

	THE UNIVERSITY of EDINBURGH Estates & Buildings	C 1	
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RIBA stage C

C 1 PROCURE AND APPOINT DESIGN TEAM (OJEU) AND QS

1. DEFINITION

The Design Team normally comprises the Consultant Architects (as lead consultant), M&E consultants, and Structural Engineer. The QS is a separate appointment.

Unless already appointed for all stages at Stage AB, the Design Team and QS will normally be tendered for at Stage C.

2. PURPOSE

This procedure is concerned with procuring a Design Team and QS where the anticipated fees are above the OJEU threshold. This can be checked at:

http://www.oqc.gov.uk/procurement_policy_and_practice_procurement_policy_and_application_of_eu_rules.asp

The purpose of tendering competitively is to ensure that the appointments of the Design Team and QS are competitive and appropriate to the nature of the proposed commission and that the public money funding the University project is being used to obtain 'best value'.

Advice on the method of procurement may be obtained from the University's Procurement office.

Other references to consult are as follows:

2.1 APUC LIMITED

APUC stands for 'Advanced Procurement for Universities and Colleges'. It is the procurement Centre of Expertise for Scotland's 62 universities and colleges. It is a private limited company, owned by institutions and established in response to the McClelland Report, the 'Review of Public Procurement in Scotland'.

<http://www.apuc-scot.ac.uk/home.htm>

2.2 THE SCOTTISH PROCUREMENT MANUAL

This manual sets out the policy and procedural framework for construction procurement and its use is mandatory throughout the Scottish Government, its Agencies and those contracting authorities that are subject to the Scottish Public Finance Manual.

<http://www.scotland.gov.uk/publications/2006/05/spdpolicymanual>

Additional guidance on best practice is provided in the 'Scottish Public Procurement Toolkit'. The University of Edinburgh, as a public funded body must therefore follow these procedures

<http://www.scotland.gov.uk/Publications/2006/11/16102303/0>

2.3 OVERVIEW DIAGRAM OF THE PROCUREMENT PROCESS

The overview diagram in paragraph 5.3 of this procedure note summarises the University's procurement process.

3. PROCEDURE

3.1 QS APPOINTMENT

Because the University has a framework agreement with QS firms, OJEU is not necessary and Mini-tenders will be obtained.

Reference should be made to Procedure AB6 as the appointment is likely to be made at that stage.

Refer to Procedure AB6, appoint Design Team, QS and other consultants

Refer to templates T23r and T23s, QS framework successful and unsuccessful letters

3.2 DESIGN TEAM APPOINTMENT

For Design Team Stage C procurement over the OJEU threshold, an OJEU advert must be published and the procurement tendered to ensure compliance with OJEU procedures.

OJEU stands for the Official Journal of the European Union and all public sector appointments that are valued above a certain financial threshold according to EU legislation must be published in the OJEU. The OJEU threshold for Services from 1st January 2010 is £156,442. This can be checked at:

http://www.ogc.gov.uk/procurement_policy_and_application_of_eu_rules_eu_procurement_thresholds.asp

Note:

- The OJEU threshold changes every two years
- For Design Team procurement where the fee level is likely to be below the OJEU threshold, refer to Procedure AB6.

3.3 GENERAL

All procurements, regardless of value, must comply with the EC Treaty principles of:

- **Transparency:** contract procedures must be transparent and contract opportunities should generally be publicised
- **Equal treatment and non-discrimination:** potential suppliers must be treated equally
- **Proportionality:** procurement procedures and decisions must be proportionate
- **Mutual recognition:** giving equal validity to qualifications and standards from other Member States, where appropriate.

The Consultant Architect (as lead consultant) will need to have the necessary size and experience for the type of project for which they are tendering, as well as knowledge of health and safety and sustainability issues.

All construction-related consultants must be members of CHAS or equivalent and Constructionline or equivalent. For definitions of these, see paragraph 5 of this procedure note.

Note: all procurement documents are available to the public under 'Freedom of Information' Act, and may therefore be obtained by tenderers.

3.4 THE CONTRACT NOTICE

The contract notice sets the scope and parameters of the subsequent procurement and once published, any deviation from it could be open to challenge.

Therefore it must be carefully considered to ensure that the procurement process is both easy and effective. In the event of 'scope of work' changes, guidance should be sought from the Procurement office as to whether an advert notice addendum will require to be issued.

