

## **BID EVALUATION METHODOLOGY**

### **PROVISION OF NEW MATERNITY UNIT, CROSSHOUSE HOSPITAL**

#### **1. INTRODUCTION**

This paper sets out the methodology for the evaluation of bids received from consortia, identifying the individuals to be involved and the process towards the final decision.

The members of the Project Steering Group will form the core of the evaluation team with co-opted members from the Project Board, Project Team etc., as required. The evaluation report and recommendation on a preferred bidder and the bidder's proposals will be presented to the Project Board for approval.

#### **2. SUMMARY OF METHODOLOGY AND EVALUATION PROCESS**

- 2.1 The Project Agreement will be awarded under the negotiated procedure of the Public Services Contracts Regulations 1993. This document provides guidance on the methodology that will be used to evaluate bids returned by bidders on Friday 31<sup>st</sup> October 2003. The Trust, in accordance with those regulations, intends to award the contract to the Bidder offering the most economically advantageous tender.
- 2.2 Bidders will be invited to attend to clarify the content of their bids by discussion and presentation. Evaluation panels have been established (Appendix 1) to evaluate the financial, legal and technical aspects of bids.
- 2.3 Bid evaluation has been programmed (Appendix 2), as outlined in Volume 1, paragraph 9.2. Bidders will be expected to make a summary presentation to a wider group of staff and local stakeholders, including lay representatives.
- 2.4 On receipt, each bid will be checked for compliance with the ITN and for completeness. Bids that are substantially incomplete or non-compliant may be rejected at the Trust's discretion.
- 2.5 The Trust reserves the right to call for further information from Bidders during the evaluation period. Similarly it may raise matters requiring clarification in order to refine and finalise with bidders the definition of obligations, the allocation of risk and the payments required by the Trust.

### 3. BID EVALUATION CRITERIA AND WEIGHTINGS

- 3.1 The Trust indicated to Bidders (paragraph 11.2.8 of Volume 1) that it will apply weightings to evaluation scores consistent with the NHS Executive's PITN Guidance Notes (Version 2) dated 4<sup>th</sup> February 2003.
- 3.2 The evaluation category headings in Table 1 are taken from that guidance, and the weightings in the right column for each category were agreed, along with assessment scoring Table 2.
- 3.3 The Score given will normally be a consensus opinion but it is recognised that the "Approach to Design and Construction" involves a large group and as such this approach is unsustainable. Hence individual scores will be recorded and an average mark attributed.
- 3.4 Sensitivity analysis will be applied to the evaluation method to add value to the final report.

**TABLE 1**

Ref	Evaluation Category	Potential Weighted Maximum Score
A	Legal Response	15
B	Financial Response	15
C	Approach to Design and Construction	35
D	Approach to Facilities Management	27
E	Project Management Approach	8
	Aggregate Maximum Score / Total Score	100

**TABLE 2**

	Assessment	Score
Very Poor	completely fails to meet Trust's ITN requirements	0
Poor	meets Trust's ITN requirements to a limited extent	1-4
Satisfactory	sufficiently meets Trust's ITN requirements	5-6
Good	meets Trust's ITN requirements to a considerable extent,, and in some aspects exceeds these requirements	7-8
Very Good	meets Trust's ITN requirements to a considerable extent, and exceeds these requirements in many aspects	9-10

The above sets out the approach to be taken in scoring individual elements of the bid evaluation (legal, financial and technical unweighted scores).

### 3.3 EVALUATION CRITERIA

The evaluation criteria to be applied by the Trust fall into three main categories :

- Legal
- Financial
- Technical

#### 3.3.1 Legal Evaluation Criteria

Bidders' proposals in respect of commercial and contractual issues will be scored. Overall scores will be calculated following the application of predetermined weightings. The evaluation criteria for legal elements of bids are :

Ref	Evaluation Category	Maximum Potential Weighted Score
<b>A</b>	<b>LEGAL RESPONSE</b> Comprising :	<b>15</b>
A.1	Acceptance of terms of ITN Draft Project Agreement, Schedule and Project Risk Matrix (and any non-compliance)	80
A.2	Acceptance of terms of ITN Draft Independent Tester Contract (and any non-compliance)	10
A.3	Support of <ul style="list-style-type: none"> <li>• Funders</li> <li>• Consortium Members</li> <li>• Building Contractor</li> <li>• Service Providers</li> </ul> for position of draft Project Agreement	20
A.4	Deliverability of contractual proposals (including financial proposals)	20
A.5	Integrity between response on the draft Project Agreement and financial and technical aspects of bid	20
	<b>TOTAL UNWEIGHTED SCORE (MAX. 150)</b>	<b>150</b>
	<b>APPLY FACTOR (REDUCING MAX.SCORE TO 15)</b>	<b>15</b>

### 3.3.2 Financial Evaluation Criteria

The undernoted are the key issues that comprise the criterion :

