



**Valuation Office
Agency**

Invitation to Tender

SPECIFICATION

VOA/2024/043

**Build Cost Information – Grain Silos and Storage
Systems**

2026 Rating Cost Guide

1. INTRODUCTION

The role of the VOA

- 1.1.** The Valuation Office Agency (VOA) is an executive agency of His Majesty's Revenue and Customs (HMRC). As the public sector's property valuation experts, we provide valuations and property advice to the government and local authorities in England, Scotland and Wales to support taxation and targeted financial support for families and individuals. The VOA also provide property valuation and surveying services to public sector bodies. Its work includes:
- compiling and maintaining lists of council tax bands for approximately 26 million domestic properties;
 - compiling and maintaining lists detailing the rateable value of over 2 million commercial properties for business rates;
 - determining Local Housing Allowance rates across England;
 - advising local authorities of the maximum subsidy level payable for Housing Benefit claims under the local reference rent system;
 - maintaining a register of fair rents for regulated tenancies in England;
 - providing statutory valuations to support taxes administered by HMRC and the administration of benefits by the Department for Work and Pensions; and
 - providing a range of independent property advice and valuations across the public sector.
- 1.2.** Please see www.voa.gov.uk for further details.

2. BACKGROUND TO THE REQUIREMENT

2.1 Non Domestic Rating (NDR) Context

Valuation Officers (VOs) at the VOA are responsible for the compilation and maintenance of Local Rating Lists for each Local or Billing Authority in England and Wales. (Billing Authorities then charge rates based upon these rateable values.) Some rateable properties (including Flour and Provender Mills and Grain Stores) have valuations that are partially based on the cost of construction of that property. To assist our staff in preparing these valuations the VOA publishes a Cost Guide at each revaluation.

A copy of the 2023 Cost Guide can be supplied if requested and the Guidance Notes accompanies this tender document at Appendix 3.

The VOA is seeking expertise from a Supplier to assist in establishing the current replacement cost of certain product storage vessels typically found at properties that require some form of grain storage facility or finished product, like Maltings, Flour and

Provender Mills and Grain Stores. These costs will be published as part of the 2026 Cost Guide, the contractor will not be named as a source of information.

2.2 Expert Opinion

Expert opinion is sought on the cost of provision, and installation of grain and finished product storage as per the attached Appendix 1. These include flat bottomed silos, hopper bottomed silos and square cross section silos. These costs will be used in the valuation of property for rating purposes for the 2026 Rating List and will be published in the 2026 Cost Guide.

The Supplier should complete the spreadsheet at Appendix 2 together with any written opinion using Appendix 1 and the standard assumptions at 2.3 as a reference. In addition advice is also sought as to what indices are preferred to be able to adjust these figures for going backward or forwards from 1st April 2024 (i.e. BCIS index or some other indices).

In the event of any future litigation or challenge to the costs provided, the VOA may approach the Supplier to provide expert evidence to defend their opinions, any such future work would form part of a separate contract.

2.3 Standard Assumptions and Requirements for use in all costings

Date

All costs are to be provided are to reflect the 1st April 2024.

If final account figures are used as evidence, they should be adjusted from the mid-point between the tender base date and the date of practical completion and thereafter adjusted to the 1st April 2024.

VAT

Value Added Tax should not be included in any of the costs.

Location Adjustment

The VOA currently adjusts all the costs for the items detailed below for location in accordance with Section 5 of the Guidance Note accompanying the Cost Guide.

All costs provided by the Supplier should be based on a UK mean of 1.00

The Supplier is required to comment if any of the costs it provides as part of this tender should continue to be location adjusted in accordance with section 5 of the Guidance Note.

