Address | Liverpool City Council  4th Floor  Cunard Building  Water Street  Liverpool  L3 1DS |
| Email Address | [phil.gardener@liverpool.gov.uk](mailto:phil.gardener@liverpool.gov.uk) |

## Timescales

The timescales relating to this Pre-Tender Market Test are:

|  |  |
| --- | --- |
| Date of Issue: | 29 August 2018 |
| Date of Response Document Submission: | 14 September 2018 |
| Date of any Resultant Tender/Quotation Process: | Resultant Housing tenders are planned to run from September 2018 to January 2019 |

# Required Information

See Specific Question Set (Section 8).

# Background Summary

Liverpool City Council (LCC) is shortly to issue tenders on behalf of Foundations for housing repairs and refurbishment services and house construction. Foundations wishes to undertake a Soft Market Testing (SMT) exercise to inform the procurement strategy and tender approach.

LCC is specifically looking to shape the tender having sought the consideration and views of local, regional and national suppliers who may wish to tender for the work when any contract notices are issued.

# Outline Scope

The Council is looking at to tender two multi-lot framework agreements, one for housing repairs and refurbishment and one for construction works.

## Housing Repairs and Refurbishment

The service required will enable refurbishment of dilapidated/derelict properties in the City bringing them back to an agreed letting standard and, at a point in the future, the framework being made available to the Housing Company as a possible vehicle to undertake any planned or cyclical repairs and maintenance programmes or for the refurbishment of void properties.

The initial feeling is that the Council would like to structure the framework to maximise opportunities for local suppliers either to compete for work as main contractor or to identify smaller suppliers able to form part of the supply chain for larger contractors.

The Council is open to considering specifying lots to appeal to contractors with multi-disciplinary skills and where beneficial lots to attract specialist contractors. Based on this, initial thoughts on Framework structure is as follows:

* Lot 1 - General Building Works & Services (All trades) <£50k
* Lot 2 - General Building Works & Services (All trades) <£250k
* Lot 3 - General Building Works & Services (All trades) <£500k
* Lot 4 - Reactive General Building Repairs, M&E Works and Minor Servicing Voids Contract
* Lot 5 - Independent Specialist Works Contract One - (e.g. Lifts)
* Lot 6 - Independent Specialist Works Contract Two - (e.g. Asbestos)
* ……

This structure reflects our initial thoughts and will certainly change before tender issue.

## House Construction

* + Standard build

We require a panel of Contractors to build properties from small one-person flats/bedsits to larger 3 bed properties (the exception rather than the rule that properties above 3 bedrooms will be required) there is also potential for construction of blocks of flats; low and higher rise.

There are four distinct things the Council wishes to understand ahead of any procurement:

* Understanding the regional and national Contractor base able to build properties of the size stated above
* Categorising those Contractors into groups that can build different volumes of these properties: i.e. 1-5, 5-20, 20-50, 50-100+ units.
* Geographical classification. The framework should be made available to Foundations, the City Council and any other similar bodies within the wider Liverpool City Region Combined Authority. Is there a willingness for Contractors to work across the region?
* We wish to understand whether the tender should include design services, both design and build or just build?
  + Modular off-site build

Although this is not something the Council is likely to tender for at this point in time the Council wishes to understand options for modular off-site building to complement traditional bricks and mortar type house construction.

The Council is looking to run a two-stage process for each procurement.

Stage 1 requires bidders to complete a standard (pre-qualification) questionnaire (SQ). The SQ will comprise a combination of pass/fail and scored questions. The scored elements will focus on past experience. The highest scoring bidders, after Stage 1, (precise numbers will be given in the tender documents) will be invited to complete an Invitation to Tender

Stage 2 - the ITT will contain Method Statement questions for bidders to answer and bidders will need to complete unpriced Schedules of Rates and, possibly, Bills of Quantities. The precise number of bidders that will be appointed to each Lot following evaluation of Stage 2 will be provided in the tender documentation.

