

# **Ashbourne Methodist Church Link Community Hub Project**

## **Procurement Guidelines & Procurement Plan**

**Link Development Team**

**Ref AMC/LNK/STNDS 01**

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## 1. **INTRODUCTION & STRATEGIC PURPOSE**

- 1.1 These Guidelines are intended to promote good practice and public accountability and deter corruption. They provide a framework for the procurement of all goods, services and works for the Ashbourne Methodist Church (AMC) Link Community Hub (LCH) Project during the design and construction phase which currently runs to July 2025.
- 1.2 **Strategic Purpose**  
The Strategic purpose of these Guidelines and Procurement Plan is to deliver the procurement of the Link Community Hub project in line with Public Procurement Regulations. These regulations apply to the AMC LCH project due to the Project being ~80% funded from the Governments' Levelling Up Fund 2 programme. The Guidelines and Procurement Plan are designed to ensure that all procurement activity is conducted with openness, probity and accountability and follows procedures necessary to ensure compliance with the Public Contracts Regulations 2015 (including subsequent updates), and requirements of the Grant Funding Agreement (GFA) between AMC and DDDC.
- 1.3 AMC proposes to use its development company – Ashbourne Methodist Church Developments Limited (AMCD) – to assist in the delivery of the Project. It is proposed that AMC will enter into contract with AMCD in respect of Project delivery.
- 1.4 AMC and AMCD must comply with all UK law and statutory regulations including relevant aspects of Charity and Methodist law and rules. AMC will maintain close liaison with Derbyshire Dales District Council (DDDC) throughout the project to provide DDDC visibility of all procurement processes and activities. This is intended to allow DDDC to discharge its responsibilities under its Financial Regulations; the Code of Conduct; the Anti-Fraud, Bribery and Corruption Policy and Procurement Strategy and Policies.
- 1.5 All church volunteers and other parties involved with procurement for the Project are responsible for monitoring and ensuring that all procurement activities follow these Guidelines. Should any party identify that the guidelines are not being followed (ie are being breached), they must report the breach to the Link Community Hub Development Team Leader. Breach of the Guidelines may lead to individuals being removed from the Project.
- 1.6 The Plan also sets out the procurement routes used for existing contracts and approach to planned procurements to deliver the Project following the Procurement Guidelines and advice from the Project Quantity Surveyor. References to AMC in the remainder of the document also apply to AMCD where appropriate.

## **DEFINITIONS**

AMC	Ashbourne Methodist Church and its members, trustees and Link Development Team
AMCD	AMC's Development company responsible to the trustees for the delivery of the project.

DDDC	Derbyshire Dales District Council and its employed Officers, staff and agents.
The Project	The activities by AMC and AMCD to create the new Link Community Hub
LCH	Link Community Hub
“PCR 2015”	The Public Contract Regulations 2015
“Regulations 32 PCR 2015”	Found in full at <a href="#">Appendix 1</a> of these Guidelines
“Regulations 57 PCR 2015”	Found in full at <a href="#">Appendix 2</a> of these Guidelines
“Regulations 72 PCR 2015”	Found in full at <a href="#">Appendix 3</a> of these Guidelines

## 2. **PROCUREMENT STRATEGY**

2.1 The following procurement options (see later sections for further detail) have been considered in order to deliver the Project:

- Framework agreements
- Sponsorship agreements
- Concession contracts
- Joint Ventures and Partnerships
- Invitation To Tender

2.2 Following review, one option has been identified as appropriate based on the nature of the goods, services and works required to deliver the Project. Procurements will be undertaken via Invitation To Tender (or Request For Quotation for low value procurements). In relation to legal services required to deliver the project the central Methodist Church has been through a tender exercise to select 3 solicitors to act as a pre-qualified Panel. Procurement of legal services is by request for quotation to this restricted Panel against detailed scope of service requirements.

2.3 The procedure set out in Section 12 will be followed to estimate the value of a contract prior to procurement, following aggregation rules. Based on the estimated contract value, the thresholds and procedures set out in Section 13 will be followed, including advertising requirements.

2.4 Tender procurement options have been considered for medium and high value procurements and the actioned / proposed method of market engagement is set out below:

<b>Activity Procured</b>	<b>Threshold Value</b>	<b>Tender Procurement Option / Market Engagement</b>
Design and Professional Team	Medium and High	ITT Open procedure

Design Reports, Surveys and Minor Works	<£2.5k and Low	Single supplier direct award / Request For Quotation (min 3 written quotations sought)
Insurances, Inspections Legal and Specialist	Low	Request For Quotation (min 3 written quotations sought)
Specialist VAT	Low	Direct award - Waiver from Guidelines to engage same organisation to provide related services (see section 7)
FF&E (Multiple Packages)	Low	Request For Quotation (min 3 written quotations sought)
Lighting Rig/AV	Medium	ITT Open procedure
Main Construction Contract	High	ITT Competitive procedure with negotiation

- 2.5 Beyond the instruction of professional services necessary to develop / design the Project, no contracts have yet (at Nov 2023) been placed for the delivery of the scheme. Annex 1 provides details of the completed procurements to date in line with the Procurement Guidelines and Procurement Plan.
- 2.6 Annex 2 provides details of planned procurements, with further details regarding the approach to the procurement of the main construction contract set out in Annex 3.
- 2.7 Should a different procurement route be required / proposed, a separate report will be prepared in advance and considered by the Project Board.

### **3. FUNDING CHECK BEFORE SEEKING TENDERS**

- 3.1 The LCH project budget is not to exceed £6.4m, inclusive of the agreed DDDC programme fees. Activities as listed in Annex 1 are allowed for in this budget, and tenders may be sought without further approval. Before seeking tenders for any activities not included in Schedule 1, the proposed activity and estimated costs must be agreed in advance by the AMC LCH Development Team.

### **4. DECLARATION OF INTEREST**

- 4.1 All church volunteers and other parties involved with procurement of the LCH project must declare if it comes to their knowledge that a contract in which he/she has a financial, non-financial or personal interest has been or is proposed to be entered into for the Project. Declaration of such interest must be made to the AMC Link Community Hub Development Team Leader, who will advise to what extent continued participation in the tender process and /or any subsequent contract may be allowed.

### **5. PREVENTION OF CORRUPTION**

- 5.1 All parties working on the LCH project must not invite or accept any gift or hospitality in respect of the award or performance of the contract. They will be required to prove

that anything received was not received corruptly. High standards of conduct are mandatory.

5.2 No significant personal gifts from contractors and outside suppliers may be accepted. Token gifts of a very small value like pens marked with a company name, or calendars, which might be seen as advertisements, are acceptable.

5.3 Any gifts received 'out of the blue' other than the token gifts outlined above, must be reported to the AMC LCH Development Team Leader, who will record receipt of the gift and decide whether the gift should be returned or forwarded to a local charity.

5.4 The following clause (or suitable alternative drafted by the Project Legal support) shall be put in every contract:

"AMC may terminate this contract and recover all its losses if the Contractor, its employees or anyone on the Contractor's behalf does any of the following:

- i. Offer, give or agree to give to anyone, any inducement or reward in respect of this or any other contract for the project (even if the Contractor does not know what has been done); or
- ii. Commit an offence under the Bribery Act 2010
- iii. Commit any fraud in connection with this or any other contract for the Project whether alone or in conjunction with any parties involved in the Project.
- iii. Any clause limiting the Contractor's liability shall not apply to this clause."

## 6. **PRINCIPLES**

6.1 These Guidelines apply to any arrangement, **of any value**, made by, or on behalf of, the Project for the carrying out of works, supplies, goods, materials or services. '**Of any value**' includes where goods and services are provided free of charge under any agreement, or as a possible inducement to obtain future contracts. They apply for any such procurement made before 31 July 2025, but not thereafter (unless Levelling Up Fund grant expenditure extends beyond this date).

6.2 These Guidelines do not apply to contracts for the acquisition, disposal or transfer of land or of any interest therein, for the lending or borrowing of money, or for a contract of employment.

They do not apply to any procurement relating to the future operation of the Link Community Hub.

6.3 The following key principles apply to any procurement:-

6.3.1 All procurements must:-

- (a) realise value for money by achieving the best combination of highest quality of outcome and minimum whole life costs;
- (b) achieve the highest standards of integrity;

- (c) ensure fair and equal treatment of contractors;
- (d) operate transparently, subject to any requirement for confidentiality;
- (e) comply with all legal requirements,  
and
- (f) ensure that non-commercial considerations do not influence any contracting decision, except on ethical grounds or in the case  
6.3.2 below

#### 6.3.2 For each new high value procurement the Project will

- (a) consider how the proposed procurement may improve the economic, social and environmental wellbeing of the local, regional or national community and how such improvement may be secured during the process of procurement;
- (b) ensure the contractor complies with relevant health and safety legislation and best practice in relation to the contractor's work force and business;

#### 6.3.3 All contracts must be in writing

#### 6.3.4 All contracts must be entered into prior to the commencement of the undertaking or the delivery of the goods or the performance of the services.

