**The Mayor and Burgesses of the Royal Borough of Greenwich**

**Communal Water Services Contract**

**RESTRICTED PROCEDURE**

**dated** **28th November 2016**

**SQ Information Memorandum**

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1 Introduction

* 1. This document introduces the selection questionnaire (**SQ**) for The Royal Borough of Greenwich's (the **Authority**) procurement for communal water services (**Procurement**).
  2. This Information Memorandum sets out the background to the Procurement and provides information regarding the SQ, including details on clarification questions and scoring methodology.

1. Background to this Procurement

**The Contract**

* 1. The Services which are the subject of this SQ are in relation to the servicing and maintenance of communal hot and cold water tanks to keep them clean, hygienic and in good order; and specifically for conducting risk assessments, water testing and treatment for the prevention of Legionella at specified locations across the Royal Borough of Greenwich; all in accordance with HSE L8 Guidance, the Water Supply (Water Fittings) Regulations, 1999 and all relevant British Standards, European and British Codes of Practice.
  2. The services include the replacement of selected water tanks and associated services, some conversion of blocks to mains water operation and a 24/7 responsive repairs service attending to any breakdowns. In that regard, the contract will be for a range of water treatment services including tank replacement, servicing, maintenance and repairs.
  3. Areas / department the service covers / who is affected:
     1. the contract covers the Authority’s communal housing stock including sheltered housing units designated for older residents on behalf of the Asset Management Department, Communities Directorate, Royal Borough of Greenwich.
  4. Estimated value of the contract:

2.4.1 The estimate annual value of the contract is expected to be £2,000,000 + VAT over the initial five year term. The total contract value of the anticipated ten year term is expected to be up to £5,000,000 + VAT.

* 1. Contract term:
     1. An initial period of five (5) years extendable at the Authority's sole discretion for up to a maximum of ten (10) years. The contract will be let under a Term Contract based on the ACA Standard Form of Contract for Term Partnering (“TPC2005” 2013 version).

**The Authority**

* 1. The Authority is an Inner London Local Authority in the South East of the capital. It is bordered by the London Boroughs of Bexley, Bromley and Lewisham. The Borough spans from Eltham in the south, to the O2 Arena in the north, Deptford in the west and Thamesmead in the east. It comprises the areas of Greenwich, Greenwich Peninsula, Charlton, Plumstead, Kidbrooke, Eltham, Woolwich, Thamesmead and Abbey Wood.
  2. The Royal Borough of Greenwich covers an area of more than 5,000 hectares and has a population of approximately 245,586 (Source: 2011 Census, ONS). An increase of 52,175 people (21 per cent) between 2011 and 2021 and 64,526 (26 per cent) between 2011 and 2031 is anticipated by the GLA (Source: 2011 SHLAA population projections).
  3. As of 1 May 2014 there are 106,970 households in the borough and it is anticipated that there will be approximately 18,000 new homes constructed over the next ten years.

**Sustainability**

* 1. The Authority recognises that sustainability encompasses environmental, social and economic concerns. The Authority is committed to seeking continuous improvement in its performance on sustainability in terms of the services it delivers and through the engagement of its supply chain.
  2. The Authority acknowledges that agreeing statements and policies is only the start of the process and that its commitment must be supported by specific actions.
  3. The Authority is committed to using its purchasing power to influence, enable and encourage its suppliers to behave in an environmentally responsible way.
  4. The Authority will meet its commitment and objectives by working in partnership with others towards reducing the adverse environmental impact of its procurement decisions.
  5. This will mainly be achieved by building recommended environmental preference criteria into specifications and working with our suppliers and contractors to help them meet our requirements.
  6. All purchases can have a detrimental impact on the environment so all officers with procurement responsibilities have an important role to play in seeking to reduce the environmental impact of the Authority’s purchases.

**Apprenticeships / Training and Employment**

* 1. The Authority is committed to using its commissioning and procurement activities to deliver Social Value benefits (such as employment, training, apprenticeship, health and wellbeing and environmental value) for its citizens.

