

Appendix C – Reporting and Contract Acceptance Score

THREE RIVERS LEISURE PROJECT

Final Tenders – Reporting and Contract Acceptance

FUSION

Evaluation	Score	Comments/Justification for Score
<p>Degree of acceptance of the draft Contract and acceptance of risk position, taking into account any incentives offered where applicable. (5%)</p>	<p>5</p>	<p>We prepared two distinct DBOM Contracts which reflect the comments made by each bidder throughout the tender process around certain commercial and drafting issues. Fusion's risk position (as set out in the DBOM Contract issued to them) is less favourable to the Council than the position in the SLM DBOM Contract.</p> <p>Comments made by the Bidder demonstrate an appreciation of the issues and risks involved in the Project. The Bidder confirms that it accepts all of the amendments made in the latest version of the draft DBOM Contract.</p> <p>It is noted that the Bidder will not be sub-contracting leisure services and will be wholly responsible for these services. The draft DBOM Contract has been adapted to reflect the structure proposed by the Bidder.</p> <p>The Council should note that the Bidder has submitted a pricing option as part of its Standard Bid to reflect the possibility that Rickmansworth Golf Course is excluded from the Project. The Bidder has accepted the proposed drafting in the DBOM Contract in relation to this.</p> <p>The Bidder has not submitted an Optional Variant Bid.</p> <p>The Bidder has confirmed that it will be able to provide a performance bond. It is noted that the Bidder's financial projections do not assume any cost in relation to the provision of this bond.</p>

Evaluation	Score	Comments/Justification for Score
		<p>The Bidder makes some assumptions which the Council should note:</p> <ul style="list-style-type: none"> • The Bidder's staffing cost projections assume that TUPE will apply and the projections reflect the TUPE information provided by the Council. • The Bidder states that, as a charity, it is automatically entitled to the 80% mandatory relief in respect of NNDR costs. <p>The Bidder has accepted the position on milestone payments, and the drafting in relation to this.</p> <p>Overall, this is a satisfactory submission. The Bidder's approach indicates an acceptance of the principles of the draft Contract and provides limited comments on key aspects of the draft Contract.</p>
<p>Robustness and completeness of legal submission, including approach to sub-contracting and security of performance. (3%)</p>	<p>7</p>	<p>The Bidder accepts the principles of the draft Contract.</p> <p>The Bidder will not be sub-contracting FM or leisure services and will be wholly responsible for these services. This is arguably beneficial to the Authority and will mean that the process to financial close will be slightly less complex.</p> <p>Given that a refurbishment solution is being proposed, no further comments were made in relation to clause 18 (Site Matters). As this was highlighted to the Bidder throughout the process it is slightly surprising that no comments have been provided by the Bidder in relation to this Site Matters.</p> <p>Overall, this is a good submission. The Bidder generally appreciates the key aspects of the draft Contract, its approach on sub-contracting is clear and its submission is complete.</p>
<p>Degree of acceptance of the draft Performance Monitoring System and payment provisions. (2%)</p>	<p>5</p>	<p>The Bidder offers no comments on the draft Performance Monitoring System and payment provisions, although the Bidder has stated that it accepts the drafting of the DBOM Contract in its current form.</p> <p>It had been highlighted to the Bidder than no comments had been provided in relation to the Performance Monitoring System in the previous stage of the process. The Bidder has subsequently not attempted to provide any further comments at this stage, which is disappointing.</p>

Evaluation	Score	Comments/Justification for Score
		Overall, this is an satisfactory submission. Whilst the Bidder does not comment specifically on the issues in relation to the Performance Monitoring System and payment provisions contained in the draft Contract, it has stated that it accepts the current drafting of the draft Contract.

SLM

Evaluation	Score	Comments/Justification for Score
Degree of acceptance of the draft Contract and acceptance of risk position, taking into account any incentives offered where applicable. (5%)	7	<p>We have prepared two distinct DBOM Contracts which reflect the comments made by each bidder throughout the tender process around certain commercial and drafting issues. SLM's risk position is more favourable to the Council than the position in the Fusion DBOM Contract. SLM has engaged with the issues and risks covered in the draft Contract and has generally offered sensible proposals when invited to mark up or complete a gap in the DBOM drafting.</p> <p>Comments made by the Bidder indicate a good appreciation of the issues and risks involved in the Project. The Bidder accepts the amendments made to the DBOM Contract, and states that it is happy with the current drafting.</p> <p>The Bidder notes that it is comfortable with providing a parent company guarantee to the Council instead of a performance bond. The Council has considered this position and understands the rationale behind it.</p> <p>The Bidder has provided pricing options to cater for the potential exclusion of Rickmansworth Golf Course from the Project. The Bidder has accepted the drafting in the draft Contract in relation to this. The Bidder has also provided detailed information in relation to its Optional Variant Bid.</p> <p>The Bidder has made some assumptions which should be noted by the Council:</p>

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		<ul style="list-style-type: none"> • The Bidder has assumed all development works will commence in April/May 2018, with the exception for the works at William Penn for the Optional Variant Bid which will commence in October 2018. • The Bidder has assumed there is no requirement from the Council to provide LGPS pension entitlements for those colleagues that have never been employed directly by the Council. • The Bidder has assumed 80% NNDR relief. <p>Overall, this is a good submission.</p>
Robustness and completeness of legal submission, including approach to sub-contracting and security of performance. (3%)	7	<p>The Bidder's approach indicates acceptance of the principles in the draft Contract.</p> <p>The Bidder will be sub-contracting FM services, leisure services and food and beverage services through its group companies and this approach is explained within the submission, and is an established way of working for SLM.</p> <p>The Bidder notes that SLM Ltd will hold the Contract and Leases, and will guarantee operational performance of the Contract. SLM Ltd will also be responsible for maintaining the properties.</p> <p>The Bidder has explained its use of SLM Community Leisure Charitable Trust (and the NNDR relief this attracts). The Bidder has stated that all obligations and warranties in the DBOM Contract will be passed down in full through sub-contracts.</p> <p>Overall, this is a good submission. The Bidder's approach indicates acceptance of the principles of the draft Contract, and its approach on sub-contracting is clear.</p>
Degree of acceptance of the draft Performance Monitoring System and payment provisions. (2%)	5	<p>The Bidder offers some comments on the draft Performance Monitoring System and payment provisions.</p> <p>The Bidder accepts the drafting in relation to the draft Performance Monitoring System and payment provisions, and provides further details as to how it will</p>

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		<p>actually implement the Performance Monitoring System.</p> <p>The Bidder has accepted the drafting in relation to milestone payments (Clause 21). With a refurbishment solution, this sits more neatly into linking payments to milestones as it is likely that there will be several defined stages in the refurbishment process.</p> <p>Overall, this is a satisfactory submission. The Bidder demonstrates some appreciation of the issues and risks involved in the Project.</p>