If for any reason this is not possible, and the risk of project delay is high, a written short term agreement may be put in place with the supplier until the full contract is finalised and signed.

## 7. **WAIVERS**

7.1 Contracts made by AMC and AMCD must comply with these Procurement Guidelines and Public Contracts Regulations 2015. If the procurement process in Section 13 cannot be completed for an unforeseen reason, use of a Waiver may be considered. A Waiver is a written and approved document that allows deviation from the competitive procurement processes in Section 13 of these Guidelines.

For example : A waiver would allow a contract to be placed by direct negotiation with one or more suppliers rather than in accordance with the requirements to ensure competition.

7.2 Waivers can only be considered in exceptional circumstances, and only if the procurement is under the UK Procurement Threshold. Considering a waiver must be risk based and always a last resort after all other options have been considered.

7.3 Waivers may be considered with regard to low and medium value procurements in the following circumstances:-

7.3.1 Where the purchase of supplies or the execution of works or services involve specialist or unique skills or knowledge which cannot be obtained from other providers;



7.3.2 where the work is to upgrade existing software packages or require repairs to, or parts for, existing machinery or equipment that are specific to that machinery or equipment;

7.3.3 the purchase of supplies or the works or services to be carried out constitute an extension of an existing contract provided that:-

- (a) the original contract was procured through a best value exercise;
- and
- (b) there is budget approval in place for the extension;

7.3.4 if AMC has already engaged with an organisation for a similar and related procurement provided that AMC will not be exposed to unacceptable risk and there is significant benefit to cover this additional requirement;

7.3.5 where, after advertising in accordance with these Guidelines it has not been possible to obtain competitive prices for works, supplies or services;

7.3.6 In relation to time-limited grant funding from an external body, where the time limitations will not allow a competitive procurement process to be completed and where the grant conditions allow this;

7.3.7 If works, supplies or services are urgently needed for the immediate protection of life or property on the basis of an unforeseeable emergency

7.4 Unique skills or knowledge under a waiver in 7.3.1 does not include knowledge gained because the contractor has worked for the Employer previously. Previous skills or knowledge gained by working for the Employer previously can only be used where the contractor is providing additional advice on a same or very similar issue that was not previously contracted for.

7.5 A waiver under 7.3.4 cannot be used to renew a contract where there is a continuation of the same product or service. It can only be used to extend a contract for additional products or services with the same provider. 7.3.4 does allow for existing surveys and reports required to be updated for the new Planning and Listed Building Consents submissions to be undertaken by the original suppliers.

7.6 A waiver under 7.3.7 cannot be used to contract for a product or service where there has been a failure to manage the timescale to ensure compliance with the Guidelines

7.7 In order to request a waiver, a waiver report must be prepared and submitted to the AMC LCH Team Leader and DDDC for agreement. The waiver must address all of the following points:

7.7.1 the reasons why the waiver is being requested

7.7.2 the process which is intended to be followed instead;

7.7.3 Confirmation of approved budget.

7.8 AMC will keep a register of any waivers or breaches.

## **8. FRAMEWORK AGREEMENTS**

8.1 No frameworks are planned for the Project. Further advice from the AMC Link Development team / DDDC would be required before any new frameworks were proposed.

## **9. SPONSORSHIP**

9.1 Sponsorship agreements, at their simplest, involves the payment of a sponsorship fee in exchange for publicity related benefits.

There are no Sponsorships currently proposed under this Project.

Further advice from the AMC Link Development team / DDDC would be required if under consideration.

## **10. CONCESSION CONTRACTS**

10.1 Concession contracts are contracts for a financial interest, where the 'payment' is either that the contractor has the right to exploit (profit from) the contract works/services, or that the contractor has such right together with some payment.

There are no Concession Contracts currently proposed under this Project.

Further advice from the AMC Link Development team / DDDC would be required if under consideration.

## **11. JOINT VENTURES AND PARTNERSHIPS**

11.1 There are no Joint Ventures or Partnerships currently proposed under this Project.

Further advice from the AMC Link Development team / DDDC would be required if under consideration.

## **12. VALUING THE CONTRACT**

12.1 In estimating relevant contract values, the following aggregations rules will apply to calculate the whole of the value or estimated value for a single contract, purchase or disposal:-

- (a) where the contract is for a fixed period, by taking the total price to be paid or which might be paid during the whole of the period
- (b) where the purchase involves recurrent transactions in the coming twelve months, by taking the total price which might be paid during that period;
- (c) where the contract is for an uncertain duration, by multiplying the monthly payment by 48

12.2 The contract whole life cost including any optional extension periods, shall be used when estimating the total contract value. Whole life cost is the value expected to be paid for the contract duration.

12.3 AMC will not enter into separate contracts nor select a method of calculating the total value in order to minimise the application of the Guidelines

12.4 All contracts must set out that payment will be paid in Great British Pounds (GBP). Payments shall not be made to a contractor in any other currencies.

12.5 From 1 January 2022, the Medium and High value thresholds are inclusive of VAT.

### 13. **THRESHOLDS AND PROCEDURES**

13.1 Where the estimated total value for a contract is within the values in the second column of the table below, as a minimum requirement, the procurement process in the third column must be followed.

<b>Contract Type (Risk)</b>	<b>Total Value</b>	<b>Procurement Process</b>	<b>Advertising requirements</b>
<b>Goods and Services</b>	<b>Up to £2,500 Single Purchase Excluding VAT</b>	<b>Budget Holders Authorisation</b>	<b>None</b>
<b>Goods, Services and Works (Low)</b>	<b>£2,501 up to £30,000 excluding VAT</b>	<b>3 Quotes in writing See paragraph 13.2</b>	<b>Optional Contracts Finder</b>

<b>Services (Medium)</b>	<b>£30,001 but less than £213,477 inclusive of VAT from 1 January 2022. From 01/01/2024 £30,001 but less than £214,904 inclusive of VAT</b>	<b>Invitation to tender See paragraph 13.3</b>	<b>Contracts Finder</b>
<b>Works (Medium)</b>	<b>£30,001 up to £5,336,937 inclusive of VAT from 1 January 2022. From 01/01/2024 £30,001 up to £5,372,609 inclusive of VAT</b>	<b>Invitation to tender See paragraph 13.3</b>	<b>Contracts Finder</b>
<b>Goods (Medium)</b>	<b>£30,001 but less than £213,477 inclusive of VAT from 1 January 2022. From 01/01/2024 £30,001 but less than £214,904 inclusive of VAT</b>	<b>Invitation to tender See paragraph 13.3</b>	<b>Contracts Finder</b>
<b>Supplies and Services (High)</b>	<b>£213,477 and above inclusive of VAT from 1 January 2022). From 01/01/2024 £214,904 and above inclusive of VAT</b>	<b>The UK Threshold Level Procurement Procedure must be followed: See Paragraph 13.4</b>	<b>Contracts Finder Find a Tender service</b>
<b>Works (High)</b>	<b>£5,336,937 and above inclusive of VAT from 1 January 2022. From 01/01/2024 £5,372,609 and above inclusive of VAT</b>	<b>The UK Threshold Level Procurement Procedure must be followed: See paragraph 13.4</b>	<b>Contracts Finder Find a Tender service</b>

## 13.2 The Low Value Procurement Procedure

13.2.1 **If the contract is uncomplicated and is of low business risk, three written competitive quotations must be obtained.** Companies invited to quote must be assessed that they are competent to carry out the planned work, and can deliver to the required standard based on evaluation criteria defining the weighting between quality and price. Normal procedure will be to seek quotations from companies recommended by the Professional Team based on satisfactory prior experience.

13.2.2 A quotation is a written priced offer to undertake a supply or service received in response to an invitation document. Quotations are processed routinely, as opposed to the sealed bids defined by the tender route.

13.2.3 If the contract is of a complex nature or the risk is assessed as high, **then the** Medium Value Procurement Procedure must be followed.

## 13.3 The Medium Value Procurement Procedure

13.3.1 Legal advice may be consulted to agree the contract terms and conditions before entering into the procurement,

13.3.2 Subject to adequate budget provision having been made the following process is to be followed:

13.3.2.1 invite tenders for the execution of works, including Schedules of Rates and Prices for the supply of goods, materials or services to the Project.