**London Living Wage**

* 1. The Authority is an accredited Living Wage employer and all its employees receive this or above. The Authority is committed to working with the Living Wage Foundation if the opportunity arises, and we encourage our contracted service providers to work towards the London Living Wage over time.

1. Instructions for SQ

**Access and submission**

* 1. The SQ can be accessed by expressing your interest to Hazel Walton at Savills (UK) Limited, E: [hwalton@savills.com](mailto:hwalton@savills.com). When expressing an interest, applicants are required to provide a contact name for your organisation, a full postal address, telephone number and an email address. The person named as the contact for your organisation will be issued any subsequent bulletins or clarifications during the application period.
  2. Please complete all parts of this questionnaire fully in black ink or typeface in English, Ariel font size 11, providing all the necessary supplementary information before returning it to the address below **by no later than 12:00 Noon, Monday 9th January 2017**:

The Royal Borough of Greenwich  
Strategic Procurement Services  
3rd Floor, The Woolwich Centre  
35 Wellington Street

Woolwich

London

SE18 6HQ

**For the attention of:** William Jabang

* 1. Please mark "do not open" on the return envelope. Please provide one (1) hard copy and one (1) electronic copy on a USB memory stick. Applicants are responsible for ensuring that the print and electronic versions are the same. The Authority reserves the right to adjudicate on any inconsistencies between the versions.
  2. Please allow plenty of time to complete your SQ and all of the required attachments and complete the declaration.
  3. The Authority will not accept any late submissions.

**Structure**

* 1. The SQ is set out in 3 parts. Parts 1 and 2 request basic information and a self-declaration as to exclusion grounds. Part 3 asks about your financial, professional and technical ability to perform this contract.
  2. Parts 1 and 2 require you to self-certify that you do not breach any of the exclusion grounds. This must be filled in by all entities on which you rely for your bid – this can be parent companies, affiliates, associates or essential sub-contractors. Where you are bidding as part of a group (including joint ventures and partnerships), **each potential supplier in that group must complete Parts 1 and 2 of the SQ.**
  3. Part 3 asks for further information so that the Authority can assess your financial and technical suitability for this Procurement. If you are bidding as part of a group, a lead member should be nominated to fill out this part on behalf of all members of that group; note that all members must provide the information in this part as a composite response, despite it only needing to be filled out once.

**Groups of suppliers**

* 1. 'Groups' refers to structures such as: consortia, partnerships, structures which rely on sub-contractors.
  2. All members of the group separately must complete Parts 1 and 2.
  3. For Part 3, a lead member should complete all of the questions on behalf of the group as part of a single composite response (unless the question specifically directs otherwise). It should be made clear who the lead member is and who will be contractually responsible for the delivery of the contract.
  4. Where the group is proposing to create a separate legal entity, such as a Special Purpose Vehicle (SPV), they should provide details of the actual or proposed percentage shareholding of the constituent members within the new legal entity.
  5. Any update to the structure or the members of that structure must be provided to the Authority during the procurement process without undue delay. The Authority reserves the right to deselect a potential supplier or a group prior to any award of contract based on the updated information.
  6. **The Authority will only enter into a contract with a consortium which is a separate legal entity from those of its members. Any unincorporated consortium which is successful will be required to adopt a separate legal entity prior to, and as a condition to, entry into the contract.**

**Self-cleaning**

* 1. Where you or an entity on which you rely has breached any of the exclusion grounds in Parts 1 and 2, you have the opportunity to explain how and what action you or they have taken to rectify the situation ('self-cleaning').
  2. Self-cleaning requires the entity in breach to demonstrate its reliability despite the existence of a relevant ground for exclusion.
  3. Where applicable, the Authority shall review information provided, in light of the gravity and particular circumstances of the criminal offence or misconduct, and determine whether it is sufficient to demonstrate reliability; if it is then the entity shall not be excluded from the Procurement.
  4. To be sufficient, the Public Contracts Regulations 2015 require that the entity has:
     1. Paid or undertaken to pay compensation in respect of any damage caused by the criminal offence or misconduct;
     2. clarified the facts and circumstances in a comprehensive manner by actively collaborating with the investigating authorities; and
     3. taken concrete technical, organisational and personnel measures that are appropriate to prevent further criminal offences or misconduct.
  5. Where the Authority does not find it sufficient, it shall give the entity a statement of the reasons for that decision.