Size of contract

The costs supplied should assume a total contract in the order of £4 million after any adjustment for any location but before any adjustment for fees. Any actual cost evidence

used to calculate the cost should be adjusted to reflect a £4 million contract in accordance with the table below

ERC £	% Adjustment
Up to 0.25 million	+ 10% max
0.5 million	8%
0.75 million	6%
1.0 million	4%
1.5 million	3%
2.0 million	2%
3.0 million	1%
4.0 million	0%
5.0 million	-0.5%
6.0 million	-1%
8.0 million	-1.5%
10.0 million	-2%
15.0 million	-3%
18.0 million	-4%
20.0 million	-5%
25.0 million	-6%
35.0 million	-9%
Over 40.0 million	- 10% MAX
<i>NB. Intermediate figures may be interpolated.</i>	

Professional Fees and other charges

Professional fees, or other charges, should not be included in the costs provided by the contractor.

The VOA currently adds fees as an overall % addition in accordance with Section 7 of the Guidance note accompanying the Cost Guide.

The Supplier is required to comment on whether these fees are at a suitable level for these types of structures. If higher or lower fee additions are suggested, then these are to be detailed by the contractor together with reasoning.

Measurement

Each specific item will specify how it is measured. The costs supplied must apply to the unit of measurement specified in each case.

Site Assumptions

The items being costed form part of the whole site being costed at “the Date”.

A cleared level site is available without the need for abnormal works.

All mains services (where required) are available adjacent to the site.

The costs are to assume standard site conditions. If any of the structures require pile or raft foundations this is to be provided as an addition and stated separately.

Evidence

The Supplier is required to disclose the evidence or sources underlying the opinions given.

3. KEY DATES & TIMESCALES

The emerging delivery timetable for the VOA's Requirement is as follows:

<u>Activity</u>	<u>Milestone Date</u>
Contract Commencement	24 th March 2025
Provision of information held by the VOA and initial meeting following instruction.	24 th March 2025
Progress meeting within 2 x weeks of instruction	7 th April 2025
Draft cost options and supporting evidence / sources to be delivered to VOA for review	14 th April 2025
VOA meeting with Supplier to review draft	14 th April 2025
Supplier to present final finding for sign off by VOA	22 nd April 2025

4. CONFLICTS OF INTEREST

- 4.1 The Supplier shall not accept outside instructions to act against the VOA in circumstances where the matter relates to the subject matter of this contract. This requirement shall apply during the term of the Contract and shall survive after the Contract is terminated in respect of any matter on which the Supplier has advised or acted for the VOA.
- 4.2 The Supplier shall notify the VOA of any possible or potential conflict of interest which may result from other activities and shall only commence such other activities after obtaining written approval of the VOA (which may not be unreasonably withheld).

- 4.3 The Supplier shall carry out conflict of interest checks on an ongoing basis and take all reasonable steps to remove or avoid the cause of any conflict of interest.
- 4.4 The VOA reserves the right to deem any Suppliers (and other sub-contractors and consortium) party to the same frameworks as the VOA as posing automatic conflicts of interest.

5. CONTRACT MANAGEMENT

- 5.1 Management reviews and management information will be agreed between the VOA Contract Manager and Supplier Contract Manager post-contract award. Due to the nature of the service provided, reviews will be scheduled as a minimum on a monthly basis.

6. INVOICING & PAYMENTS

- 6.1 The Supplier shall submit invoices with costing information in a format agreed with the VOA Contract Manager, and in accordance with VOA standard practice.
- 6.2 Payment will be dependent upon satisfactory delivery and approved by the VOA Contract Manager.
- 6.3 It's anticipated that invoices will be submitted by the Supplier to the VOA's Contract Manager on a timely basis following completion of the commissioned works, and that payments will be made according to the agreed schedule of payments.
- 6.4 In the first instance the Supplier should submit their draft invoice(s) by email to the VOA's Contract Manager paul.avo@voa.gov.uk with a spreadsheet or similar table noting the time and charge rates applicable where charges are not on a fixed fee basis, for initial assurance and sign-off, prior to formal submission into the VOA MYBuy system for final payment.
- 6.5 Following approval on sign-off by the VOA Contract Manager, payments will be made via an electronic payments system, SAP Ariba P2P (MYBuy). Invoices should be provided for each milestone within one month of agreement of deliverables, quoting a valid Purchase Order Number (PO Number), to: voainvoices.ap@hmrc.gsi.gov.uk – copying in the contract manager's email address.
- 6.6 Payments will be made into the bank account provided by the Supplier.