13.3.2.2 enter into contracts or place orders on the Project's behalf accordingly provided that this authority shall not extend to any tender, contract or order where the original total estimated value exceeds the UK Threshold;

13.3.3 A tender is a response to a written invitation to price for a supply or service, received by a specific date, opened at an agreed time in accordance with the Guidelines.

13.3.4 The invitation to tender must be advertised in accordance with the "Medium Procurement Advertising".

13.3.5 The award of a contract is based on a tender, which is the most economically advantageous tender in accordance with the pre-determined evaluation criteria. This can include assessment on the basis of price/cost as well as other methods equivalent to value for money, which can include social and environmental requirements provided they relate to the contract.

#### 13.4 The UK Threshold Value Procurement Procedure for High Value Contracts

- **The UK Procurement Rules apply therefore the procurement process must comply with both these Guidelines and with the PCR 2015.**

13.4.1 A brief summary of the types of tender procurement options are noted below.

- (a) Contract awards which are estimated to exceed the UK Thresholds in value or amount shall be subject to a suitability assessment.
- (b) Procurement of the supply of services, goods or materials or the execution of work shall be advertised in accordance with UK Procurement Advertising set out in Section 14 below and as appropriate for the individual procurement, a trade journal or local press may be required to allow the services market to be opened up to competition. It is recommended that procurement advice is sought from DDDC's Procurement Officer prior to issue.

#### 13.5 Tender Procurement Options

There are five tender procurement options which may be used. In summary they are:-

<b>Open</b>	All suppliers who request tender documentation will be invited to submit a tender by a set date. Following evaluation the contract will be awarded to the successful bidder. The open tender procedure is normally only used where the known marketplace is limited, or where the timescale does not allow the two stage restricted tender procedure to be followed
<b>Restricted</b>	This is a two stage process. The first stage involves a suitability assessment where a short list of a minimum of 5 suppliers is identified. In the second stage suppliers are invited to respond to an Invitation to Tender (ITT). The contracts are awarded to the successful supplier following analysis of the ITT.
<b>Competitive Dialogue</b>	This is used for more complex procurements. The first stage involves a pre-qualification assessment, where a shortlist of a minimum of 3 suppliers is identified. The following stages, which allow for the reduction in the number of bidders involved in the process, include a successive series of dialogue sessions and submissions (outline solution, detailed solution, revised solution (optional) and final tender). After final tenders have been submitted limited post tender negotiations with the preferred bidder are permitted (as set out in PCR 2015 30(20) and an award is subsequently made.

<b>Competitive Procedure with negotiation</b>	This is multi-stage process. The first stage involves a prequalification assessment, where a shortlist of a minimum of 3 suppliers is identified. In the second stage suppliers are invited to respond to an Invitation to Tender (ITT). An award may be made based on initial tenders or open negotiations with suppliers to seek improved offers, prior to a further invitation to submit revised and/or final tenders. After the final ITT has been issued no further negotiation is allowed, except discussion to clarify or fine tune the tender. An award is subsequently made.
<b>Negotiated Position without prior publication</b>	In certain narrowly defined permitted circumstances the contracting authority may also award a contract using the 'negotiated procedure without prior publication'. AMC approaches one or more suppliers seeking to negotiate the terms of the contract.

## 14. **ADVERTISING**

14.1 The contract opportunity should be advertised in accordance with the relevant Tables in Section 13 and be based on the individual circumstances of the procurement. The methods chosen must allow the market to be opened up to competition and the impartiality of the procurement to be reviewed.

14.2 The advertisement will include details of contracts to be awarded and the award method.

## 15. **EVALUATION CRITERIA**

15.1 All evaluation criteria must have been determined in advance of requesting quotes or entering into the tender process. Evaluation criteria must be put into order of importance on the evaluation sheet

15.2 All criteria must relate to the subject matter of the contract, must be objectively quantifiable and non-discriminatory.

15.3 Weighting between price and non-price elements of the tender will be strongly influenced by the contract type goods or services. All contracts need to use a cost effectiveness approach to weight the importance of the non-price elements against cost to achieve the most economically advantageous balance between quality and price. Non-price elements of the evaluation criteria can include life cycle costing, equalities, business continuity, environmental and sustainability considerations.

15.4 The evaluation criteria must be published in the tender pack and the documentation should clearly explain to bidders the basis of how the decision will be made. It should be made clear how the evaluation criteria specified will be applied, the weightings to be attached to each criteria, how the criteria are divided into any sub-criteria and the weightings attached to each of those sub criteria.

15.5 For Low Value procurements the evaluation criteria will be kept simple. Companies invited to quote will be assessed that they are competent to carry out the planned work, and can deliver to the required standard based on evaluation criteria defining the weighting between quality and price and the contract awarded based on the most economically advantageous quotation.

## **16. OBTAINING QUOTES**

### Low Value Procurement Process

16.1 All contractors invited to quote must be given an adequate period in which to prepare and submit a proper quotation, consistent with the complexity of the contract requirement (typically at least one week should be allowed for submission of a quote).

16.2 All contractors invited to quote must be issued with the same information at the same time and subject to the same conditions. Any supplementary information must be given on the same basis.

16.3 All invitations to quote shall include:

- (a) the specification detailing the Project's requirements to enable the submission of competitive offers and evaluation criteria including scoring key where applicable;
- (b) the terms and conditions proposed;
- (c) the closing date and time for the receipt of quotation and confirmation that no quotations received after that date and time will be considered

## **17. INVITATION TO TENDER**

### Medium and High Value Procurement Process

17.1 All contractors invited to tender must be given an adequate period in which to prepare and submit a proper tender, consistent with the complexity of the contract requirement (typically at least four weeks should be allowed for submission of tenders). Where the Public Contract Regulations 2015 apply the Regulations lay down specific minimum time periods for tenders.

17.2 All contractors invited to tender must be issued with the same information at the same time and subject to the same conditions. Any supplementary information must be given on the same basis.

17.3 All invitations to tender shall include:

- (a) the specification detailing the Project's requirements to enable the submission of competitive offers;
- (b) Evaluation criteria and evaluation methodology including scoring.
- (c) the proposed terms and conditions of contract that will apply ;
- (d) a requirement for tenderers to complete fully and sign or show acceptance of all tender documents;



- (e) a requirement for tenderers to declare that the content, price or any other figure or particulars concerning the tender have not been disclosed by the candidate to any other party;
- (f) a requirement that the tender shall be sent electronically using an e-tendering portal;
- (g) a statement that failure to comply with any of the foregoing requirements will render a tender liable to disqualification;
- (h) the closing date and time for the receipt of tenders and confirmation that no tenders received after that date and time will be considered
- (i) a statement that the employer shall not be liable for expenses incurred in the preparation of tenders; nor shall they be bound to accept the lowest or any tenders submitted; nor shall they have to give reasons for the rejection of any tender and shall have reserved to them the right to invite fresh tenders should they consider that course desirable.

17.4 All tenders shall be kept within the secure area of the e-tendering portal until the time appointed for their opening.

17.5 Any electronic receipt issued within the e-tendering portal will be accepted as proof of an electronic submission.

17.6 For Medium and High value procurements, legal advice shall be consulted if the contractor offers any alternative Terms and Conditions which materially change the advertised terms and conditions.

## **18. CLARIFICATION PROCEDURES**

18.1 Clarifying an invitation to tender to potential or actual candidates or seeking clarification of a tender whether in writing or by way of a meeting is permitted, provided that any such clarification does not improve the bidding organisation's submission or provide additional information that may improve their score.

18.2 Where the circumstances so warrant the closing time and date for receipt of tenders may be postponed, for a reasonable period, provided that all persons from whom tenders have been invited are notified by the same method and that no tenders have been opened.

## **19. EVALUATION, AWARD OF CONTRACT, AND DEBRIEFING OF ORGANISATIONS**

19.1 The evaluation of bids must be conducted in accordance with the evaluation criteria set out in the procurement documents provided to tenderers.

19.2 Appropriate financial checks should be made for those contractors invited to bid for medium or high value Goods, Works and Services.

19.3 For procurements over the UK Threshold, the evaluation team appointed to evaluate tenders received must act under the main principle of independence.. Any officer who

has any interest in the proposed contract (including any involvement in any product trials, etc.) must not be a member of the evaluation team and declare an interest as contained in Section 4.