**Provision of documentation**

* 1. Documentation as proof of the various self-declarations in the SQ are only required from the winning bidder at the point of award of the contract.
  2. Notwithstanding paragraph 3.2, the documentation listed in question 4.1 on Economic and Financial Standing must be submitted with your response to the SQ. The Authority views the evaluation of this information before Invitation to Tender as essential for the proper conduct of the procurement procedure.[[1]](#footnote-1)
  3. The contract will not be awarded without the required satisfactory documentation.
  4. Where there is a failure to provide the relevant documentation within 10 working days from the decision to award the contract being communicated to the applicant,[[2]](#footnote-2) or the documentation does not prove satisfactory, the Authority reserves the right to award the contract to the next-placed tenderer.

1. Requests for clarification
   1. The Authority invites applicants to submit relevant requests for clarification, but at this stage any requests should relate only to the SQ process.
   2. The Authority aims to respond in a timely manner although may request further clarity. The Authority reserves the right not to respond to requests for clarification that it considers are unreasonable or irrelevant. The last date for the submission of a request for clarification will be **Wednesday 4th January 2017.**
   3. In order for the Authority to respond quickly to clarification requests, applicants should submit their requests via email to Ray Evans at Savills (UK) Limited: [revans@savills.com](mailto:revans@savills.com). The Authority will not consider requests for clarification that are not submitted in this way or in the required format.
   4. The Authority reserves the right to issue, from time to time, a bulletin as an additional attachment summarising the clarification requests received to date and the Authority's response to each request (where a response has been provided). Such bulletins shall be issued by electronic mail to the applicant’s address provided when expressing an interest.
   5. It is the responsibility of applicants to ensure that they monitor the electronic mail address provided in order to access the clarifications and responses that have been issued.
   6. The identity of applicants that submit clarification requests will not be disclosed to other applicants. Requests for clarification and responses to requests for clarification will not be treated as confidential by the Authority unless specifically requested by an applicant. The Authority reserves the right not to treat a request for clarification as confidential and will notify the applicant making such a request where this is the case, in order that the applicant may have the opportunity to withdraw the request.
   7. Please do not directly contact any employee, agent, advisors or contractors of the Authority unless the Authority has expressly authorised such contact in writing. Unauthorised direct or indirect canvassing of any other person within, or associated with, the Authority or any public sector employee or advisor connected with this SQ by any applicant, or any attempt to procure information from any other person within, or associated with, the Authority, any public sector employee or advisor concerning this SQ may result in the disqualification of the applicant from consideration for this requirement.
2. Scoring methodology

**Selection**

* 1. The objective of the selection process is to assess the responses to this SQ and select applicants to proceed to the next stage of the process.

**Requirements**

* 1. The Authority requires the following minimum levels of insurance should be in place before or at the time of entering into the contract in the event the applicant is successful in being awarded the contract:
* Employer’s (Compulsory) Liability Insurance = £10,000,000.00
* Public Liability Insurance = £5,000,000.00
* Professional Indemnity Insurance = £2,000,000.00
  1. The financial assessment mentioned in question 4 of the SQ seeks to establish that applicants have a minimum level of economic and financial standing – such minimum standing is as follows:
     1. Copies of your audited annual accounts for the last three accounting periods.
  2. As part of the financial assessment and in order to ensure bids are financially viable, the Authority requires a minimum average annual turnover over the last three accounting periods of **£800,000 + VAT.**

**Scoring**

* 1. In particular, the following weightings and thresholds will be applied to the various section questions (the SQ contains questions which are either for information only, pass/fail or scored - pass/fail and scored questions are listed below, all others are for information only):