All contract documentation will be issued via the ProContract tender portal (The Chest) and will be advertised on the Governments Contracts Finder website and the Official Journal of the European Union (OJEU).

A caveat to the points above, the Council makes no representation or guarantee or promise that this Pre-Tender Market Testing will lead to any further competitive opportunity or Tender process.

# Terms Applicable to Response Document

## Defined Terms applicable to this entire Response Document

The following defined terms are applicable to this entire Response Document and any related correspondence:

| **Term** | **Definition** |
| --- | --- |
| Authority | means Liverpool City Council or Foundations; |
| Bidder | means a Tenderer or any party that participates in the response and making of a formal Offer |
| Offer | means a formal Offer to form a contract and supply goods, services or works to the Authority; for the avoidance of doubt, this Response Document is explicitly **NOT** to be interpreted under any circumstances as an invitation to any third party whosoever incorporated or construed to submit an Offer to the Authority and the Authority accepts no liability should a Respondent be mistaken in this regard, and no act or omission of the Authority relating to this Pre-Tender Market Testing document can or should ever be construed to be a request or offer to form a contract; |
| Pre-Tender Market Testing, and/or Market Test | means any conversation and document and this process for soft market testing the relevant supply market issued by the Authority; |
| Respondent | means any potential supplier, market operator or authority that responds or provides information under this soft market test, regardless of whether they later become a Bidder or Tenderer under a more formal procurement process; |
| Response | means any response whether it is verbal or non-verbal submitted to the Authority in order to reply to this Pre-Tender Market Testing document; |
| Response Document | means specifically the written response that is expected by the Authority to be written and submitted by the Respondent; |
| Subject Matter | means the subject matter, material or otherwise, relating to the market and the suppliers and any other aspect requested by the Authority; |
| Tenderer | means a Bidder; |

## General Terms applicable to this entire Response Document

* + 1. In no circumstances should this Pre-Tender Market Testing Document be construed by any party to be an invitation requesting an Offer from a Respondent (whether they have formed a Response in any form relating to this Pre-Tender Market Testing Document or not).
    2. Any Response from a Respondent which takes the form of an Offer shall not under any circumstances be contractually binding upon the Authority.
    3. The Respondent is requested to provide answers to the specific questions asked in Section 7 – Specific Question Set.
    4. The Respondent may at their own option provide additional information beyond that which is requested as “in-scope”, but this must be clearly marked as such.
    5. If any information provided by the Respondent is deemed by the Respondent to be confidential information which should not be shared with a third party, the Respondent accepts the direct obligation to mark it as such in each section of Part B.
    6. The Respondent accepts that the Authority has the direct obligation and legal requirement under the Public Contract Regulations 2015 to provide information received under this Market Test to any Tenderers should the Authority decide to proceed into an OJEU-compliant tendering exercise on the basis of information received. This means any Tenderers not given a chance to participate in this soft Market Test must be given the same information and opportunity as the Respondent in this Market Test, as well as any answers or a summary of answers provided to ensure the principles of the legislation and the directive relating to fairness and transparency.
    7. The Respondent accepts that should it mark information provided under this Market Test as confidential information and it should later be found or judged by any relevant authority or judicial process not to be confidential information, and/or possibly leading to or contributing to a determination that any subsequent and related Tendering process resulting in an Offer, then the Respondent is fully liable for all and any direct or indirect loss or liability experienced by the Authority.
    8. The Authority makes no representation or guarantee or promise that this Pre-Tender Market Testing will lead to any further competitive opportunity or Tender process.
    9. The Authority is subject to the Freedom of Information Act 2000 (hereinafter “FOI”), all regulations made under it and any amendment or re-enactment of any of them and any guidance issued by the Information Commissioner in relation to such legislation. Respondents shall be aware that the information they provide could be disclosed in response to a request under the FOIA.
    10. The Authority will use all reasonable endeavours to consult with Respondents over the release of information which is highlighted by a Respondent as commercial sensitive or confidential.
    11. No Response to this Pre-Tender Market Testing Document should be covered by a general statement regarding its overall confidentiality.
    12. Any timescales given in this Pre-Tender Market Testing Document are indicative only and should be treated as such, with the Authority explicitly having the right to vary, reduce or increase any timescale where it may be indicated or implied.
    13. Irrespective of the fact that no further Tendering opportunity is guaranteed as a result of this Market Test, the Respondent should be aware that the provision of false or misleading information could later lead to appropriate charges being brought on the grounds of material misrepresentation. In no circumstances or situation shall the right of the Authority be prejudiced for any other civil remedy available to the Authority and will not prejudice any criminal liability of the Respondent that such conduct by the Respondent may attract.
    14. The information contained within this Market Test has been prepared by the Authority in good faith but does not purport to be comprehensive or to have been independently verified. Respondents should not rely on the detailed information contained this this Pre-Tender Market Testing Document and should carry out their own due diligence checks and verify the accuracy of the detailed information contained in this Pre-Tender Market Testing Document at any appropriate stage. Nothing in this Pre-Tender Market Testing Document is, or should be construed as, a promise or representation as to the future.
    15. None of the Authority, the Authority’s members, directors, officers, employees, agents or advisors make any representation or warranty as to, or (save in the case of fraudulent misrepresentation) accept any liability or responsibility in relation to, the adequacy, accuracy, reasonableness or completeness of the Pre-Tender Market Testing Document or any part of it (including but not limited to loss or damage arising as a result of reliance by the Respondent on the Pre-Tender Market Testing Document or any part of it).
    16. The costs or expenses incurred by any Respondent or other person will not be reimbursed by the Authority and neither the Authority nor any of their representatives will be liable in any way to any Respondent or other person for any costs, expenses or losses incurred by any Respondent or other person in connection with any procurement result from this Market Test.
    17. At all times this Market Test is subject to the laws of England and Wales.