7. PROCUREMENT TIMETABLE

7.1 The estimated timetable for delivery is set out below.

DATE	ACTIVITY
17 th February 2025	Publication of ITT
17 th February 2025	Clarification period starts
24 th February 2025 (12:00 noon)	Clarification period closes (" Tender Clarifications Deadline ")
26 th February 2025	Deadline for the publication of responses to Tender Clarification questions
4 th March 2025 (12:00 noon)	Deadline for submission of Tenders to the Agent (" Tender Submission Deadline ")
4 th March 2025	Bids Compliance Checks
5 th March 2025	Commencement of Evaluation Process
17 th March 2025	Proposed Award Date of Contract (or earlier)
24 th March 2025	Expected commencement date for Contract
30 th April 2025.	Work completed and handover date (A further extension may be made by agreement, in exceptional circumstances.)

8. LENGTH OF CONTRACT

- 8.1 The contract term will be circa 5 x weeks from expected contract commencement, 24th March 2025, until 30th April 2025. A further extension may be made by agreement, in exceptional circumstances.
- 8.2 Should there be disputes or unapproved time delays at any stage during the proceedings the VOA will reserve the right to terminate the contract at that stage.
- 8.3 The VOA will reserve the right to terminate the contract at any stage.

9. EVALUATION CRITERIA – QUALITY & COST

Quality Criteria (this will form 80% of the evaluation)

- 9.1 Please confirm that you have no conflict of interest to deliver this Specification [Pass / Fail] **Tenderers that fail Q9.1 will not be considered for further evaluation.**
- 9.2 Please confirm that the delivery timescales can be met [Yes / No / Pass / Fail].

- 9.3 Please outline (ideally with recent examples of work or projects you have been involved in) your expertise in, and knowledge of, bulk storage containers/silos. **[Weighting 40%] Word limit – maximum 1,500 words**
- 9.4 Please outline your experience in producing the specification and costs for bulk storage containers / silos. **[Weighting 40%] Word limit – maximum 1,500 words**
- 9.5 Please provide a summary CV of all the personnel who will be the main point of contact during the delivery of the contract and outline their experience relevant to the role they will play in delivering this requirement. **[for information only, no weighting] – maximum 1000 words**

10. PRICING CRITERIA (this will form 20% of the evaluation)

- 10.1 Please provide a firm fixed cost as part of your tender response. Prices should be submitted in pounds Sterling inclusive of any expenses but exclusive of VAT.
- 10.2 Please provide a breakdown of (i) the estimated number of days and (ii) break down of the resource day rate(s) for the delivery of the specification and as indicated in your outline methodology proposed to meet the specification, based on an 8-hour day.
- 10.3 Please provide pricing for the VOA's requirement outlined in Section 2.
- 10.4 Please note that Travel if undertaken, although unlikely for this contract, must comply with VOA Travel Policies and reimbursements will only be made in accordance with Travel rates and approvals.
- 10.5 Please also provide full details of any discounts on offer to the VOA that will support VFM efficiency cost savings, in the delivery of the specified requirement.
- 10.6 The lowest cost received (excluding any cost deemed abnormally low and rejected under paragraph 0 below) will score maximum marks in this section and will be used as the benchmark for other bids to be compared against.

