

PT4 - Committee Procurement Report

This document is to be used to identify the Procurement Strategy and Purchasing Routes associated with a project and only considers the option recommended on the associated Gateway report.



Introduction

City Procurement Project Reference:	19/336/PS		
Project / Contract Title:	Fire Doors Replacement Programme		
Project Lead & Contract Manager:	David Downing	Lead Department:	Department of Community & Children's Services
Category Manager:	Hirdial Rai	Other Contact:	Michael Harrington
Total Contract Value (excluding VAT and inc. extension options):	£8.1m	Contract Duration (inc. extension options):	12 months
Budget approved Capital/Revenue:	No Capital	Capital Project reference (if applicable):	
Gateway Approval Process <ul style="list-style-type: none">- Is this project subject to the Gateway process? Yes- If so, what was the last Gateway report, and date of approval, and what is the next Gateway report and scheduled date for recommendation for approval?<ul style="list-style-type: none">• Gateway 1 – 4 report to be submitted along with this PT4 document December 2019			
Opportunity for Inter-City Collaboration (is there another site/department that could benefit from this project)? N/A			

Procurement Strategy Recommendation

City Procurement team recommended option
Framework-Fusion21, New Framework, Improvements Framework – Lot 3 from Fusion21 (Fusion21 we have used several times). Improvements Works Framework Lot 3 – Fire Doors the suppliers specialise in this area of work.

Route to Market Recommendation

City Procurement team recommended option
Fusion21 - Improvements Framework – Lot 3 fire doors.

Specification and Evaluation Overview

Summary of the main requirements: This project proposes a programme of works to appoint a contractor to replace all front entrance doors (including any associated panel surrounds and fanlight windows) within City of London Housing managed residential blocks of flats (excluding those covered by existing programmes). The project will also include the replacement of any communal corridor fire doors, any fire escape doors from flats and also any doors to electrical intake cupboards that need to be fire rated. Replacement doors are to give up to 60 minutes fire resistance (30 minutes as an absolute minimum where 60 minutes is not achievable or appropriate).
Technical and Pricing evaluation ratio 60% (Technical) / 40% (Price) TBC
Overview of the key Evaluation areas (if known at this stage):
Does contract delivery involve a higher than usual level of Health & Safety, Insurance, or Business risk to be allowed in the procurement strategy? <ul style="list-style-type: none">• No

Are there any accompanying documents with this report? <i>e.g. PTO/outlined project plan identifying roles and responsibilities as appropriate</i> If yes, please include information in the appendices section below.	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Will this project require the winning supplier(s) to process personal data on our behalf?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
If yes, please make sure you've defined roles and responsibilities within your project specification. For more information visit Designing Specifications under GDPR . You may include your Privacy Impact Assessment or other relevant report as an appendix to this PT form when submitting to category board (for information).	
Evaluation Panel – Please enter Names and Departments below (if known)	
David Downing Jason Hayes	Dept of Community & Children's Services Dept of Community & Children's Services

Procurement Strategy Options *This could include inter-departmental usage, external collaborative opportunities, existing contracts integrated once expired or adding it to an existing contract. Options for Make (In-house delivery) versus Buy (Outsource) decision to be considered; also indicate any discarded or radical options.*

Option 1: Traditional – Client Led
Advantages to this Option: <ul style="list-style-type: none"> • Completed design to share with the Tenderers. • No additional design fees required. • The Supplier is aware of their requirement from the outset.
Disadvantages to this Option: <ul style="list-style-type: none"> • Contractor involvement in the design development is minimal
Please highlight any possible risks associated with this option: <ul style="list-style-type: none"> • Supplier may not have the capability to include design elements within their structure, if additional works require it.
Option 2: Design & Build
Advantages to this Option: <ul style="list-style-type: none"> • Design does not need to be complete prior to tendering • Two stage procurement strategy can be used to obtain early contractor ownership of design development • Design coordination is the responsibility of the contractor • Contractor is responsible for management of detailed design team • Single point of contact
Disadvantages to this Option: <ul style="list-style-type: none"> • Change can be costly once contract is awarded • Loss of control of the design team • Loss of control of quality • Loss of control over materials • Associated with longer tender duration
Please highlight any possible risks associated with this option:

Route to Market Options: *Route to market is the way in which the City will invite suppliers to bid for the procurement.*

