
EXAMINING TENDERS AND REPORTING – TENDER REPORT - WORKS

Project Title: District Heating Mains Replacement Programme 2019-21
Ref: 07-17-19-1-1194

1. Tenders Received (PR-81)

The time and date for receipt of tenders was noon on Friday 12th July 2019.

This procurement was undertaken via shortlisted tender, see NPS Barnsley Tender Shortlisting Report issued 24 May 2019, where 6 Nr responses were received through YORtender and 4 Nr compliant applications were recommended suitable for acceptance.

Tenders have been received as follows:-

1. NPS Barnsley	£872,687.00
2. Warmer Energy Services	£1,322,711.00
3. Eneteq Services Ltd	No Response
4. Vital Energi	Opt Out

The tender was issued to four contractors of which only two submitted tenders. One of the tenderers provided no response, whilst the other opted out stating unable to submit due to the product range specified.

During the Tender Shortlisting all the contractors were contacted to ensure they were interested in the proposed project and all confirmed they would submit a tender.

Unfortunately there appears to be a limited number of M&E contractors interested and able to undertake works of this nature. This continues to be an ongoing problem and is due to the difficult nature of the industry and lack of skilled resources. The market remains very volatile and contractors are inevitably very selective and respond only to the most attractive tender opportunities.

Following this tender return we obtained the following feedback from the two contractors who declined to tender;

- Eneteq Services Ltd explained that the legal department of their parent company (Veolia) had raised issues with the wording of the standard warranty and bond and consequently they were instructed to withdraw. However, it was suggested that Eneteq Services would be keen to tender for future opportunities subject to the issue being resolved on their side.
- Vital Energi withdrew from the tender process as their preference is to install bonded steel pipework and not plastic pipework. Consequently, they did not consider their tender would be competitive based upon the specification.

EXAMINING TENDERS AND REPORTING – TENDER REPORT – WORKS (CONT'D)

Project Ref: 07-17-19-1-1194

The priced Specification has been received from the lowest tenderer, NPS Barnsley, and is reported upon below.

2. Arithmetical Check (PR-86)

An arithmetical check was undertaken on the lowest tender submitted by NPS Barnsley and an error found resulted in an addition of £9,200.00 to the above figure.

Under Section 8.3 of the Instructions for Tendering, errors are to be dealt with in accordance with JCT Tendering Practice Note 2017 – Alternative 2 and therefore the tenderer was contacted and advised that they would be able to amend their submission for genuine errors. The Tenderer confirmed this was a genuine error and revised their tender accordingly.

3. Technical Check (PR-87)

A Technical check has been carried out and the following observed;

3.1 Pricing

Pricing of the Tender Specification document has been completed in accordance with the tendering instructions. NPS Barnsley Ltd have generally satisfied the requirement to price all individual items. Items priced as 'included' have been clarified and the Tenderer has confirmed that these items are included within the cost of other items of work and are included in their tender submission.

The overall pricing of the tender does appear exceptionally competitive and it compares with the level of pricing recently awarded to NPS Barnsley Ltd for the Hawthorne House scheme.

We would comment that the Employer's Requirements have specified lockable brick built enclosures where new heating pipework risers are on the outside of dwellings. Having checked this with NPS Barnsley Ltd, they have confirmed that their tender is based on full height pre-formed metal boxings, similar to those specified on recent schemes.

Warmer Energy Services have costed this item in accordance with the Employer's Requirements, on each of the three schemes, in the total sum of £88,909.

For comparison purposes, Warmer have advised (via YORtender) that an overall cost saving of £18,243 could be achieved for installing pre-formed metal boxings. Although this would suggest no change to the overall position of the tenders received, it does represent a departure from the specification and would require Client approval.

3.2 Preliminaries

Preliminaries have been priced at £29,024 for each Section of the works.

The preliminaries total of £87,072 represents 11% of the tender sum (less prelims). This is considered to be reasonable, when expressed as a percentage, considering the locations and nature of these works.

Document No and Name:		Version No:	Date:	Retention Period:	Page No:
19872	PR-88 Examining Tenders & Reporting Tender Report Works	1	July 2015	12 Years	Page 2 of 6

EXAMINING TENDERS AND REPORTING – TENDER REPORT – WORKS (CONT'D)

Project Ref: 07-17-19-1-1194

3.3 Prime Cost and Provisional Sums

Three separate contingency sums are included within the tender for each Section of works;

- Aldham Farm/Hudson Haven £15,000.00
 - Marston Crecent, New Lodge £15,000.00
 - Rose Tree Estate, Cudworth £15,000.00
- Total: £45,000.00

3.4 Dayworks

Dayworks have not been included in the tender documentation.

3.5 Contractors Insurances and Bond details(approvals obtained)

NPS Barnsley Ltd have completed Appendix II of the Form of Tender and Insurance details have been provided. The level of cover currently in place in respect of Public Liability, Employers Liability and Professional Indemnity insurances exceeds the requirements stated by BMBC within the tender documentation and Form of Tender.

Insurances details have previously been approved prior to being placed on the Tender List.