- 19.4 If an error or discrepancy is identified on examining tender submissions, the tenderer is to be given details of such error or discrepancy and afforded an opportunity of confirming or withdrawing their tender.
- 19.5 In accordance with Regulation 57 of the Public Contract Regulations 2015, any company responding to a UK tender shall be excluded from the tender process if it or its directors have been convicted of conspiracy, corruption, bribery, fraud or money laundering, terrorist offences or offences linked to terrorist activities, Money laundering or terrorist financing, Child labour and other forms of trafficking human beings, Non payment of tax and social security contributions and any other offence within the meaning of Regulation 57.
- 19.6 Before any notification of award is provided to the bidders the final evaluation sheet must be signed off.
- 19.7 Successful and unsuccessful bidders must be notified of the outcome of a procurement process, in writing, in as soon as reasonably possible. The notification of the award decision should advise the tenderer that they are successful without formally committing to an implied form of contract. The notification should contain:-
- the award criteria
  - the score the tender obtained against those award criteria
  - the score of the winning tender achieved
  - the name of the winning tenderer
  - the relative advantages of the winning Tenderers bid
- 19.8 Tenderers should be offered a debrief, whether successful or not, to assist them in preparing future bids. Records should be made and retained of all debrief requests and responses.
- 19.9 Works must not commence on site nor should services be provided until the formal contract is executed and all terms and conditions have been agreed between the parties concerned.
- 19.10 Where procurement has been subject to the PCR 2015, there must be a standstill period of 10 days before a contract can be awarded. This is to allow an unsuccessful bidding organisation an opportunity to challenge the proposed decision to award. This period should be included in the procurement timetable before the contract can be awarded.

## **20. NOMINATED SUB-CONTRACTORS**

- 20.1 In these Guidelines any reference to a contract shall, where appropriate, also be taken to include a nominated sub-contract.

- 20.2 Under normal circumstances the main contractor will be responsible for tendering for sub-contractors to support delivery of the Project. Should specific circumstances necessitate the Employer to nominate a sub-contractor e.g. to mitigate long lead-in times for Project supplies, after advertising any Sub Contract procurement and completing the evaluation, the main contractor will be advised of the person/organisation whose tender or quotation is, the most economically advantageous tender.
- 20.3 The terms of the Sub Contractor invitation shall require an undertaking by the tenderer that if he/she is selected he/she will be willing to enter into a contract with the main contractor on terms which indemnify the main contractor against his/her obligations under the main contract in relation to the work or goods included in the sub-contract.

## **21. RISK REGISTER**

- 21.1 For contracts where risk is evident and for all contracts over the UK Threshold in force from time to time, a register of contracts shall be maintained by the Project

## **22. GUARANTEE BONDS**

- 22.1 Contractor's may be required to provide a performance bond if the contract risk or circumstances require.

## **23. CONTRACT DOCUMENTATION**

- 23.1 All contract documentation must be in writing, and identify the terms and conditions that apply.

- 23.2 Legal advice is to be sought for all contracts over £30,000, and for orders or contracts under £30,000 where standard terms may not be appropriate: for example this includes, but is not limited to:

23.2.1 Entering into licencing agreements wherein the licensor's standard terms and conditions will almost always apply e.g. licence to use Microsoft Software;

23.2.2 Contracts called off under a Framework Agreement as the Framework Agreement incorporates its own call-off contract terms;

23.2.3 Circumstances where there is a weak bargaining position e.g. entering into a contract with a utility provider; and

23.2.4 Circumstances where a bespoke form of contract is being entered into.

- 23.3 Save for the discrete circumstances noted at 23.2 above, all contracts:

23.3.1 shall expressly prohibit the contractor from transferring, assigning or sub-letting the whole or any part of the contractor's contractual obligations without prior written permission.

23.3.2 must specify that payments are to be paid in GBP.

- 23.4 Every contract which is for the carrying out of works shall require the contractor to indemnify the Employer against any claim which may be made in respect of personal injury to any person unless due to the negligence of the Employer and against any claim for damage to property of third parties due the negligence of the contractor. . The contractor shall upon demand produce satisfactory evidence that he/she is insured against any such claims to the agreed level.
- 23.5 Wherever possible, Contracts shall require goods and materials used in their execution and all workmanship to be in accordance with a specified British Standard. Only if no British Standard exists should a European or other Equivalent Standard be stated.
- 23.6 Every contract which is for the carrying out of works shall specify the work, materials, matters or things to be furnished, had or done, the price to be paid with a statement of discounts or other reductions and the time or times within which the contract is to be performed.
- 23.7 A contract for the supply of goods or materials shall provide that if a contractor fails to deliver part or all of the goods or materials within the time(s) specified the Employer may determine the contract either wholly or in part and purchase other goods or materials of the same or similar description to make good such default, or in the event of the contract being wholly determined to acquire goods or materials remaining to be delivered.
- 23.8 The contract shall also provide that the amount by which the cost of purchasing other goods or materials exceeds the corresponding amount which would have been payable to the contractor shall be recoverable from the contractor.
- 23.9 Where appropriate, a contract shall provide for liquidated damages to be paid by the contractor in case the terms of the contract are not duly performed.
- 23.10 The LCH Team will ensure any additional contract clauses required e.g. to fulfil Levelling Up Fund branding and publicity requirements are included within contracts with the main contractor.

## **24. SIGNING THE CONTRACT DOCUMENTATION**

- 24.1 All contracts must be signed by the Employer before the contract provisions begin.
- 24.2 Where a contract is to be signed underhand, electronic signatures may not be used where statute imposes a requirement for the document to be in writing with an original signature. Examples include property transactions, transfer of securities, assignments of copyright etc.

24.3 Where the contract is to be the form of a deed, Legal advisors are to clarify the process and arrangements.

24.4 A contract must be executed as a Deed where:

- The contract is to enforced for more than six years after it ends.
- Legal advice confirms this requirement.

## **25. STORAGE OF CONTRACT DOCUMENTATION**

25.1 Once the contract documentation has been signed and dated, the following documentation is to be stored

- Copy of Contract
- Copy of any waiver
- Copy of 3 written quotes with reasons for the decision to accept the successful quote (if applicable)
- Completion Notice
- Any formal tender documents

## **26. CONTRACT REGISTER**

26.1 The Project will maintain a register of all orders and Contracts

## **27. RECORDS**

27.1 Contracting authorities are required by PCR 2015 to maintain comprehensive records of procurement activities, including:-

- (a) the rationale for the procurement route taken
- (b) the officer(s) undertaking the procurement process and taking the decisions
- (c) a copy of the business case and risk assessment (where appropriate)
- (d) names of bidding organisations, both successful and unsuccessful along with copies of all tenders and suitability assessment questions
- (e) the selection decision and reasons for selection, criteria, weighting and scores
- (f) copy of the award letter and other notification letters
- (g) the contract details including the value, how this is broken down and calculated
- (h) copy of the final contract
- (i) copy of the contract review and management process including the officer responsible for on-going contract management
- (j) reasons for abandoning a procedure.

## **28. CONTRACT SUPERVISION, MONITORING AND REVIEW**

28.1 To ensure that that each contract is performed as per the specification a suitably qualified, experienced and trained person shall be nominated as contract manager, by the LCH team. The contract manager shall be responsible for actions such as:

- (a) Regularly reviewing management information and supplier performance (as detailed in the tender and contract documentation).
- (b) Meeting with the supplier at a frequency appropriate to the contract value (but no less than annually) to discuss contract compliance, performance, service development, innovation etc.
- (c) Dealing with instances of off and non-contract spend.
- (d) Benchmarking the Contract to ensure it continues to provide Best Value for Money.
- (e) Monitoring any ongoing efficiency savings and reporting these
- (f) Monitoring that all outputs and outcomes (including social value commitments) are delivered and take appropriate action where a Supplier fails to perform.
- (g) Make recommendations about options for future procurements / extensions to the Contract

The contract manager may enlist the professional team or others (such as H&S specialists) to assist.

## **29. VARYING THE CONTRACT TERMS**

- 29.1 Any changes to contract terms during the contract period are not permitted without prior approval of the LCH team. Legal Advice is likely to be required. Any variations must comply with these Guidelines or UK Regulations as applicable.

## **30. EXTENDING THE CONTRACT**

- 30.1 Extensions of the contract beyond the contract period originally awarded or indicated spend are not permitted without prior consultation with the LCH team. Any extension must comply with these Guidelines or UK Procurement Regulations as applicable.
- 30.2 Following the extension of the contract, the requirements of Sections 25 and 26 above must be completed in relation to the extended contract.

## **31. REVIEW AND AMENDMENT OF THE GUIDELINES**

- 31.1 Technical amendments may be made from time to time to ensure that these Guidelines are consistent with legislative requirements, and best practice guidance
- 31.2 A formal review and update of the Guidelines will take place at least every two years.