# PART B – INFORMATION FROM THE RESPONDENT

The Respondent is to answer all questions and all sections in this Part of the Pre-Tender Market Testing document.

# Form of Company Details

|  |  |  |
| --- | --- | --- |
| **Nature of information** | **Description of Response expected** | **Response** |
| **Name of legal entity or sole-trader** | **Unique name of legal entity or**  **name of individual** |  |
| **Registered office Address** | **Address line 1**  (Property name/number) |  |
| **Address line 2** |  |
| **Address line 3** |  |
| **Town** |  |
| **County** |  |
| **Postcode** |  |
| **Website address** | **website** (if applicable) |  |
| **Contact Details for Enquiries** | **Title** (Mr, Mrs, Ms, etc.) |  |
| **Forename** |  |
| **Family name** |  |
| **Job title** |  |
| **e-mail** |  |
| **Telephone number** |  |
| **Fax number** |  |
| **Address line 1**  (Property name/number) |  |
| **Address line 2** |  |
| **Address line 3** |  |
| **Town** |  |
| **County** |  |
| **Postcode** |  |
| **Registration number, if registered with Companies House or equivalent** | **Registration number with Companies House** |  |
| **Registration number with equivalent body** |  |
| **Charity registration number** | **Registration number (if applicable)** |  |
| **VAT registration number** | **VAT Registration number** |  |
| **Name of immediate parent company** | **Unique name of legal entity** |  |
| **Name of ultimate parent company** | **Unique name of legal entity** |  |

# Specific Question Set

The following questions should each by answered to the fullest extent possible by the Respondent:

This is a Market Test and not a competitive Tender, so no scoring or weighting is required for any answer to any of these questions.