Ref	Evaluation Category	Maximum Potential Weighted Score
<b>B</b>	<b>FINANCIAL RESPONSE</b> Comprising :	<b>15</b>
<b>B.1</b>	Unitary charge	<b>20</b>
<b>B.2</b>	SPC structure and Shareholder return	<b>10</b>
<b>B.3</b>	Funding proposals	<b>10</b>
<b>B.4</b>	Financial Model	<b>15</b>
<b>B.5</b>	Cost Check	<b>10</b>
<b>B.6</b>	Life Cycle Fund	<b>5</b>
<b>B.7</b>	Balance Sheet Treatment	<b>5</b>
<b>B.8</b>	Risk Transfer	<b>10</b>
<b>B.9</b>	Financial Innovations	<b>5</b>
	<b>TOTAL UNWEIGHTED SCORE (MAX. )</b>	<b>90</b>
	<b>APPLY FACTOR (REDUCING MAX.SCORE TO 15)</b>	<b>15</b>

### 3.3.2 Technical Evaluation Criteria

The technical evaluation is based on the Department of Health Design Evaluation Toolkit modified to be project specific.

The technical evaluation is sub-divided into 3 sections (i.e. Design & Construction, Facilities Management and Project Management), and the evaluation criteria for each section are :

Ref	Evaluation Category	Maximum Potential Weighted Score
<b>C</b>	<b>APPROACH TO DESIGN AND CONSTRUCTION</b> Comprising :	<b>35</b>
C.1	<u>Functionality</u> 1. Uses ; 2. Access ; and 3. Spaces	24 13 10
C.2	<u>Impact</u> 4. Character and Innovation ; 5. Citizen Satisfaction ; 6. Internal Environment (Patients & Staff) ; and 7. Urban and Social Integration	3 3 15 5
C.3	<u>Build Standard*</u> 8. Performance ; 9. Engineering ; and 10. Construction	8 12 7
	<b>TOTAL UNWEIGHTED SCORE (MAX. 100)</b> <b>APPLY FACTOR (REDUCING MAX.SCORE TO 35)</b>	<b>100</b> <b>35</b>

(\*The Build Standard sections 8, 9 and 10 will be evaluated by a team from Estates, Project Director and Technical Advisers, see Appendix 1).

Ref	Evaluation Category	Maximum Potential Weighted Score
<b>D</b>	<b>Approach to Facilities Management</b> Comprising :	<b>27</b>
D.1	FM Service Compliance / Non-Variation	10
D.2	FM Quality Manual	5
D.3	Training	5
D.4	Staffing (1) – Availability	10
D.5	Staffing (2) – Personnel	10
D.6	Security	5
D.7	Health and Safety	5
D.8	Approach to Change	5
D.9	Life Cycle Maintenance – Project Co	10
D.10	Life Cycle Maintenance – Trust	5
D.11	Helpdesk	10
D.12	Disaster Plan	5
D.13	Planned / Breakdown Maintenance / Reporting	10
D.14	Energy Management	5
	<b>TOTAL UNWEIGHTED SCORE (MAX. 100)</b>	<b>100</b>
	<b>APPLY FACTOR (REDUCING MAX.SCORE TO 27)</b>	<b>27</b>

Ref	Evaluation Category	Maximum Potential Weighted Score
<b>E</b>	<b>Project Management Approach</b> Comprising :	<b>8</b>
E.1	Project Management pre Financial Close	15
E.2	Project Management Strategy Compliance	15
E.3	Bid Qualification – Trust Requirements	5
E.4	Due Diligence	10
E.5	Approach to Risk Management and Health & Safety	15
E.6	Approach to Value Engineering	5
E.7	Approach to Quality Assurance	5
E.8	Project Management Financial Close to Services Commencement	10
E.9	Approach to interaction with Independent Tester	5
E.10	Handover from construction to facilities management	10
E.11	Antiguities, Insurance and Other Aspects	5
	<b>TOTAL UNWEIGHTED SCORE (MAX. 100)</b>	<b>100</b>
	<b>APPLY FACTOR (REDUCING MAX.SCORE TO 8)</b>	<b>8</b>

### 3.4 EVALUATION REPORT

An individual report will be produced by each individual evaluation panel, which will summarise the key features of the bid and will note the scores given against each consortia. This will then be consolidated into the final Evaluation Report with a recommendation, as to the preferred Bidder.

## 4. FINAL APPROVAL PROCESS

The final evaluation report recommending a preferred Bidder will be presented to the Project Board for Approval and submission to NHS Ayrshire and Arran for final approval.