## Annex 1 – Procurement Register :- Completed Procurements

The completed Procurements (at Jan 2024) required to deliver the Project are set out below

### Levelling Up Fund Procurement Register - Completed Procurements

Grant Recipient	Ashbourne Methodist Church
Project Name	Link Community Hub
Project Reference	2.2

Status as at Feb 2024  
Subject to ongoing revision

No	Contract reference or No	Value of the contract	Name of Supplier	Description of works, supplies or services provided under the contract	How was this contract procured?	Where a procurement framework has been used, please provide details of the framework used.	Who has led this procurement? If a third party please advise	How was the contract advertised?	Is there a Contract Award notice? (Insert Hyperlink to Notice)	Contract Commencement Date	Contract Completion Date	Does your organisation hold all the relevant procurement documents? (Y/N)
CA 1		£248,410.00	Allan Joyce Architects Ltd (ALA)	Architect /Lead Designer – To include Architect including Interior Designs, Principal Designer, Fire consultant, Acoustician, Landscape Architect	ITT open procedure	None	AMCD	FTS , CF	As 6.3.4, until GFA funding is in place the full Contract Award has not been made	Mar-23	Ongoing to Jul 2026 (End Defects Liability Period)	Contract Awaited
CA 2		£149,970.00	Greenwood Projects Ltd (GPL)	Project Manager, Quantity Surveyor and Contract Administrator	ITT open procedure	None	AMCD	CF	As 6.3.4, until GFA funding is in place the full Contract Award has not been made	Apr-23	Ongoing to Jul 2026 (End Defects Liability Period)	Contract Awaited
CA 3		£86,164.77	CPW - Couch Perry & Wilkes LLP	Building Engineering Services Consultant	ITT open procedure	None	GPL	CF	As 6.3.4, until GFA funding is in place the full Contract Award has not been made	Jul-23	Ongoing to Jul 2026 (End Defects Liability Period)	Contract Awaited
CA 4		£48,900.00	Ridge and Partners LLP	Civil and Structural Consultant	ITT open procedure	None	GPL	CF	As 6.3.4, until GFA funding is in place the full Contract Award has not been made	Jul-23	Ongoing to Jul 2026 (End Defects Liability Period)	Contract Awaited
CA 5		£1,030.00	York Archaeology	Archaeology Survey report	RFQ	None	GPL	None	Not reqd for RFQ	Sep-23	Oct-23	Y
CA 6		£1,195.00	TES Environmental Services Ltd	Asbestos R&D Survey report	RFQ	None	GPL	None	Not reqd for RFQ	Aug-23	Oct-23	Y
CA 7		£10,375.00	Quadrant	Building Regulations Inspection	RFQ	None	AJA	None	Not reqd for RFQ	Aug-23	Jul-25	Y
CA 8		£13,850.00	Anthony Collins	Legal (GFA work)	RFQ	None	AMC	None	Not reqd for RFQ	Feb-23	Extended from Aug 2023	Y
CA 9		£10,240.00	Sintons	Legal (Design Team and Construction Contracts)	RFQ	None	AMCD	None	Not reqd for RFQ	Jun-23	Extended from Nov 2023	Y
CA 10		£9,850.00	Anthony Collins	Legal AMC/AMCD and VAT advice	RFQ	None	AMC	None	Not reqd for RFQ	Aug-23	Extended from Nov 2023	Y
CA 11		£5,470.00	Georisk	Borehole and soakaway tests	RFQ	None	Ridge	None	Not reqd for RFQ	Sep-23	Oct-23	Y
CA 12		£850.00	Midland Survey	Drainage CCTV Survey	RFQ	None	Ridge	None	Not reqd for RFQ	Aug-23	Oct-23	Y
CA 13		£10,000.00	Rachel Hacking	Bat Worker / NE Licence Application	RFQ	None	GPL	None	Not reqd for RFQ	Feb-24	Jul-25	Y
CA 14		£4,060.00	Rachel Hacking	Ecology Management Plan/Supervision	RFQ	None	GPL	None	Not reqd for RFQ	Feb-24	Jul-25	Y

## Annex 1 Cont'd

**Direct Award Contracts: Any direct awards must be logged with clear justification, outlining how this contract is exempt from the general principles of advertising and tendering contract opportunities. The Grant Recipient's representative must sign and declare their approval within the procurement documentation, for any contracts to be awarded via this approach.**

No	Contract reference or No	Value of Contract	Name of Supplier	Contract description	Who is awarding and managing this contract? If a third party please advise	Please provide reason for direct awarding	Contract Commencement Date	Contract End Date	Is there a Contract Award notice? (Insert Hyperlink to Notice)	Who is the contract or agreement with?	Does your organisation hold all the relevant procurement documents? (Y/N)
DA 101		£10,037.50	Alan Rashleigh & Associates Ltd	VAT Advisor	AMCD	Waiver from Guidelines to engage same organisation to provide related services (see section 7)	Apr-23	Ongoing to Jul 2026 (End Defects Liability Period)	No		Standard Waiver Form to be completed
DA102		£610.00	Hamps Valley	Arboriculture report	AMCD (Award) AJA (Managing)	Waiver from Guidelines to engage same organisation to provide related services (see section 7)	Aug-23	Sep-23	No		Standard Waiver Form to be completed
DA 103		£650.00	BWB Consulting	Flood Risk update report	AMCD (Award) AJA (Managing)	Waiver from Guidelines to engage same organisation to provide related services (see section 7)	Apr-23	Aug-23	No		Standard Waiver Form to be completed
DA 104		£600.00	J Wetton Consulting	Statement of Significance update	AMCD (Award) AJA (Managing)	Waiver from Guidelines to engage same organisation to provide related services (see section 7)	Apr-23	Sep-23	No		Standard Waiver Form to be completed
DA 105		£16,064.00	EMEC	Ecology Survey & report (Planning Stage)	AMCD (Award) AJA (Managing)	Waiver from Guidelines to engage same organisation to provide related services (see section 7)	May-23	Oct-23	No		Standard Waiver Form to be completed
DA 106		£9,570.00	EMEC	Ecology Winter Surveys & report	AMCD (Award) AJA (Managing)	Waiver from Guidelines to engage same organisation to provide related services (see section 7)	Nov-23	Apr-24	No		Standard Waiver Form to be completed
DA 107		£2,135.00	Skinner & Watson	Opening Up for Architect, Services ar	AMCD (Award)	Waiver from Guidelines to engage same organisation to provide related services (see section 7)	Sep-23	Nov-23	No		Standard Waiver Form to be completed
DA 108		£2,453.00	Skinner & Watson	Trial Holes and Foundation Exposure	AMCD (Award) Ridge (Managing)	Waiver from Guidelines to engage same organisation to provide related services (see section 7)	Sep-23	Nov-23	No		Standard Waiver Form to be completed
DA 109		£1,908.00	Skinner & Watson	Internal Making Good	AMCD	Waiver from Guidelines to engage same organisation to provide related services (see section 7)	Sep-23	Nov-23	No		Standard Waiver Form to be completed
DA 110		£1,380.00	Skinner & Watson	External Making Good	AMCD (Award) Ridge (Managing)	Waiver from Guidelines to engage same organisation to provide related services (see section 7)	Sep-23	Nov-23	No		Standard Waiver Form to be completed
DA 111		£1,790.00	Proactis	Public Procurement Portal For Architect and PM/QS	AMCD	Waiver from Guidelines to engage same organisation to provide related services (see section 7)	Nov-22	Feb-23	No		Standard Waiver Form to be completed
DA 112		£10,924.00	DDDC	Planning Fees	Statutory Authority		Oct-23	Oct-23	No		Standard Waiver Form to be completed



## Annex 2 – Procurement Register :- Pipeline Procurements

The Planned Pipeline Procurements (at Jan 2024) required to deliver the project are set out below. The Pipeline Register includes the expected Threshold Value (TV) (As Section 13 of the Guidelines), and for Medium and High Value procurements the proposed method of Market Engagement (ME) (As Section 13.5)

As procurements are awarded, the details of the award will be added to the Completed Procurements Register in Annex 1.

