



# Northumberland County Council

## **Procurement Options**

Given the contract value, the project will need to follow a route compliant with the Public Contracts Regulations 2015 (PCR2015) and is therefore subject to legislative timescales and processes.

Of the options available, the following would be appropriate for a project of this scale and cost:

### **Option 1: Open Tender**

- Single tender opportunity combining a Selection Questionnaire (SQ) and Invitation to Tender (ITT)
- The SQ is used to shortlist bidders on the basis of capability to deliver the project using Pass/Fail criteria such as financial viability, health & safety and previous experience.
- The ITT stage considers bidder proposals for delivery of the project in order to establish a successful bidder, usually based on quality and price criteria.
- Minimum timescale approximately 3-4 months from publication dependant on number of bids received and complexity of tender responses. Publication would require all information necessary for contractors to bid to be available at the time of publication.
- Shortest route to market which allows for full competition.
- Open to all bidders including Northumberland based contractors, no exclusions beyond those set out in the SQ.
- All bids must be evaluated and scored unless failing at SQ stage – may result in a high number of bids to evaluate.
- ITT evaluation criteria must be stated at publication and cannot be changed, therefore no ability for bidder negotiation.
- Subject to a 10 day standstill period for bidders to challenge the award decision and therefore a risk of a procurement legal challenge.

### **Option 2: Restricted tender**

- Two stage process with a distinct SQ stage followed by an ITT stage.
- As well as containing Pass/Fail criteria, the SQ is scored based on bidder evidence of delivering previous projects of a similar nature.
- Bidders can only be shortlisted on the selection criteria. Award criteria (i.e. proposal and price to deliver the project) only taken into consideration at the ITT stage.
- ITT is issued to a minimum of the five highest ranked bidders following SQ evaluation shortlisting.
- Minimum timescale approximately 5-6 months from publication. Publication would require all information necessary for contractors to bid to be available at the time of publication, including the outline ITT.
- Usually used for projects where a large number of bidders are anticipated as shortlisting of suitable contractors reduces the number of ITT bids to be evaluated.
- Outline ITT evaluation criteria must be stated at publication and cannot be changed, therefore no ability for bidder negotiation.
- Subject to a 10 day standstill period for bidders to challenge the award decision and therefore a risk of a procurement legal challenge.

### **Option 3: Public Sector Compliant Framework**

- Utilise a framework of suitable suppliers already established by a framework operator following a compliant tender process.
- Removes the need for a full tender process as supplier capacity and capability will have been tested in establishing the framework.
- Various framework options are available and these will include options on how to appoint, for example appointment may be to a sole supplier or via a mini competition of framework suppliers.
- Mini competition will follow a similar route to the ITT stage of options 1 & 2, but timescales are reduced due to lack of an SQ stage. Minimum timescale approximately 2-3 months from publication.
- Sole Supplier framework appointments vary from framework to framework and can incorporate staged appointments of the supplier allowing NCC to walk away at defined points. Often also incorporate open book practices to allow for the benchmarking of the contractor/sub-contractor.
- Likely to incur a framework charge. This can vary in form, for example an upfront cost to NCC to utilise the framework, or a percentage cost of the final contract value applied by the framework operator to the successful supplier.
- Closed shop of framework operators - does not fully test the market and potentially excludes Northumberland based contractors.
- Subsequent contract terms & conditions may be prescribed in the framework removing full choice.
- Most frameworks with multiple suppliers will allow for a direct award appointment, wherein NCC would decide on which bidder best suits their requirements, however this should be avoided for a project of this scale and value due to lack of both transparency and illustration of value for money.

### **Advanced Notification of the Procurement Process**

A Prior Information Notice (PIN) can be published to make the market aware of the opportunity at the earliest opportunity and to allow for the commencement of any market engagement prior to publication of the tender. This is not mandatory and no other notification is required until publication of the tender opportunity.

Most framework options will allow for an Expression of Interest stage to make the framework suppliers aware of the forthcoming opportunity and to gauge interest. Again, this is usually not mandatory.

### **Tender Preparation & Advertisement**

For all options, the NCC Procurement team would prepare the tender documentation, except anything requiring technical project knowledge such as specifications, site drawings, and pricing schedules.

The Procurement team would advertise and publish the opportunity via the NEPO Pro-Contract e-tendering portal and ensure all advertisement requirements under PCR2015 are also covered.

On publication, and until final award is confirmed, all correspondence, including any bidder questions and post tender clarifications, would be dealt with by the Procurement team via the portal.