**The following questions are Pass / Fail:**

|  |  |  |  |
| --- | --- | --- | --- |
| **Question** | **Question Number** | **Guidance** | **Threshold** |
| Mandatory professional/trade register – registration | Question 1.1(i) – (i) | If you are required to be registered with an appropriate professional or trade register in the member state where you are established, you must be so registered. | Pass/Fail |
| Grounds for discretionary exclusion | Section 3 – Questions 3.1(a)-(j) | Answering "Yes" to any of these questions may result in a "Fail" mark being awarded.  In the event of a "Yes" answer to any of the questions, applicants are given the opportunity to "self-clean" at Question 3.2.  If, in the opinion of the Authority, a breach of any of the discretionary grounds for exclusion demonstrates that the applicant is unsuitable for this Procurement, that applicant will be awarded a "fail". | Pass/Fail |

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| Economic and Financial Standing | Section 4 – questions 4.1-4.2 | Applicants are referred to section 5.3 of this information memorandum.  Applicants submitting an average annual turnover for the last three accounting periods of less than £800,000 + VAT will be excluded from the Procurement.  Answering "Yes" to any of these questions may result in a "Fail" mark being awarded.  Please note that this is a continuing requirement and an applicant must continue to satisfy this ground. The Authority reserves the right to request updated documentation (as listed in question 4 of the SQ) and reassess the applicant/bidder.  Should the winning bidder be found to not satisfy this requirement upon reassessment, the Authority reserves the right to award the contract to the next placed bidder who will also be required to comply with the ongoing requirement. Should that bidder also fail to meet the required standard, the Authority reserves the right to continue down the list of acceptable bidders. | Pass/Fail |
| Information regarding wider group | Section 5 – questions 5.1-5.3 | Failure to confirm as required will result in a "Fail" mark being awarded.  Please note that this section is not applicable if you have not indicated that you are part of a wider group in your answer to question 1.2. | Pass/Fail |

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| Modern Slavery Act, 2015 | Question 7.2 | A failure to comply with the annual reporting requirements contained within Section 54 of the Act 2015 or to provide an explanation that, in the opinion of the Authority, demonstrates that the applicant is unsuitable for this Procurement, that applicant will be awarded a "fail". | Pass/Fail |
| Insurances | Question 8.1 | You must have or commit to obtain all three insurances. | Pass/Fail |
| Your business | Question 8.3  (b) to (f) | Answering "No" to any of these questions may result in a "Fail" mark being awarded | Pass/Fail |
| Health and Safety | Question 8.4 | A "Pass" will be awarded if the answers to the Health and Safety Questionnaire show the applicant to have the skills, knowledge, experience and organisational capability to carry out their work in a way that secures health and safety within the meaning of the Construction (Design and Management) Regulations 2015.  The Authority will exclude applicant (s) that have been in receipt of enforcement/remedial action orders unless the applicant(s) can demonstrate to the Authority's satisfaction that appropriate remedial action has been taken to address the causes that gave rise to the enforcement/remedial action and/or to prevent future occurrences or breaches. | Pass/Fail |

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| Completed Health and Safety questionnaire | Question 8.4(a) | The Health and Safety Questionnaire at Annex B to the SQ will be marked so as to determine whether the Applicant is competent and able to carry out the Services safely and without risk to health. | Pass/Fail |
| Equality & Diversity Policy | Question 8.5 (a) and (b) | Answering "No" to any of these questions may result in a "Fail" mark being awarded | Pass / Fail |
| Finding of unlawful discrimination | Question 8.5(c) | If answering "Yes", please provide a summary of the nature of the investigation and an explanation of the outcome of the investigation to date.  If the investigation upheld the complaint against your organisation, please explain what action (if any) your organisation has taken to prevent unlawful discrimination from reoccurring.  Your organisation may be excluded if you are unable to demonstrate to the Authority's satisfaction that appropriate remedial action has been taken to prevent similar unlawful discrimination reoccurring. | Pass/Fail |

