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| <p>Introduction</p>   | <p>This worked example describes the basic process for adopting a Phased Award strategy to reduce the number of suppliers bidding in a further competition from all Lot suppliers down to a limited number of the most eligible bidders for a particular project or programme of works.</p> <p>It is good commercial practice to reduce the number of bidders in order to avoid wasted resource for an excessive number of suppliers that are not successful for a particular project or programme of works. Best practice would suggest that the optimum number of bidders is normally between 3 and 6, depending on the particular circumstances of the project or programme.</p> <p>Note that this process and Worked Example only applies to the Competitive Award route and not to the Direct Award route.</p> |
|   | <p>If not already registered as an Additional Client for the relevant Lot Alliance, complete and submit a Registration Document. Once approved by CCS Alliance Manager and notified to other Alliance Members, you will be able to access the Framework Suppliers.</p> <p>Complete and submit a User Access Agreement for the particular project or programme of works. This will generate your UAA project reference. The UAA reference must be quoted on all documentation to allow CCS to centrally manage Framework suppliers and contracts.</p> <p>(Registration Documents and User Access Agreements are available on the Framework website – <a href="https://www.crowncommercial.gov.uk/agreements/RM6088">https://www.crowncommercial.gov.uk/agreements/RM6088</a>)</p>                                    |
| <p>Selecting the Appropriate Lot and Procurement Strategy</p> | <p>It is assumed for this example that a procurement strategy has already been determined and that this includes a requirement to undertake a phased award to reduce the number of bidders.</p>   |
| <p>Phased Award Process</p>                                   | <p>The Framework Alliance Contract says that:</p> <p>“The <i>Client</i> or <i>Additional Client</i> using the <i>Competitive Award Procedure</i> may utilise a phased award process to reduce the number of <i>Supplier Alliance Members</i> that are selected to take part in the procedure after the first award phase and at any subsequent award phase.” [Schedule 4, clause 1.4]</p> <p>All suppliers in the Lot must initially be given the opportunity to express an interest in tendering or to decline to tender. This would normally be on the basis of a high level description of the project, typically addressing key parameters such as: programme; budget estimate; brief description of the project; key risks etc.</p>  |

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|  | <p>Subsequently, an Additional Client can award a Project Contract based on criteria or weightings they set out that are relevant to the Project, subject to ensuring that any action taken is transparent, non-discriminatory and fair. These tests should apply to the phased award process. [Schedule 4, clause 1.3]</p> <p>You should not request phased award information that has already been assessed as part of the Framework evaluation process. This would include things such as:</p> <ul style="list-style-type: none"><li>• General Quality Management</li><li>• General H&amp;S Competence</li><li>• General Financial Competence</li><li>• General evidence of capability to carry out work in the relevant Lot.</li></ul> <p>The phased award questions should relate to <b>specific</b> aspects of the project or programme of works under consideration. These should typically relate to key delivery risks.</p> <p>Some examples of aspects that might be explored are:</p> <ul style="list-style-type: none"><li>• Enhanced security capability/qualification required for the project</li><li>• Safely working and managing projects in a “live” environment, without disruption</li><li>• Responses to Method Statements addressing project specific risks or issues</li></ul> <p>It would be reasonable to ask for evidence to support claimed capabilities etc in suppliers’ submissions.</p> <p>You should NOT carry out a further selection process based on price at the phased award stage – the purpose is to refine the number of suppliers so that those most likely to be capable of delivering the project successfully are invited to tender. Price is tested in the final stage and this may be in conjunction with further, more specific, quality criteria.</p> <p>The phased award process, including evaluation, must be carried out transparently and with pre-declared evaluation criteria. Evaluation criteria should be carefully chosen to allow an objective evaluation and to discriminate sufficiently between submissions so that a graded selection can be made. Seek further guidance from local commercial specialists or CCS if required.</p> |
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| <p>An example</p> | <p>On an airfield upgrade programme of works, 2 projects are required:</p> <p>Project 1: Airside runway resurfacing works and extension of aprons and taxiways. Lot 9 - Airfields</p> <p>Project 2: Non-Airside construction of offices and accommodation. Lot 3</p> <p>Project 1</p> <p>An expression of interest notice is issued to the 6 suppliers on Lot 9. 5 of the 6 wish to tender and 1 declines.</p> <p>The major project risk is health &amp; safety issues arising from working on airside works. All of the suppliers have had to provide examples of working in this environment at Framework evaluation stage and it is not therefore appropriate or necessary to review this at project stage.</p> <p>All 5 suppliers who expressed an interest are invited to tender, with no further phased award activity. The tender is evaluated on the basis of a 50% price and 50% quality split, with the tenders providing a priced activity schedule as the basis of price evaluation and a number of key method statements addressing project risk areas, which are evaluated for the quality rating and incorporated as contract documents.</p> <p>Project 2</p> <p>An expression of interest notice is issued to the 12 suppliers on Lot 3. 10 of the 12 wish to tender and 2 decline. A phased award process is implemented to reduce the number of tenderers to 6.</p> <p>Although non-airside, the building site will only be 150m from the “airside” boundary. One of the major project risks is the potential for aircraft damage during take-off and landing, arising from building debris (e.g. insulation wrappers) blowing across a live airfield. This would be an obvious area to test in a phased award process, by requiring the 10 remaining suppliers to submit method statements outlining how they will deal with the risk. A quantitative scoring mechanism should be defined to allow discrimination between suppliers’ responses and the best 6 scores taken forward to the tender list. Note: although just one example is provided here, more than one area could be explored, if required, to fully explore capability to undertake the works.</p> <p>The 6 suppliers who expressed an interest and passed the phased award exercise are invited to tender. The tender is evaluated on the basis of a 25% price and 75% quality split, with the tenders providing an outline design and priced activity schedule as the basis of price evaluation and a number of further key method statements addressing project risk areas, which are evaluated for the quality rating and incorporated as contract documents.</p> |
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