*c/general/bidevaluationmethodologyfullversionincApp1/301003*

## EVALUATION PANELS

A. Legal Evaluation Panel will consist of :

Andrew Hood	:	Trust
Stuart Sanderson	:	Trust
George Robertson	:	Trust
Duncan Osler	:	MacRoberts

B. Financial Evaluation Panel will consist of :

Andrew Hood	:	Trust
Stuart Sanderson	:	Trust
Ian Ferris	:	Trust
Angela Cunningham	:	Trust
Colin Loy	:	Health Board
Alan Ritchie	:	Quayle Munro
Jan Love	:	Quayle Munro

C. Design & Construction Evaluation Panels will consist of :

Andrew Hood	:	Trust
Dr Clive Baird	:	Trust
Angela Cunningham	:	Trust
Dr Gill Irvine	:	Trust
Dr Sam Prigg	:	Trust
Dr Elaine Melrose	:	Trust
Dr David Rae	:	Trust
Dr Gordon Dobbie	:	Trust
Dr David Gibson	:	Trust
Dr Muriel Shaw	:	Trust
Dr Sheena Kinmond	:	Trust
Dr Jon Staines	:	Trust
Marjorie Andres	:	Trust
Ann Hoyle	:	Trust
Rossana Ralston	:	Trust
Avis Cooper	:	Trust
Susan Rose	:	Trust
Peter Rimmer	:	Trust
George Robertson	:	Trust
Fiona McQueen	:	Trust
Dr Bob Masterton	:	Trust
Karen Darling	:	Health Board
Donna McKee	:	Primary Care Trust
Kirsty Darwent	:	Lay Representative
Cath McHattie	:	Lay Representative
	:	Currie & Brown
	:	Young and Gault
	:	Buchan Associates
	:	Wallace Whittle
	:	Fairhurst



Build Standard (8, 9 & 10) Evaluation Panel will consist of :

Andrew Hood	:	Trust
Peter Rimmer	:	Trust
Tommy Hill	:	Trust
Iain McInally	:	Trust
	:	Currie & Brown
	:	Young and Gault
	:	Wallace Whittle
	:	Fairhurst

D. Facilities Management Evaluation Panel will consist of :

Andrew Hood	:	Trust
Peter Rimmer	:	Trust
Angela Cunningham	:	Trust
Dr Clive Baird	:	Trust
Dr Bob Masterton	:	Trust
Rossana Ralston	:	Trust
Morag Moore	:	Trust
	:	Currie & Brown

E. Project Management Evaluation Panel will consist of :

Andrew Hood	:	Trust
Peter Rimmer	:	Trust
Angela Cunningham	:	Trust
Dr Clive Baird	:	Trust
Dr Bob Masterton	:	Trust
Rossana Ralston	:	Trust
Morag Moore	:	Trust
	:	Currie & Brown

## NEW MATERNITY UNIT, CROSSHOUSE HOSPITAL PROGRAMME

Event	Date	Location	Time	Status	Purpose of Meeting
Evaluation Process Meeting No 1	10 <sup>th</sup> October 2003	Ayrshire Central	3.30 – 5.00	Confirmed	Presentation by technical advisors explaining the technical evaluation process
Evaluation Process Meeting No 2	23 <sup>rd</sup> October 2003	Ayrshire Central	5.30 – 7.00	Confirmed	Presentation by technical advisors explaining the technical evaluation process
Responses to ITN	31 <sup>st</sup> October 2003	Crosshouse	12.00	Confirmed	
Review Meeting No 1	10 <sup>th</sup> November 2003	Ayrshire Central	5.30 – 7.00	Confirmed	Meeting to discuss bidders' submissions
Draft Clarification Questions	11 <sup>th</sup> November 2003	N/A	N/A	N/A	
Bidders' Presentations	12 <sup>th</sup> November 2003	Ayrshire Central	9.00 – 5.00	Confirmed	Bidders' presenting to the Trust and their advisors
Issue of Clarification Questions to Bidders	14 <sup>th</sup> November 2003	N/A	N/A	N/A	
Bidders to return Clarifications	21 <sup>st</sup> November 2003	N/A	N/A	N/A	
Review Meeting No 2	3 <sup>rd</sup> December 2003	Ayrshire Central	1.30 – 5.00	Confirmed	Meeting to further discuss bidders' submissions, queries raised and answered, and evaluation process prior to Scoring Workshop
Technical Scoring Workshop	17 <sup>th</sup> December 2003	Ayrshire Central	9.00 – 5.30	Confirmed	Technical and Clinical only to meet and individuals to score bids. Legal and Financial to score separately at suitable time.
Advisors Presentations to Trust	8 <sup>th</sup> January 2003	TBA	TBA	TBA	All Trust Advisors to present outcomes of evaluations of bids to Trust and Clinicians
Evaluation Model	14 <sup>th</sup> January 2003	N/A	N/A	TBA	Evaluation model for all three disciplines (Legal, Financial and Technical) to be complete
Draft Letter	14 <sup>th</sup> January 2003	N/A	N/A	TBA	MacRoberts to draft letter to Bidders
Trust / NHS Ayrshire & Arran approval	TBA	N/A	N/A	TBA	
Issue Letters	TBA	N/A	N/A	TBA	Dependent upon Trust approval
Selection of Preferred Bidder	End of January 2004	N/A	N/A	Confirmed	Dependent upon Trust approval