|  |  |
| --- | --- |
| 1. | The Council wishes to understand current local and regional supply capability and capacity to undertake housing related works and services as outlined in Section 5.2 above. Please outline: |
| * 1. What works/services does your company provide? | |
| * 1. What annual value/volume of works/services would your company be able to provide? | |
| * 1. If you already provide works/services directly to Liverpool City Council and/or other public sector bodies in the Merseyside region, what are those services? Approximately, what is the annual value or volume of works/services you currently provide? | |
| * 1. Do you currently provide works/services indirectly as a subcontractor to a supplier to Liverpool City Council? | |
| * 1. If you are a sub-contractor to a larger supplier to the Council are there any negative issues you face such as overdue payment, pressure on rates etc? (all responses in confidence) | |
| * 1. Would you consider tendering for any future LCC housing related works/services either directly or as a sub-contractor to a larger supplier? | |

|  |  |
| --- | --- |
| 2. | The Council is keen to understand why businesses might choose not to tender for Council work. This section asks for comments against a list of possible reasons why you might choose not to tender for work, there is a blank section at the end for you to add your own observations or experiences. |
| 1. Do you feel you have the necessary business development (bid writing) or sales and marketing skills required to tender for work? | |
| 1. Have you tried and failed to win work in the past so no longer consider it worth-while or cost-effective? | |
| 1. Do you understand where Council opportunities are advertised and how you can be updated when new opportunities are advertised? | |
| 1. Do you have any thoughts on the way the Council packages up work for tender? Is it ok, are projects too large or too small for you to bid for? | |
| 1. Do you feel that the Councils selection criteria are too high or too onerous i.e. Insurance levels, previous experience etc. | |
| 1. Have you previously got onto Council Frameworks but never got sufficient work to warrant the effort? | |
| 1. Do you feel it is too time consuming to continually submit suitability and capability details every time there is a new tender? | |
| 1. Please detail any other reasons why you would consider not tendering for Council work? | |

|  |  |
| --- | --- |
| 3. | The Council is keen to better understand the benefits to local businesses of winning Council contracts |
| 1. Would winning Liverpool City Council contracts enable you to expand your business? | |
| 1. Would winning more Council business enable you to take on more staff including apprentices or other trainees? | |
| 1. How dependent is your business on winning or retaining contracts with the Council? | |
| 1. Would winning more Council business enable you to spend more money in the local economy either through employee wages or through using other local suppliers? | |
| 1. Please detail any other benefits you think you might be achieved if you were to secure more work with the Council? | |

|  |  |
| --- | --- |
| 3. | The Council is often told at Meet the Buyer events and through other feedback channels that there isn’t a level playing field for smaller local suppliers. The Council is keen to understand what factors might give this perception to local suppliers. |
| 1. Do you think the Council the way the Council is proposing to structure the Housing Frameworks is sensible? If not, how in your opinion should it be packaged? | |
| 1. Would it make it easier for your organisation to tender for works if the Council simplified the procurement process? What part of the procurement process are problematic for you and your business? | |
| 1. Should the Council encourage or make it easier for larger firms that win Council business to use local suppliers in their supply chains? | |
| 1. Are Council contract lengths an issue to you? Too long, too short? Should the Council move away from fixed long-term contracts that are extended once they end to more short to mid-term arrangements, for example? | |
| 1. Should the Council go back to lists of pre-qualified preferred suppliers that can be refreshed as new businesses are formed or grow (now called Dynamic Purchasing Systems or DPS)? | |
| 1. Please provide any other examples of how you feel the Council could do more to support local suppliers. | |

|  |  |
| --- | --- |
| 4. | The Council is keen to understand whether you have any other observations about the Housing Framework agreements as proposed or with procurement of Council contracts in general. The box below is for you to add any additional information you would like to provide or questions you would like to ask.  If you have a specific question or point to which you would like a direct response, please provide details below and we will endeavour to respond to you. |
|  | |

# Declaration

I can confirm that the information provided in this Response Document is to the best of my knowledge accurate at the time of writing.

I understand that this Response Document does not form part of a formal Tender process and nor does it constitute an Offer.

|  |  |
| --- | --- |
| **Signed** |  |
|  |  |
| **Name(s) *(Block Capitals)*** |  |
|  |  |
| **Position(s)** |  |
|  |  |
| **Date** |  |