Option 1: OJEU Restricted
Advantages to this Option: <ul style="list-style-type: none"> • Openly advertised including specialist contractors throughout the EU • Potential interest from a greater pool of varied suppliers in the market bidding for the contract • More likely to attract specialist contractors • Increased probability that that adequate competition will be realised
Disadvantages to this Option: <ul style="list-style-type: none"> • Higher level of resource required to deliver the procurement procedure • Possible large number of responses to evaluate at SQ Stage (or ITT Stage for an open procedure) • Longer procurement lead in time of 19 to 22 weeks for OJEU process

<p>Please highlight any possible risks associated with this option:</p> <ul style="list-style-type: none"> • A high level of interest at SQ stage may place significant demand on project resources
<p>Option 2: External Framework (Specialising in Fire Doors)</p> <p>Advantages to this Option:</p> <ul style="list-style-type: none"> • Instant route to bidding phase • Compliant with procurement law • Suppliers have been identified, vetted, and quality checked via a competitive EU procurement process • Overarching contractual terms agreed minimising clarifications and qualifications post-tender • Suppliers on this Lot are specialists in this category of work • Less exposure to risk of legal challenge <p>Disadvantages to this Option:</p> <ul style="list-style-type: none"> • Closed competition thus limited to the appointed suppliers under the Framework Agreement • There could be new suppliers and/or solutions within the market that were not included when the Framework Agreement was established originally • The bespoke needs of the Corporation might not be reflected, and the Framework Agreement will be limited in variation to any resultant call-off contract • Potential fee to utilise an established Framework Agreement <p>Please highlight any possible risks associated with this option:</p> <ul style="list-style-type: none"> • The suppliers may not have the capacity to deliver our requirement

Price Mechanism

<p>Option 1: Lump sum fixed price</p> <p>Advantages to this Option:</p> <ul style="list-style-type: none"> • Once price paid for the delivery of the specification and schedule. • A contractual arrangement where the fee is capped, and the supplier accepts the risk. • Gives a clear cost, which aids reporting and budget management. <p>Disadvantages to this Option:</p> <ul style="list-style-type: none"> • Their price may contain added on cost due to the risk. <p>Please highlight benefits and possible risks associated with this option relative to the specifics of the project:</p> <ul style="list-style-type: none"> • Variations to the amount of locations and requirements, maybe amended and would cause issues when variant the contract.
<p>Option 2: Fixed price - schedule of rates/bill of quantities</p> <p>Advantages to this Option:</p> <ul style="list-style-type: none"> • This give a more detail on each element, identifying how much each install is for a sized property. • It allows easier calculations for variation if additional properties require work or unforeseen requests. • Variations require less administration to action. <p>Disadvantages to this Option:</p> <ul style="list-style-type: none"> • Easier for the project team to become relied on the variations and add additional work to the contact. • Does not allow for works outside of the specification to be completed even in emergency situations.

Form of Contract

<p>Option 1: CoL Standard amendments to JCT (JCT Intermediate 2016) - Recommended</p> <p>Advantages to this Option:</p> <ul style="list-style-type: none"> • JCT is considered appropriate for this project, which also has Design approval stages • Tried and tested form of contract familiar to the City and its project consultants <p>Disadvantages to this Option:</p> <ul style="list-style-type: none"> • Can give rise to delayed settlement of claims and uncertainty timing and settlement of final account • Variations can be costly especially if they deviate from the client's initial requirements <p>Please highlight benefits and possible risks associated with this option relative to the specifics of the project :</p>

Option 2: [CoL Standard amendments to NEC4](#)**Advantages to this Option:**

- The City has increased the use of this form of contract
- Advantage of an 'Early Warning System' in place to avoid issues arising
- Any claims are addressed during the contract term as a 'Compensation Event' and is associated with providing improvement in timely settlement of final account without deferred settlement of claims
- Simpler to read, plain English and more use friendly
- Programme is a contractual document
- Z clauses can be inserted to amend the contract

Disadvantages to this Option:

- Management intensive contract to administer
- Contract will put high price on risk

Please highlight benefits and possible risks associated with this option relative to the specifics of the project:

Outline of appendices

- Please list appendices here or mark 'Not applicable' if there is none.
- Items to consider appending:
 - PT0 (Project Plan with Roles and Responsibilities)
 - Data Protection Impact Assessment
 - **risk matrix here**

Report Sign-offs

Senior Category Manager Chamberlain's Department	Michael Harrington	Date: 22.11.19	Click here to enter a date.
Departmental Stakeholder Department	David Downing	Date: 22.11.19	Click here to enter a date.