The Project Management Team (Estates Development Manager EDM and Project Manager PM) should liaise at an early stage with the University's Procurement Office regarding the PIN and / or Contract notice and all subsequent stages.

3.5 PROCUREMENT STRATEGY

The Procurement Strategy document formalises the strategy for tendering and notes key dates, procedures, contacts, business needs and functional requirements, spend analysis, risks etc. It is required only when the estimated fees are above £50K.

The general procedure for completing the Strategy document is as follows:

- The Project Management Team (normally the Estates Development Manager) prepares a Procurement Strategy Document
- The Director of Procurement and the Estates Development Manager must then sign off the Procurement Strategy Document **prior** to any procurement process commencing.

Refer to procedure C10 Establish Procurement Strategy and the Procurement Strategy Template T71

3.6 PRE-QUALIFICATION QUESTIONNAIRE (PQQ)

The PQQ should be drafted in order to assess the ability of the companies who are seeking the appointment. The decision on Cost / Quality weighting needs to be agreed by the EDM and Project Sponsor. Examples of Cost / Quality weighting are:

- Normal: 40 / 60
- Complex: 30 / 70

Refer to Template T25, DT PQQ

After marking, the top scoring five companies will be invited to tender.

Refer to Template T24, DT Marking Assistance for PQQ

There may be occasions when a more detailed selection method is used irrespective of the number of responses received and this will be reflected in contract specific questions drafted into the PQQ. It must be noted that additional questions cannot be added once the PQQ advert has been issued.

Design team tenderers who are not being invited through to the ITT stage should be notified at this stage.

Refer to templates T23a and T23b DT PQQ successful and unsuccessful letters

3.7 REMEDIES DIRECTIVE (PQQ STAGE)

In addition, under the Remedies Directive of the 20th December 2009, successful ITT shortlisting letters should be issued to the successful Design Teams advising them when the ITT information will be issued.

In the case of the unsuccessful Design Teams, rejection letters should be issued and these will have to include feedback. The feedback should be a version of the PQQ scoring matrix in which the names of all bidders have been removed.

3.8 ISSUE THE ITT

The Project Management Team will issue the ITT / 'Invitation to Tender' simultaneously to each Design Team selected from the PQQ procedure.

Refer to template T26, DT ITT

The ITT comprises the following:

- Summary of the project
- Overview of the procurement exercise
- The ITT questionnaire
- Instructions on filling in and submitting the questionnaire

The ITT questionnaire should be tailored to suit each project.

3.9 TENDER RETURN

All tenders are to be returned to The Director of Estates and Buildings, Estates and Buildings, 11 Infirmity Street, Edinburgh, EH1 1LT, using envelopes with the appropriate printed labels.

These labels should clearly identify the following:

- The service that is being tendered
- The project to which the tender relates (i.e. the University's tender project OJEU advert reference)
- The tender return address and addressee (as noted above)
- Due date and time. If there are any extensions to the tendering period, revised labels would need to be issued to all tenderers.

Notes:

- The Project Management Team must advise reception staff at Infirmity Street of the tender due date, reference number or project name as appropriate and time. The reception staff must note the exact time of arrival of each tender and issue a receipt to the tenderer.
- Tenderers should be advised in the Invitation to Tender to obtain a receipt when tenders are delivered by hand to the building.
- Tenders received must be kept in secure and confidential storage until the tender closing date / time has elapsed.

3.10 TENDER OPENING

The following people will witness the opening of the tenders after the time prescribed for tender return:

- Two Project Managers
- A person who is not part of the Estates Development team, e.g. someone from admin or finance

The Estates Development Manager will validate the opening.

Generally late tenders will be discounted unless it can be demonstrated that this was not a late submission. Tender returns should be recorded and witnessed by those present at the opening on the Tender Return template. Contractors who fail to submit a tender on time will also be noted.

Refer to template T31, Tender Return Form

3.11 TENDER ASSESSMENT

Tender returns will be assessed by the Project Management Team on a cost / quality basis.

This will involve the following:

- Marking the questionnaire and evaluating the fee proposal
- Weighting both to get a final cost / quality mark for the submission in order to assess it against the other short-listed design teams

For final selection the University may opt to interview some of the highest placed companies.