The following formula will be used to calculate the cost score for each bidder:

$$\text{(Lowest Cost Submitted / Bidder Cost Submission)} \times \text{Cost Weighting (20\%)} \\ = \text{Bidder Score For Cost Section}$$

11. TOTAL OVERALL SCORING 100% (Quality 80% & Price (20%))

- 11.1 Following the evaluation process, each tenderer's total quality and cost scores will be combined, giving the bidder a total score out of 100%. The successful supplier will be the tenderer who achieves the highest score (subject to the tenderer meeting all minimum requirements, not being eliminated for any other reason and passing any financial due diligence checks).

- 11.2 The VOA reserves the right to reject a bidder's entire tender submission where the cost submission is either incomplete or contains erroneous information.
- 11.3 The VOA may challenge any tender that it deems to appear abnormally low and reserves the right to reject such tenders in line with Regulation 69 of PCR 2015.
- 11.4 The VOA reserve the right not to accept the lowest priced (or any) tender.

12. SUMMARY OF REQUIREMENTS

- 12.1 Please ensure you include the following information in your response:
- A proposal to meet the specification of work and answers to all tender questions. This should include an outline detail of the proposed methodology to achieve the requirements.
 - Expertise and experience of key personnel proposed, their status within the company, area of expertise and details of their individual chargeable hourly/day rates, and that these individuals will be available at the start of the contract.
 - Confirmation delivery timescales can be met.
 - Any further costs identified (including travel).

13. TENDER QUERIES & SUBMISSION

- 13.1 Enquiries and requests for clarification are welcomed and must be submitted at the latest by **12:00 (noon) 24th February 2025** by e-mail to **tenders@voa.gov.uk** - please annotate all query emails with a subject title of **"VOA/2024/043 – Build Cost Information – Grain Silos & Storage Systems, Tender"**
- 13.2 You should send both a PDF and Word read-only electronic copy of your tender proposal by e-mail to **tenders@voa.gov.uk**, to arrive no later than **12:00 (noon) on the 4th March 2025** (unless the date is subsequently amended in writing by the VOA).

Please annotate all tender emails with a subject box titled **"VOA/2024/043 – Build Cost Information – Grain Silos & Storage Systems, Tender"**

No hard copies of the tender are required.

14. TERMS AND CONDITIONS

- 14.1 This tender is being conducted on VOA Standard Short Form Model Contract Terms for both the Delivery of Goods and Services which will apply.

Embedded below:



Short%20Form%20C
ontract%20for%20the

APPENDIX 1

The contractor is required to provide cost opinions for the following specific items

Flat Bottom Silos- “Maxi Bins”

Description

Commonly referred to as 'maxi bins'. Walls are constructed of galvanised curved corrugated steel sheets, lapped, double bolted and sealed with mastic at base. Incorporating an access door, the structure has a conical ribbed roof with central filler hatch and internal access ladder, side handrails and handrails at high level. The costs include foundation and erection costs but exclude any grain handling equipment for example sweep augers and conveyors or elevators.

Measurement

Gross external volume m3

The contractor is required to provide costs for flat bottomed silos for a range of silos. The current VOA cost guide provides costs at the following size points as at 1-4-24, the contractors costings must cover all the size ranges below. However the contractor may adjust the size banding and break points as they feel appropriate based on their experience/evidence.

Item Code	Diameter	Volume m3	Cost £m3
43560A	Diameter 7.31m	350m3	
43560C	Diameter 7.31m	600m3	
43560D	Diameter 7.31m	765m3	
43560E	Diameter 9.14m	600m3	
43560F	Diameter 9.14m	900m3	
43560G	Diameter 9.14m	1200m3	
43560H	Diameter 10.97m	580m3	
43560J	Diameter 10.97m	1500m3	
43560K	Diameter 10.97m	1725m3	
43560L	Diameter 14.63m	1025m3	
43560M	Diameter 14.63m	1400m3	
43560N	Diameter 14.63m	2940m3	
43560P	Diameter 16.46m	2750m3	
43560Q	Diameter 16.46m	2500m3	
43560R	Diameter 18.28m	2200m3	
43560S	Diameter 18.28m	4000m3	
43560V	Diameter 18.28m	5600m3	

The contractor may interpolate between bands but must make this clear if this is the case. The contractor may feel it is inappropriate to include the foundation costs with the silo cost, if costs exclude foundations this must be specified and an appropriate addition for foundations may be specified separately.