### Levelling Up Fund Procurement Register - Procurement Pipeline

Grant Recipient	Ashbourne Methodist Church
Project Name	Link Community Hub
Project Reference	2.2

Status as at Feb 24  
Subject to ongoing revision

#### Annex 2: Procurement Pipeline Procurements which the Grant Recipient is planning to undertake.

No	Anticipated value of the contract	Description of goods works, or services that will be provided under the contract	Who is managing and leading this procurement? If a third party please advise	What procurement route do you intend to take (open, restricted)?	Frameworks: Is the Grant Recipient intending to use a procurement framework, if yes, which framework is intended for use and who owns the Framework (NB: the Grant Recipient must ensure frameworks are active, and have not expired)	Anticipated procurement commencement date	Anticipated contract award date	Where will the contract opportunity be advertised?	Anticipated contract completion date.
P-CA1	<30k/Low	Ecology – Bat Mitigation	GPL	RFQ	N	Dec-23	Feb-24		Jul-25
P-CA 2	<30k/Low	Ecology – Site Mngt Plan and non-Bat mangt	GPL	RFQ	N	Feb-24	Mar-24		Jul-25
P CA 2	<30k/Low	Contract Insurance	AMCD / GPL	RFQ	N	Apr-24	May-24		Jul-25
P CA3	<30k/Low	Buildings Insurance (increase Construction risk premium)	AMCD / GPL	RFQ	N	Apr-24	May-24		Jul-25
P CA4	~5.1m High	Main Construction Contract	GPL	ITT Competitive procedure with negotiation	N	Nov-23	May-25	CF, FTS	Jul-25
P CA5	~75k Medium	Lighting Rig/AV	AMCD / GPL	ITT open procedure	N	Mar-24	May-24	CF	Feb-25
P CA6	<30k/Low	FF&E (Multiple Packages)	AMCD / GPL	RFQ	N				
P CA7	~50k Medium	New Site Power Connection - Contestable Works	AMCD / CPW	ITT open procedure	N	Mar-24	May-24	CF	Nov-24
P CA8	<30k/Low	Asbestos Removal	AMCD / GPL	RFQ	N	Feb-24	Apr-24		Jun-24

P CA1 and P CA2 now completed and added to Annex 1



## **Annex 3 – Procurement Report – Main Construction Works Procurement Strategy**

The details of the Main Procurement Strategy are



Construction Works given in the report below.

# Procurement Report for Main Construction Contract Rev A For Link Community Hub Project at Ashbourne Methodist Church

13<sup>th</sup> October 2023



# Contents

- 1.0 Introduction**
- 2.00 Recommendation**
- 3.00 Programme**
- 4.00 Traditional procurement**
- 5.00 Current Market Place**
- 6.00 Conclusion**

## **1.00 Introduction**

As instructed by Ashbourne Methodist Church Developments Ltd ('the Client'), Greenwood Projects Limited were asked to consider the procurement routes available to achieve a start on site for 'The Link Community Hub' Project.

We understand that funds are now available for the production and completion of tender documentation and Technical Design RIBA Stage 4 for the construction phase.

We believe the best approach for this project is using the "Competitive Procedure with Negotiation" traditional procurement method, as per the project Procurement Guidelines.

This is multi-stage process. The first stage involves a prequalification assessment, where a shortlist of a minimum of 3 suppliers is identified. In the second stage suppliers are invited to respond to an Invitation to Tender (ITT). An award based on initial tenders may be made or open negotiations with suppliers are conducted to seek improved offers, prior to a further invitation to submit revised and/or final tenders. After the final ITT has been issued no further negotiation is allowed, except discussion to clarify or fine tune the tender. An award is subsequently made.

For this project the following information and evaluation process is proposed:

- 1<sup>st</sup> Stage: To advertise as a competitive procedure with negotiation with a PQQ (Pass/Fail) form and qualitative questions that focus on 'past' information (e.g. CVs, project experience and the like). Evaluation of these PQQs will create a shortlist of the highest scoring and compliant 4 bidders. Notifications will be issued on whether the bidders were successful or unsuccessful.
- 2<sup>nd</sup> Stage: To issue ITT pricing, programming, social value and quality scoring documents with questions focusing on project-specific issues only to those contractors that were shortlisted as a result of the 1<sup>st</sup> stage. Evaluation of price and other quality factors will be weighted 70% to price and 30% for the remainder.
- 3<sup>rd</sup> Stage (if required): Open negotiations to seek improved offers with revised ITT issued for tenderers to submit 'best and final' bids. The contract notice will indicate a staged process (reducing the number of bidders during the negotiation stage), the award criteria and notes to reserve the right to award the contract on the basis of the initial tender without negotiation.

## **2.00 Recommendation**

This "Competitive Procedure with Negotiation" procurement route is advantageous for creating interest in the project from prospective tenderers. Firstly, it reduces the extent of initial time and resource commitment in the first stage from the only requirement being the completion of the PQQ. Secondly, at the point of the second stage tender, the successful first stage bidders are aware that they are in a limited, closed pool of anonymous tenderers during the request for the pricing and project-specific quality submissions that will require a higher time commitment. It is anticipated that this is an attractive prospect as it the bidders will be aware they are in closed competition and can manage their ITT return accordingly.

Due to the uncertain levels of inflation and the uncertain market appetite for a one-off contract such as this, the recommended procurement process gives flexibility. Initially the widest market is engaged with, and then in Stage 3 the detailed contract design and scope can be adjusted. Other procedures either limit the market or prevent any flexibility to negotiate minor adjustments.

Given the project complexity surrounding heritage requirements and many design interfaces, the Design and Build route would increase client risk profile and exposure to contractor claims for additional work and therefore time. For this reason, the Design and Build Procurement route has been discounted.

A traditional procurement route has considerable advantages for this project. In particular, it affords the design team the appropriate control measures to ensure the design complies with the requirements of listed building consents, Methodist Church Heritage requirements and public procurement, especially when working to a detailed programme.

### **3.00 Programme**

#### Anticipated Programme (1<sup>st</sup> Stage):

- To 29/09/2023: Agree PQQ document and assessment criteria including Pass/Fail questions and 'past' quality questions.
- 20/10/2023: Issue of PQQ contract notice to Find a Tender Service
- 20/10/2023 to 20/11/2023: 1<sup>st</sup> Stage PQQ (Pass/Fail) tender period
- 20/11/2023 to 04/12/2023: PQQ (Pass/Fail) and quality evaluation and report
- 04/12/2023 to 06/12/2023: DDDC & Client Agreement
- 06/12/2023: Notification of Contractors Passed
- 06/12/2023 to 16/12/2023: Mandatory Standstill Period

#### Anticipated Programme (2<sup>nd</sup> Stage):

- 01/12/2023: RIBA Stage 4 Technical Design completion
- 29/12/2023: ITT 2<sup>nd</sup> stage documentation completion
- 05/01/2024: Tender pack review and sign off period completion
- 08/01/2024: ITT 2<sup>nd</sup> stage documentation issue
- 22/03/2024: Tender Evaluation, Recommendation and Approval
- 25/03/2024: Main Contractor award completion

The expected contract value is in excess of £4.5m excluding VAT. Therefore, with the addition of VAT, the contract value exceeds the threshold for the use of the Find a Tender (FTS) service of £5,336,937 including VAT. The tender opportunity will therefore be advertised on both FTS and Contract Finder portals.

### **4.00 Traditional Procurement**

Traditional procurement is the most common form of procurement when working within a heritage environment, lending itself to the requirement for a detailed and thorough design that meets the needs of listed building and local planning, afforded through completing the design process prior to commencement on site. It comprises a tripartite arrangement involving a client, consultants, and contractor.

The traditional procurement route involves separating design from construction. The client first appoints consultants to design the project in detail (already completed) and to ensure cost control and inspect the construction works as they proceed.

The benefits of Traditional Procurement are as follows:

- A greater level of cost comparison between tendering parties and therefore allows the choice of the lowest price, the best quality, or the combination of both that fits the project's needs.

- A Traditional Procurement route gives the client more control over their requirements, specification, and design through the design team in the Technical Design stage. This allows the client greater control over cost and quality.
- Encourages close working relationship with the chosen design team, via the Technical Design stage, to ensure the design is comprehensive. This is an important factor with the level of complexity surrounding the heritage and community aspects of the project, but also to minimise risk of change to the established design once in contract.
- A defined route to the appointment of a Contractor can be fixed at an early stage, with dates applied. This is significant for the satisfaction of funding requirements, funders and indeed stakeholders alike.

As with any procurement route there are disadvantages. They are as follows:

- Traditional Procurement route can be Time-Consuming particularly in the pre-construction stage when developing design and tender packages. However, we believe sufficient time allowances have been allocated to the programme with this in mind.
- Traditional Procurement can mean a large initial investment for the design team by the client. This is aimed to ensure designs are fully completed prior to commencement on site.
- There is generally multiple contacts across a number of parties, consultants and design team members for the client to manage and consult with.

We would propose to use a JCT Standard Building Contract with Quantities (SBC/Q) 2016. This decision has been based on information at Stage 4 being sufficiently progressed and developed. This contract choice also allows for specialist contractor input where required, identified as a Contractor Design Portion. Some Client amendments will be required to include any subsequent requirements of the Grant Funding Agreement, and for compliance with Methodist Church Rules and Law and Charity Law.

