

Report to Director of Regeneration and Growth - Neighbourhoods

Dated: 8 April 2019

Subject:	Acceptance of Tender for the Construction of Moor Lane Extra Care Housing, Moor Lane, Rowley Regis
Lead Officer:	Alan Martin

1.0 Summary Statement

- 1.1 This report seeks approval to accept the tender of Speller Metcalfe (Malvern). in the sum of **£14,913,538.21** for the construction of Moor Lane Extra Care Housing.
- 1.2 Procurement and Contract Procedure Rules 2018-2019 clause 16.2 provides authority to the Cabinet to award contracts above the value of £250,000.
- 1.3 The Cabinet meeting on 28 February 2018 approved delegated authority to Chief Officers to award the contract for the construction of Moor Lane Extra Care Housing (Minute number 40/18 refers).
- 1.4 Tenders were sought on a most economic advantageous tender basis.
- 1.5 6 companies were invited to submit a tender.
- 1.6 3 companies submitted a tender.
- 1.7 The tenders were:

Speller Metcalfe (Malvern) Ltd.	£14,913,538.21
Galliford Try Partnerships Ltd.	£15,655,479.00
Interserve Construction Ltd.	£16,968,053.40

1.8 The tenders were evaluated in accordance with the stated award criteria based on 60% price and 40% quality. The scores out of 100 were:

	Price Score	Quality Score	Total Score
Speller Metcalfe (Malvern) Ltd.	60.00	28.71	88.71
Galliford Try Partnerships Ltd.	57.16	30.92	88.08
Interserve Construction Ltd.	52.74	25.63	77.99

1.9 The tender of Speller Metcalfe (Malvern) Ltd. has been checked and found to be arithmetically and technically correct.

2.0 Recommendations

- 2.1 That the tender of Speller Metcalfe (Malvern) Ltd. in the sum of **£14,913,538.21** be accepted.
- 2.2 That, in connection with 2.1 above, the Monitoring Officer enters into an appropriate form of contract with Speller Metcalfe (Malvern) Ltd.

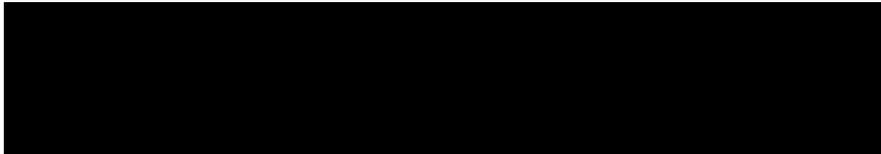
In accordance with the Council's Procurement and Contract Procedure Rules, I intend to take the actions recommended above.



Amy Harhoff
Director of Regeneration and Growth – Neighbourhoods

Date: 11/04/19

I ~~do~~ do not have an interest to declare in this matter



Darren Carter
Executive Director - Resources

Date: 11-4-19

I ~~do~~ do not have an interest to declare in this matter

Contact Officers:

Alan Martin
Partnerships and Programme Manager
0121 569 5349

Claire Eltringham
Lead Quantity Surveyor
0121 569 4554

3.0 Strategic Resource Implications

- 3.1 The Cabinet meeting on 28 February 2018 approved the allocation of a sum of money from the Housing Revenue Account capital investment programme to facilitate the construction of Moor Lane Extra Care Housing, subject to grant funding from the Shared Ownership and Affordable Homes Programme administered by Homes England. (Minute number 40/18 refers).
- 3.2 The cost of the proposed contract with Speller Metcalfe (Malvern) Ltd. is covered within the funding allocation identified in 3.1.

4.0 Legal and Governance Considerations

- 4.1 Procurement and Contract Procedure Rules 2018-2019 clause 16.2 provides authority to the Cabinet to award contracts above the value of £250,000.
- 4.2 The Cabinet meeting on 28 February 2018 approved delegated authority to Chief Officers to award the contract for the construction of Moor Lane Extra Care Housing (Minute number 40/18 refers).
- 4.3 The Council has to comply with the Public Contracts Regulations 2015 and the Council's own Procurement and Contract Procedure Rules 2018/19. This report confirms that this tender exercise has been conducted in accordance with the required procedures.

5.0 Contribution towards Vision 2030

- 5.1 The award of the Contract will contribute towards the Council's Place, Ambition 7 - We now have many new homes to meet a full range of housing needs in attractive Neighbourhoods and close to key transport routes.
- 5.2 The redevelopment of this under-utilised site with modern residential accommodation will improve the immediate area, public realm, street scene and the asset base of the borough by providing much needed affordable housing.
- 5.3 The provision of this proposed scheme will provide homes that meet people's needs. Sandwell's population is growing and people need quality housing that fits their individual requirements.
- 5.4 The development of this site will be guided by the Local Planning Authority in accordance with approved planning and development guidance. This will seek to achieve a development of a quality that sets the highest architectural standards and which provides energy efficient

buildings, in furtherance of the aims of the Environmental Policy for Sandwell.

6.0 Background Details

- 6.1 Documents were issued seeking expressions of interest from suitably experienced contractors from the Homes England 'Delivery Partner Panel 3 Midlands Lot' framework for the construction of Moor Lane Extra Care Housing.
- 6.2 7 contractors responded expressing an interest. Additional selection criteria were issued to these contractors.
- 6.3 6 contractors responded to the additional selection criteria. These were assessed for suitability in accordance with the requirements set out in the expression of interest documents. All 6 met all the requirements and were invited to submit tenders.
- 6.4 Funding for the project has been allocated from the Housing Revenue Account investment programme, and grant funding obtained from the Shared Ownership and Affordable Homes Programme administered by Homes England.
- 6.5 3 companies returned tenders within the stipulated date.
- 6.6 The tenders were evaluated on a 60:40 (price:quality) most economically advantageous tender basis.
- 6.7 The quality assessment was carried out by a team of 4 officers, comprising:
 - Claire Eltringham – Lead Quantity Surveyor
 - Karen Richards – Community Benefits Coordinator
 - Alison Morris – Senior Lead Designer (BIM)
 - Aiftaib Hussain – Principal Lead Engineer
 - Rachael Snade – Housing Investment and Development Officer

The quality submissions were scored individually by the officers. The individual scores were moderated to ensure there were no anomalies. The moderated scores were then averaged and converted into the quality score used in the final evaluation.

6.8 The scores for the evaluation are:

	Price Score	Quality Score	Total Score
Speller Metcalfe (Malvern) Ltd.	60.00	28.71	88.71
Galliford Try Partnerships Ltd.	57.16	30.92	88.08
Interserve Construction Ltd.	52.74	25.63	77.99

6.9 The tender of Speller Metcalfe (Malvern) Ltd, in the sum of £14,913,538.21, has been checked and found to be technically and arithmetically correct.

6.10 The successful contractor, Speller Metcalfe (Malvern) Ltd., will work with officers from Urban Design in the management of the construction works.