The costs are for single bins but as most installations will have several bins often linked with gantries / walkways with caged access ladders from ground level, these items will need to be costed separately.

The contractor is required to advise if there is any quantum to be applied (over and above the contract size adjustment already applied) if multiple bins are erected in a single location. The current VOA cost guide advises for quantities of 5-10 bins allow 10% discount for quantities of 10 or more bins allow 15% discount.

Hopper Bottomed Bins

Description

Walls constructed of galvanised curved corrugated steel sheets, lapped, double and bolted - incorporating access door, conical ribbed roof with central filler hatch and internal access ladder, side handrails and handrails at high level. Hopper cone may be 40, 45 or 60 degrees. The hopper is raised above a concrete slab with steel columns attached to a curved ring beam. The columns are usually diagonally braced. The costs include, erection costs, steelwork supports, concrete base slab, roof and cone outlet.

Measurement

Gross external volume m3

The contractor is required to provide costs for flat bottomed silos for a range of silos. The current VOA cost guide provides costs at the following size points as at 1-4-24, the contractors costings must cover all the size ranges below. However the contractor may adjust the size banding and break points as they feel appropriate based on their experience/evidence.

Item Code	Diameter	Volume m3	Cost £m3
43580M	Diameter 7.31m	169m3	
43580N	Diameter 7.31m	234m3	
43580P	Diameter 7.31m	362m3	
43580R	Diameter 7.31m	588m3	
43580S	Diameter 7.31m	686m3	
43580T	Diameter 9.14m	645m3	
43580V	Diameter 9.14m	898m3	
43580W	Diameter 9.14m	1201m3	
43580X	Diameter 10.97m	602m3	
43580Y	Diameter 10.97m	1500m3	
43580Z	Diameter 10.97m	1725m3	

The contractor may interpolate between bands but must make this clear if this is the case. The contractor may feel it is inappropriate to include the foundation costs with the silo cost, if costs exclude foundations this must be specified and an appropriate addition for foundations may be specified separately.

The costs are for single bins but as most installations will have several bins often linked with gantries / walkways with caged access ladders from ground level, these items will need to be costed separately.

The contractor is required to advise if there is any quantum to be applied (over and above the contract size adjustment already applied) if multiple bins are erected in a single location. The current VOA cost guide advises for quantities of 5-10 bins allow 10% discount for quantities of 10 or more bins allow 15% discount.

The contractor is to advise if there is any cost variation due to the degree of the cone.

Square Cross Sectional Silo's

Description

Square silo cells in a modular design, that can be installed as nest in varying configurations. Each silo is composed of a smooth double wall element that are screwed or welded together, when four double wall elements come together they create a hollow beam. Each silo is equipped with bolted outlet hopper, which can provide central round or multi hopper outlets. The costs include, erection costs, steelwork support, and hopper outlets. The costs exclude foundations and any grain handling equipment.

Measurement

Gross external volume m3 of the total silo block.

The contractor is required to provide costs for square cross sectional silos The current VOA cost guide as at 1-4-24 does not contain these modular silos. The contractors costings must cover at least the size range of the hopper bottom bins ie 169-1725 m3. The contractor may set the size banding and break points as they feel appropriate based on their experience/evidence. The contractor is to advise on cost variation for example does the size of the individual silo within the nest has an effect on cost, does the cell wall thickness have an effect on cost?