## **5.00 Current Marketplace**

Due to the impact of a variety of factors, for example geopolitical and national economic issues, the UK construction market is very volatile at present. There are significant inflationary and delivery issues that are affecting both the cost and the delivery of projects. We would anticipate the mitigation of these by making sensible design choices and appropriate cost allowances within the tendered documents.

## **6.00 Conclusion**

We would advise using a competitive with negotiation procurement route for this project. The tender documentation would be supported by a detailed, quantified pricing document which would enable ease of comparison tender returns. This is a Traditional method of procurement. We also recommend utilising the JCT Standard Building Contract with Quantities (SBC/Q) 2016 with minor Client amendments. These contract terms include the flexibility of using Contractor Design Portions where necessary for specialist areas of design.

We believe that with the current development of Technical Design to RIBA Stage 4, the published tender documentation will be sufficiently developed to allow for a competitive tender price to be gained.

## **APPENDIX 1**

### **Regulation 32 of PCR 2015**

#### 32. - Use of the negotiated procedure without prior publication

(1) In the specific cases and circumstances laid down in this regulation, contracting authorities may award public contracts by a negotiated procedure without prior publication.

#### (2) *General grounds*

The negotiated procedure without prior publication may be used for public works contracts, public supply contracts and public service contracts in any of the following cases:—

a) where no tenders, no suitable tenders, no requests to participate or no suitable requests to participate have been submitted in response to an open procedure or a restricted procedure, provided that the initial conditions of the contract are not substantially altered and that a report is sent to the Cabinet Office if it so requests;

b) where the works, supplies or services can be supplied only by a particular economic operator for any of the following reasons:—

(i) the aim of the procurement is the creation or acquisition of a unique work of art or artistic performance,

(ii) competition is absent for technical reasons,

(iii) the protection of exclusive rights, including intellectual property rights,

but only, in the case of paragraphs (ii) and (iii), where no reasonable alternative or substitute exists and the absence of competition is not the result of an artificial narrowing down of the parameters of the procurement;

c) insofar as is strictly necessary where, for reasons of extreme urgency brought about by events unforeseeable by the contracting authority, the time limits for the open or restricted procedures or competitive procedures with negotiation cannot be complied with.

#### (3) For the purposes of paragraph (2)(a)—

a) a tender shall be considered not to be suitable where it is irrelevant to the contract, being manifestly incapable, without substantial changes, of meeting the contracting authority's needs and requirements as specified in the procurement documents;



b) a request to participate shall be considered not to be suitable where the economic operator concerned—

(i) is to be or may be excluded under regulation 57, or

(ii) does not meet the selection criteria.

(4) For the purposes of paragraph (2)(c), the circumstances invoked to justify extreme urgency must not in any event be attributable to the contracting authority.

(5) *Additional grounds relevant to public supply contracts*

The negotiated procedure without prior publication may be used for public supply contracts—

a) where the products involved are manufactured purely for the purpose of research, experimentation, study or development, but contracts awarded in reliance on this subparagraph shall not include quantity production to establish commercial viability or to recover research and development costs;

b) for additional deliveries by the original supplier which are intended either as a partial replacement of supplies or installations or as the extension of existing supplies or installations where a change of supplier would oblige the contracting authority to acquire supplies having different technical characteristics which would result in incompatibility or disproportionate technical difficulties in operation and maintenance;

c) for supplies quoted and purchased on a commodity market;

d) for the purchase of supplies or services on particularly advantageous terms, from either a supplier which is definitively winding up its business activities, or the liquidator in an insolvency procedure, an arrangement with creditors, or a similar procedure under national laws or regulations.

(6) In the case of paragraph (5)(b), the duration of the contract, as well as that of recurrent contracts, shall not, save in exceptional circumstances, exceed 3 years.

(7) *Additional ground relevant to public service contracts that follow a design contest*

The negotiated procedure without prior publication may be used for public service contracts where the contract concerned—

(a) follows a design contest organised in accordance with this Part, and

(b) is to be awarded, under the rules provided for in the design contest, to—

(i) the winner of the design contest, or

(ii) one of the winners of the design contest.

(8) Where paragraph (7)(b)(ii) applies, all winners must be invited to participate in the negotiation.

(9) *Additional ground relevant to new works or services which repeat similar ones*

The negotiated procedure without prior publication may be used for new works and services consisting of the repetition of similar works or services entrusted to the economic operator to which the same contracting authority awarded an original contract, provided that such works or services are in conformity with a basic project for which the original contract was awarded following a procedure in accordance with regulation 26(1) and (2).

(10) The basic project shall indicate the extent of possible additional works or services and the conditions under which they will be awarded.

(11) As soon as the first project is put up for tender, the possible use of this procedure shall be disclosed and the total estimated cost of subsequent works or services shall be taken into consideration by the contracting authority when it applies regulation 5.

(12) This procedure may be used only during the 3 years following the conclusion of the original contract.

## **APPENDIX 2**

### **REGULATIONS 57 PCR 2015”**

#### **57.— Exclusion grounds: Mandatory exclusions**

- (1) Contracting authorities shall exclude an economic operator from participation in a procurement procedure where they have established, by verifying in accordance with regulations 59, 60 and 61, or are otherwise aware, that that economic operator has been convicted of any of the following offences:—
- (a) conspiracy within the meaning of section 1 or 1A of the Criminal Law Act 19771 or article 9 or 9A of the Criminal Attempts and Conspiracy (Northern Ireland) Order 19832 where that conspiracy relates to participation in a criminal organisation as defined in Article 2 of Council Framework Decision 2008/841/JHA on the fight against organised crime<sup>3</sup>;
  - (b) corruption within the meaning of section 1(2) of the Public Bodies Corrupt Practices Act 18894 or section 1 of the Prevention of Corruption Act 19064;
  - (c) the common law offence of bribery;
  - (d) bribery within the meaning of sections 1, 2 or 6 of the Bribery Act 2010, or section 113 of the Representation of the People Act 19835;[...]<sup>6</sup>
  - (f) any offence listed—
    - (i) in section 41 of the Counter Terrorism Act 2008; or
    - (ii) in Schedule 2 to that Act where the court has determined that there is a terrorist connection;
  - (g) any offence under sections 44 to 46 of the Serious Crime Act 2007 which relates to an offence covered by subparagraph (f);
  - (h) money laundering within the meaning of sections 340(11) and 415 of the Proceeds of Crime Act 20027;
  - (i) an offence in connection with the proceeds of criminal conduct within the meaning of section 93A, 93B or 93C of the Criminal Justice Act 19888 or article 45, 46 or 47 of the Proceeds of Crime (Northern Ireland) Order 19969;
  - (j) an offence under section 4 of the Asylum and Immigration (Treatment of Claimants, etc.) Act 200410;
  - (k) an offence under section 59A of the Sexual Offences Act 200311;
  - (l) an offence under section 71 of the Coroners and Justice Act 2009;[...]<sup>12</sup>
  - (m) an offence in connection with the proceeds of drug trafficking within the meaning of section 49, 50 or 51 of the Drug Trafficking Act 199413 ; [...]<sup>14</sup> [(ma) an offence under section 1, 2 or 4 of the Modern Slavery Act 2015; or]<sup>14</sup>
  - (n) any other offence within the meaning of [Article 57(1)(a), (b), (d), (e) or (f)]<sup>15</sup> of the Public Contracts Directive—
    - (i) as defined by the law of any jurisdiction outside England and Wales and Northern Ireland; or
    - (ii) created, after the day on which these Regulations were made, in the law of England and Wales or Northern Ireland.
- (2) The obligation to exclude an economic operator also applies where the person convicted is a member of the administrative, management or supervisory body of that

economic operator or has powers of representation, decision or control in the economic operator.

(3) *Mandatory and discretionary exclusions for non-payment of taxes etc*

An economic operator shall be excluded from participation in a procurement procedure where—

- (a) the contracting authority is aware that the economic operator is in breach of its obligations relating to the payment of taxes or social security contributions; and
- (b) the breach has been established by a judicial or administrative decision having final and binding effect in accordance with the legal provisions of the country in which it is established or with those of any of the jurisdictions of the United Kingdom.

(4) Contracting authorities may exclude an economic operator from participation in a procurement procedure where the contracting authority can demonstrate by any appropriate means that the economic operator is in breach of its obligations relating to the payment of taxes or social security contributions.

(5) Paragraphs (3) and (4) cease to apply when the economic operator has fulfilled its obligations by paying, or entering into a binding arrangement with a view to paying, the taxes or social security contributions due, including, where applicable, any interest accrued or fines.

(6) *Exceptions to mandatory exclusion*

A contracting authority may disregard any of the prohibitions imposed by paragraphs (1) to (3), on an exceptional basis, for overriding reasons relating to the public interest such as public health or protection of the environment.