NPS Barnsley Ltd are not required to provide a performance bond as they are a service partner with BMBC.

3.6 Compliance with requirements of tender documentation (other than Health and Safety)

Tender requirements have been fully complied with (with the exception of the divergence from the specification noted in 3.1). No alterations have been made to the tender documentation and no qualifications received.

The Contractor has confirmed that Tender Amendments 1 and 2 issued during the tender period have been included in the tender.

4. Client/Planning Supervisors Evaluation of Competence and Provision for Health and Safety

The project is notifiable for CDM purposes. NPS Barnsley Ltd currently meet the minimum registration requirements for competency as a Principal Contractor for this project and they have provided evidence of their SSIP accreditation. Project specific method statements and risk assessments will be requested upon appointment.

Document No and Name:		Version No:	Date:	Retention Period:	Page No:
19872	PR-88 Examining Tenders & Reporting Tender Report Works	1	July 2015	12 Years	Page 1 of 6

EXAMINING TENDERS AND REPORTING – TENDER REPORT – WORKS (CONT'D)

Project Ref: 07-17-19-1-1194

5. Conclusion

The Client's budget for the works estimate was £1,252,000.

The lowest returned price received from NPS Barnsley Ltd has been obtained through competitive tendering, although only two tenders were ultimately received. The corrected tender was returned by NPS Barnsley Ltd in the sum of £881,887.00, which is £297,113.00 below the reported estimate of £1,179,000.00.

The revised tender submitted by NPS Barnsley Ltd in the sum of £881,887.00 can be considered for acceptance, subject to client approval of the pre-formed metal boxings in lieu of brickwork enclosures, and the client obtaining appropriate approval to the appointment/funding and satisfactory assessment of the Contractors Health and Safety information.

Signed:  Project Quantity Surveyor Date: 30/07/19

Authorised for issue:  For and on behalf of Date: 30.07.2019
K. Temple
Managing Director
NPS Barnsley Ltd

Copy to: Project File
Mr M Allen

Document No and Name:	Version No:	Date:	Retention Period:	Page No:
19872 PR-88 Examining Tenders & Reporting Tender Report Works	1	July 2015	12 Years	Page 2 of 6

EXAMINING TENDERS AND REPORTING – APPENDIX 1 – TECHNICAL CHECK RECORD

Project Title: District Heating Mains Replacement Programme 2019-21

Ref: 07-17-19-1-1194

Specification submitted by: NPS Barnsley Ltd

		Remarks
1)	Appendix I - (Statement as to Sub-letting) completed and submitted	Yes/No Works are to be sub-let to 1Nr sub-contractor for trench works.
2)	Appendix II – Contractors Insurances and Bond details completed and submitted, and approvals received from Finance	Yes/No Insurances approved by BMBC Financial Services. Renewal date: 1st April 2020
3)	Appendix IV - (Statement of Contractor's Workload) completed and submitted	Yes/No
4)	Appendix VI - (Equivalent Products) completed and submitted	Yes/No None identified.
5)	Appendix VIII - (Community Benefits Method Statement) completed and submitted	Yes/No
6)	Appendix X – (Anti-collusion certificate – goods, works and services) completed and submitted	Yes/No The Tenderer has submitted a signed copy of the Anti-collusion certificate with their Tender Submission.
7)	SSIP compliance received	Yes/No CHAS Certificate obtained.
8)	Construction Phase Health and Safety Plan or Method Statements/Risk Assessments requested	Yes/No To be requested after award of contract
9)	Details of Group Guarantees submitted	Yes/No
10)	Programme requested	Yes/No To be requested upon award of contract
11)	Any amendments issued during tender period have been incorporated	Yes/No Tender Amendment Nrs 1 and 2 issued and acknowledged.
12)	Tenderer has qualified his tender or altered/modified tender documents	Yes/No
13)	Tenderers finances have been checked and approval received from Finance (Open Tenders Only)	Yes/No N/A
(Others please state)		

Check carried out by: David Hotchkiss

Date: 19/07/19

Verified by:



Date: 30.07.2019

Document No and Name:		Version No:	Date:	Retention Period:	Page No:
19872	PR-88 Examining Tenders & Reporting Tender Report Works	1	July 2015	12 Years	Page 1 of 6

EXAMINING TENDERS AND REPORTING – APPENDIX 2 – ARITHMETICAL CHECK RECORD

Project Title: District Heating Mains Replacement Programme 2019-21

Ref: 07-17-19-1-1194

Specification submitted by: NPS Barnsley Ltd

SPECIFICATION REFERENCE	SPECIFICATION EXTENSION	SHOULD BE	ERROR +/-	RUNNING TOTAL +/-	REMARKS
Sections 1.01, 1.02, 1.03 and 3.00					Carried Forward and Brought Forward not used correctly however Section Totals are correctly carried to General Summary
Section 4.00 Page 3/6 Collection	£210,830.00	£220,030.00	+£9,200	£9,200.00	
Arithmetically Corrected Tendered Sum				£881,887.00	

Check carried out by: David Hotchkiss

Date: 19/07/19

Verified by: *D. Squires*

Date: 30.07.2019