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| Equality complaint upheld | Question 8.5(d) | If answering "Yes", please provide a summary of the nature of the investigation and an explanation of the outcome of the investigation to date.  If the investigation upheld the complaint against your organisation, please explain what action (if any) your organisation has taken to prevent unlawful discrimination from reoccurring.  Your organisation may be excluded if you are unable to demonstrate to the Authority's satisfaction that appropriate remedial action has been taken to prevent similar unlawful discrimination re-occurring. | Pass/Fail |
| Environment and Sustainability Policy | Question 8.6 (a) and (b) | Answering "No" to any of these questions may result in a "Fail" mark being awarded | Pass / Fail |
| Statutory compliance | Questions 8.7(a)-(d) | Answering "No" to any of these questions may result in a "Fail" mark being awarded | Pass/Fail |

**The following questions are scored in accordance with the following weightings:**

|  |  |  |  |
| --- | --- | --- | --- |
| **Question Title** | **Question Number** | **Guidance** | **Weighting** |
| Technical and Professional Ability | Question 6.1 | An "excellent" answer will include examples of projects which directly reflect the requirements of the Authority under this procurement against the criteria stated below and for services which directly reflect those similar to those that are the subject of this procurement.  Applicants who have shown poor performance on any previous contract as evidenced by information provided in any Reference may receive a "Fail" for this question.  See Section 10 of this PQQ for more information.  The Authority will assess the applicant's understanding of: | 85% |

|  |  |  |  |
| --- | --- | --- | --- |
|  |  | * Its role in delivering outcomes * The role of other stakeholders * Ability to identify underlying risk factors * Decision making process * Outcome |  |
| Personnel | Question 8.2(b) | An “excellent” answer will provide evidence of directly employed staff carrying services directly similar to those that are the subject of this procurement. | 10% |

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| --- | --- | --- | --- |
| Environment and sustainability | Question 8.6.(c) | An “excellent” answer will include evidence of sound procedures in place to check whether any of your organisation’s sub-contactors have been convicted or had a notice served upon them for infringement of environmental legislation; and evidence of the measures you applied to any of those sub-contractors you found had been convicted or had notices served. | 5% |
| **Total** |  |  | **100%** |

Failure to provide a satisfactory response, or provision of a response which is inadequate or incomplete, to any of the questions may result in the Authority not proceeding further with an applicant.

The information supplied will be checked for completeness and compliance before responses are evaluated.Responses will be reviewed by teams comprising officers of authority and the Authority's technical advisers. Each scored question will be marked out of five 5 on the basis of the table set out below.Each member of the evaluation team will mark individually and the mean average of those marks will be taken in respect of each question.Any outlying marks shall be investigated first and may be discounted, subject to the Authority observing the EC Treaty principles of transparency, equal treatment and non-discrimination in relation to the applicants. That average score will be weighted in accordance with the weighting set out above.

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| --- | --- | --- |
| **Comment** | **Judgement** | **Marks available** |
| Meets the expectations fully and exceeds the standard in some or all aspects. | Excellent | 5 |
| Meets the expectations fully but does not exceed them. | Good | 4 |
| Meets the expectations in the majority of aspects but not all. | Satisfactory | 3 |
| Meets some of the expectations but fails to meet the majority. | Unsatisfactory | 2 |
| Significantly fails to meet the expectations. | Poor | 1 |
| Does not meet the expectations at all. | Failed | 0 |

Evaluation of subsequent stages will be undertaken in accordance with the overall evaluation strategy for the Procurement.The evaluation criteria for the award of the contract are set out in the Invitation to Tender.

The Authority intends to award any contract based on the most economically advantageous offer.

1. Contracting authorities may consider it prudent to request documentation before/at the same time as issuing the ITT to all qualifying bidders if the ITT stage is a lengthy process. [↑](#footnote-ref-1)
2. PPN 08/16 allows the authority to set a timeframe within which the documents should be provided. The SQ states that they must be provided without delay (i.e. the authority can define undue delay in this Information Memorandum to lend meaning to the phrase in the SQ). (see paragraph 39 of PPN 08/16) [↑](#footnote-ref-2)