Grain Elevators

Description

Square cross sectional trunking either powder coated or galvanised. The buckets are assumed to be pressed mild steel on a general purpose belt. The boot section allows for general cleaning and access to the boot pulley and belt alignment. The head section allows access to the drive unit, head bearings and belt alignment. The throat plate allows for discharge. The costs include installation cost and commissioning, any structural support or bracing to the elevator but excludes any pit at the boot section or any access platform or ladder to the head section.

Measurement

Per liner metre in height.

The contractor is required to provide costs for Grain Elevators. The current VOA cost guide as at 1-4-24 does not contain these items. The contractor is to advise on a cost per linear metre of height and any factors that may affect that cost.

Ancillary items

Description

Gantries, Platforms and Walkways. As mentioned above these are specifically excluded from the silo costs. However the contractor is to provide cost additions for these items if built with any of the items specified above. The contractor is to advise on specification for these items and any cost variation.

Measurement

Platforms per square metre

Walkways – per linear metre depending on width

Gantries - per te

APPENDIX 2 – SPREADSHEET FOR COMPLETION



Spreadsheet for
completion.xlsx

APPENDIX 3 – COPY OF 2023 COST GUIDE GUIDANCE NOTES



GuidanceNotes 2023
RCG.doc

Appendix A – Evaluation Scoring Criteria

Score	‘Closed’ Question Criteria	‘Open’ Question Criteria
100	Excellent answer which meets all of the requirements and provides all of the required detail.	An excellent response that: <ul style="list-style-type: none"> • is completely relevant, addressing all of the requirements; • demonstrates an excellent understanding of the requirements, is comprehensive, robust and unambiguous; • provides highly credible supporting evidence, benefits or innovation; and/or • meets the requirements in all aspects, with no ambiguity or weaknesses identified and no clarification required.
80	Good answer which meets all of the requirements but lacks some minor detail	A good response that: <ul style="list-style-type: none"> • is highly relevant, addressing all of the requirements; • demonstrates a good understanding of the requirements and is comprehensive; • provides supporting evidence of sufficient detail; and/or • meets the requirements in all aspects, but contains minor weaknesses or a small amount of ambiguity.
60	Satisfactory answer, which meets the requirements in many aspects, but fails to provide sufficient detail in some areas.	A satisfactory response that: <ul style="list-style-type: none"> • is relevant, addressing most or all of the requirements; • demonstrates a satisfactory understanding of the requirements; • provides supporting evidence but lacks detail in some areas; and/or • meets the requirements in most aspects, but contains manageable weaknesses or some ambiguity and may require some
40	Limited answer which satisfies some aspects of the requirements, but fails to meet the specification in the whole.	A limited response that: <ul style="list-style-type: none"> • is mostly relevant, addressing most of the requirements; • demonstrates a limited understanding of the requirements; • provides supporting evidence but lacks detail in some or most areas; and/or • contains weaknesses or ambiguity which suggest that the requirements would not be met unless clarified.
20	Poor answer which significantly fails to meet the requirements.	A poor response that: <ul style="list-style-type: none"> • is only partially relevant, addressing some of the requirements; • demonstrates a poor understanding of the requirements;

Score	'Closed' Question Criteria	'Open' Question Criteria
		<ul style="list-style-type: none"> provides supporting evidence that is of limited/insufficient detail or explanation; and/or contains multiple and/or significant weaknesses or ambiguity that suggest the requirements would not be met.
0	<p>The response is not considered relevant.</p> <p>The response is unconvincing, flawed or otherwise unacceptable.</p> <p>Response fails to demonstrate an understanding of the requirement.</p> <p>No evidence is provided to support the response.</p> <p>Or nil response.</p>	<p>An unacceptable response that:</p> <ul style="list-style-type: none"> is not fully relevant, addressing some or none of the requirements; demonstrates very limited or no understanding of the requirements; provides little or no supporting evidence that is of insufficient detail or explanation; and/or is unconvincing, flawed or otherwise inadequate, suggesting that the requirements will not be met. <p>Or nil response.</p>