(7) A contracting authority may also disregard the prohibition imposed by paragraph (3) where an exclusion would be clearly disproportionate, in particular—

- (a) where only minor amounts of taxes or social security contributions are unpaid; or
- (b) where the economic operator was informed of the exact amount due following its breach of its obligations relating to the payment of taxes or social security contributions at such time that it did not have the possibility of fulfilling its obligations in a manner described in paragraph (5) before expiration of the deadline for requesting participation or, in open procedures, the deadline for submitting its tender.

(8) *Discretionary exclusions*

Contracting authorities may exclude from participation in a procurement procedure any economic operator in any of the following situations:—

- (a) where the contracting authority can demonstrate by any appropriate means a violation of applicable obligations referred to in regulation 56(2);
- (b) where the economic operator is bankrupt or is the subject of insolvency or winding-up proceedings, where its assets are being administered by a liquidator or by the court, where it is in an arrangement with creditors, where its business activities are suspended or it is in any analogous situation arising from a similar procedure under the laws and regulations of any State;
- (c) where the contracting authority can demonstrate by appropriate means that the economic operator is guilty of grave professional misconduct, which renders its integrity questionable;
- (d) where the contracting authority has sufficiently plausible indications to conclude that the economic operator has entered into agreements with other economic operators aimed at distorting competition;
- (e) where a conflict of interest within the meaning of regulation 24 cannot be effectively remedied by other, less intrusive, measures;
- (f) where a distortion of competition from the prior involvement of the economic operator in the preparation of the procurement procedure, as referred to in regulation 41, cannot be remedied by other, less intrusive, measures;
- (g) where the economic operator has shown significant or persistent deficiencies in the performance of a substantive requirement under a prior public contract, a prior contract with a contracting entity, or a prior concession contract, which led to early termination of that prior contract, damages or other comparable sanctions;
- (h) where the economic operator—
  - (i) has been guilty of serious misrepresentation in supplying the information required for the verification of the absence of grounds for exclusion or the fulfilment of the selection criteria; or
  - (ii) has withheld such information or is not able to submit supporting documents required under regulation 59; or
- (i) where the economic operator has—
  - (i) undertaken to—
    - (aa) unduly influence the decision-making process of the contracting authority, or
    - (bb) obtain confidential information that may confer upon it undue advantages in the procurement procedure; or
  - (ii) negligently provided misleading information that may have a material influence on decisions concerning exclusion, selection or award.

(9) *Exclusion during procedure*

Contracting authorities shall exclude an economic operator where they become aware, at any time during a procurement procedure, that the economic operator is, in view of acts committed or omitted either before or during the procedure, in one of the situations referred to in paragraphs (1) to (3).

(10) Contracting authorities may exclude an economic operator where they become aware, at any time during a procurement procedure, that the economic operator is, in view of acts committed or omitted either before or during the procedure, in one of the situations referred to in paragraphs (4) or (8).

(11) *Duration of exclusion*

In the cases referred to in [paragraphs (1) and (2)]<sup>16</sup>, the period during which the economic operator shall (subject to paragraphs (6), (7) and (14)) be excluded is 5 years from the date of the conviction.

(12) In the [situations referred to in paragraph (8)]<sup>17</sup>, the period during which the economic operator may (subject to paragraph (14)) be excluded is 3 years from the date of the relevant event.

(13) *Self-cleaning*

Any economic operator that is in one of the situations referred to in paragraph (1) or (8) may provide evidence to the effect that measures taken by the economic operator are sufficient to demonstrate its reliability despite the existence of a relevant ground for exclusion.

(14) If the contracting authority considers such evidence to be sufficient, the economic operator concerned shall not be excluded from the procurement procedure.

(15) For that purpose, the economic operator shall prove that it has—

- (a) paid or undertaken to pay compensation in respect of any damage caused by the criminal offence or misconduct;
- (b) clarified the facts and circumstances in a comprehensive manner by actively collaborating with the investigating authorities; and
- (c) taken concrete technical, organisational and personnel measures that are appropriate to prevent further criminal offences or misconduct.

(16) The measures taken by the economic operator shall be evaluated taking into account the gravity and particular circumstances of the criminal offence or misconduct.

(17) Where the contracting authority considers such measures to be insufficient, the contracting authority shall give the economic operator a statement of the reasons for that decision.

## **APPENDIX 3**

### **Regulations 72 PCR 2015”**

#### **72.— Modification of contracts during their term**

(1) Contracts and framework agreements may be modified without a new procurement procedure in accordance with this Part in any of the following cases:—

(a) where the modifications, irrespective of their monetary value, have been provided for in the initial procurement documents in clear, precise and unequivocal review clauses, which may include price revision clauses or options, provided that such clauses—

(i) state the scope and nature of possible modifications or options as well as the conditions under which they may be used, and

(ii) do not provide for modifications or options that would alter the overall nature of the contract or the framework agreement;

(b) for additional works, services or supplies by the original contractor that have become necessary and were not included in the initial procurement, where a change of contractor—

(i) cannot be made for economic or technical reasons such as requirements of interchangeability or interoperability with existing equipment, services or installations procured under the initial procurement, and

(ii) would cause significant inconvenience or substantial duplication of costs for the contracting authority,

provided that any increase in price does not exceed 50% of the value of the original contract;

(c) where all of the following conditions are fulfilled:—

(i) the need for modification has been brought about by circumstances which a diligent contracting authority could not have foreseen;

(ii) the modification does not alter the overall nature of the contract

(iii) any increase in price does not exceed 50% of the value of the original contract or framework agreement.

(d) where a new contractor replaces the one to which the contracting authority had initially awarded the contract as a consequence of—

- (i) an unequivocal review clause or option in conformity with sub-paragraph (a), or
  - (ii) universal or partial succession into the position of the initial contractor, following corporate restructuring, including takeover, merger, acquisition or insolvency, of another economic operator that fulfils the criteria for qualitative selection initially established, provided that this does not entail other substantial modifications to the contract and is not aimed at circumventing the application of this Part;
- (e) where the modifications, irrespective of their value, are not substantial within the meaning of paragraph (8); or
- (f) where paragraph (5) applies.
- (2) Where several successive modifications are made:—
- (a) the limitations imposed by the proviso at the end of paragraph (1)(b) and by paragraph (c)(iii) shall apply to the value of each modification; and
  - (b) such successive modifications shall not be aimed at circumventing this Part.
- (3) Contracting authorities which have modified a contract in either of the cases described in paragraph (1)(b) and (c) shall [submit]<sup>2</sup> a notice to that effect, in accordance with regulation 51, for publication.
- (4) Such a notice shall contain the information set out in part G of Annex 5 to the Public Contracts Directive , but as if—
- (a) paragraph 9 (financing by EU funds) were omitted;
  - (b) in paragraph 11, "in the Official Journal of the European Union" read "on the UK e-notification service (within the meaning of the Public Contracts Regulations 2015)"; and
  - (c) in paragraph 12, "*date of dispatch*" were a reference to the date on which the notice is submitted to the UK e-notification service for the purposes of these Regulations.
- (5) This paragraph applies where the value of the modification is below both of the following values:—
- (a) the relevant threshold mentioned in regulation 5, and
  - (b) 10% of the initial contract value for service and supply contracts and 15% of the initial contract value for works contracts,



provided that the modification does not alter the overall nature of the contract or framework agreement.

(6) For the purposes of paragraph (5), where several successive modifications are made, the value shall be the net cumulative value of the successive modifications.

(7) For the purpose of the calculation of—

(a) the price mentioned in paragraph (1)(b) and (c), and

(b) the values mentioned in paragraph (5)(b),

the updated figure shall be the reference figure when the contract includes an indexation clause.

(8) A modification of a contract or a framework agreement during its term shall be considered substantial for the purposes of paragraph (1)(e) where one or more of the following conditions is met:—

(a) the modification renders the contract or the framework agreement materially different in character from the one initially concluded;

(b) the modification introduces conditions which, had they been part of the initial procurement procedure, would have—

(i) allowed for the admission of other candidates than those initially selected,

(ii) allowed for the acceptance of a tender other than that originally accepted, or

(iii) attracted additional participants in the procurement procedure;

(c) the modification changes the economic balance of the contract or the framework agreement in favour of the contractor in a manner which was not provided for in the initial contract or framework agreement;

(d) the modification extends the scope of the contract or framework agreement considerably;

(e) a new contractor replaces the one to which the contracting authority had initially awarded the contract in cases other than those provided for in paragraph (1)(d).

(9) A new procurement procedure in accordance with this Part shall be required for modifications of the provisions of a public contract or a framework agreement during its term other than those provided for in this regulation.