The Evaluation Panel should comprise at least two Estates staff, but in the case of larger or more complex projects it may be supplemented by other members of the Project Board.

Refer to Templates T24, MC Marking Assistance for PQQ/ITT; T27 PQQ / ITT Marking Matrix

3.12 TENDER AWARD

The contract is awarded to the Design Team with the highest overall quality / cost score.

The Project Management Team will notify the successful Design Team with a conditional acceptance letter, which must be signed according to the 'DAS' (Delegated Authorised Signatories). This letter should include the Memorandum of Agreement, terms of payment, timescales, required output and any other material relevant to the appointment.

A standstill period will then commence to allow any unsuccessful consultant(s) to object. This period is 10 days for electronic and 15 days for letter notification. Consequently there should not be any meetings or correspondence during this standstill period.

At the end of the standstill period, the following actions are required:

- The Procurement Office will publish the award notice in OJEU
- The Project Management team will raise an official University purchase order to cover the Design Team appointment. This must be signed according to the 'DAS' (Delegated Authorised Signatories).

Note:

- Unsuccessful Design Teams must be notified at the same time as the successful Design Team
- The standstill period is not deemed to have commenced until appropriate feedback has been given to the unsuccessful Design Teams

Refer to Templates T23c and T23d, DT Letter for unsuccessful and successful ITT

3.11 REMEDIES DIRECTIVE (ITT STAGE)

Under the Remedies Directive of the 20th December 2009:

The conditional award letter to the successful Design Team will have to state:

- The award criteria
- The bidder's score
- A statement of the standstill period

In the case of the unsuccessful Design Teams, rejection letters will have to state

- The name and score of the successful Design Team
- The unsuccessful Design Team's score
- Reasons as to why the bidder was unsuccessful and the characteristics and relative advantages of the successful bid
- A statement of the standstill period.

The feedback should include a version of the ITT scoring matrix in which the names of all bidders have been removed.

4. OUTPUT

Selection and appointment of the Design Team and QS and including:

- PQQ Evaluation Report, summarising the process, outcomes and conclusions and copied to the Procurement Manager for their records
- Letters notifying successful and unsuccessful consultants (PQQ)
- A short list of consultants (normally 5 or more) to be taken forward to ITT stage.
- The selection and appointment of the Design Team and QS
- Letters notifying successful and unsuccessful consultants (ITT)
- Copies filed in both the central file (I.18) and appropriate project file (L.8) for audit and record purposes
- Copies sent to the Estates Programme Administrator, the Administrator and Committee Officer and the Procurement Office for record purposes.

5. DEFINITIONS AND OVERVIEW DIAGRAM OF PROCUREMENT PROCESS

It is understood that EU consultants may not have access to either of these schemes and membership of equivalent organisations is acceptable.

5.1 CONSTRUCTIONLINE

It is the University of Edinburgh Estates and Building's policy to use Constructionline or equivalent as a pre-qualification tool for vetting and selecting Contractors. This is the UK's largest register of pre-qualified local and national construction and construction-related contractors (and consultants), and is owned and endorsed by the Department of Trade and Industry (DTI).

Constructionline can provide an accurate source of information for procurement at PQQ stage on a company's credentials, experience and location:

- All contractors registered with Constructionline or equivalent will have undergone a full technical and financial appraisal before being registered
- Constructionline recommends the maximum value of contract that should be awarded in each case, and this will facilitate the pre-qualification process for contractor selection and appointment

There may be exceptional circumstances where “specialist” contractors are required, but are not registered with Constructionline. In such circumstances, consideration may be given to contracting with a non-Constructionline registered contractor.

Furthermore, contractors based outside the UK are not able to register with ‘Constructionline’. In such cases technical and financial checks will have to be made by other means.

5.2 CHAS

Local authority health and safety and procurement professionals, with the support of the Health and Safety Executive, have developed the Contractor Health and Safety assessment scheme (CHAS):

This scheme is available for use by any public and private sector organisations when shortlisting contractors, suppliers and consultants who apply to work for them. It lists all companies who have been accepted by the scheme and meet acceptable standards of health and safety compliance.

5.3 OVERVIEW DIAGRAM OF PROCUREMENT PROCESS

This diagram shows the procurement process usually followed by the University.

For diagram, see overleaf/

6. OVERVIEW DIAGRAM OF PROCUREMENT PROCESS

