




**ISSUED VIA Email and the
Supply4London.com
TENDERING PORTAL ('the Portal')**

10 December 2013

Attention: 
Shepherd Construction Limited
210 Pentonville Road
Kings Cross
London
N1 9JY

Dear 

**RE: STADIUM TRANSFORMATION WORKS | TIER-1 MAIN CONTRACTOR | OJEU CONTRACT
NOTICE 2012/S 247-406933 | CONTRACT AWARD DECISION**

Thank you for your recent tender submission ('the Tender'), in response to the Invitation to Tender ('the ITT') published on 16 July 2013 in respect of the above procurement.

The London Legacy Development Corporation ('LLDC') has completed the evaluation of the Tenders received and we are writing to inform you of the decision to award the contract for the Tier-1 Main Contractor to Balfour Beatty Group Limited who attained the highest-overall scores on the basis of the Award Criteria (MEAT) set out within the ITT.

The table below sets out Shepherd's scores against the successful Tenderer's scores.

In accordance with the Public Contracts Regulations 2006 (as amended, 'the Regulations'), it is the intention of E20 Stadium LLP to enter into a contract with the successful Tenderer following the expiry of the mandatory 10-day standstill period ('the Standstill Period') on 23 December 2013.

We recognise that our decision may come as a disappointment to you and trust you are satisfied with the level of information provided. We hope, however, that the outcome of this process will not deter or discourage you from bidding for future opportunities promoted by the LLDC.

Finally, we would like to thank you for your time and effort invested to submit your Tender. It is very much appreciated.


Procurement Lead, Stadium Transformation

For and on behalf of
London Legacy Development Corporation

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Award Criteria	Weighting	Successful Tenderer's Score	Comment on Merits of Successful Tenderer's Submission	Tenderer's Score	Comment on Evaluation of Tenderer's Submission
1.1.1.1 The Prices (1.0-1.15 of the Pricing Schedule)	21%	19.14%	The Successful Tenderer submission was competitive against some of the Commercial (Financial) elements of the Award Criteria and it was apparent that they had submitted the cheapest price for the following items 1.1.1.2., 1.1.1.3 and 1.1.1.4.), which resulted in the Tenderer scoring the maximum score against these elements. The Successful Tenderer submission was not competitive against some of the Commercial (Financial) elements of the Award Criteria, when each of the responses that the Successful Tenderer submitted were evaluated using the formula (rules) contained within the Award Criteria set out on page 22 in Part 1 of 2 of the ITT.	19.38%	The Tenderer submission was competitive against some of the Commercial (Financial) elements of the Award Criteria and it was apparent that they had submitted the cheapest price for 1.1.1.5.), which resulted in the Tenderer scoring the maximum score against this element.
1.1.1.2 Preliminaries (1.16 of the Pricing Schedule)	8%	8.00%		7.75%	
1.1.1.3 The Direct Fee %age of Total Tendered Price	2%	2.00%		1.71%	
1.1.1.4 The Subcontracted Fee %age of Total Tendered Price	2%	2.00%		1.71%	
1.1.1.5 The Peoples Overheads Fee %age of Total Prices	2%	1.20%		2.00%	
1.2. Acceptance of Contractual Terms	5%	3.00%	The Successful Tenderer's score reflects minor changes proposed to the contract terms and conditions that were compliant with the requirements of the ITT and acceptable to the Contracting Authority representing a shift in the risk profile of the contract to the Contracting Authority.	0.00%	The Tenderer's score reflects major changes proposed to the contract terms and conditions that were compliant with the requirements of the ITT, however represents an unacceptable shift in the risk profile of the contract to the Contracting Authority.

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2.1.1. Health and Safety	6%	4.80%	Comprehensive and informed submission which demonstrates the Successful Tenderer's ability to undertake H&S duties specific to the project. The response is aligned with HSE Standard and includes a plan for implementation with examples of relevant projects and risk management; however, it does not describe occupational health requirements particularly well. The Successful Tenderer has detailed their commitment to support the Safety Leadership teams, including establishing Stadium Project Leadership Team with evidence of experience provided.	3.60%	A good submission which demonstrates the Tenderer's ability to undertake H&S duties specific to the project and based on the Tenderer Standards which have been developed with reference to the ODA's programme. However, there is no statement as to the current alignment of Shepherd approach with key objectives of the LLDC. The commitment to support the Safety Leadership teams, although establishing a Stadium Project Leadership Team involving the Supply Chain is indicated but does not expand on key staff to support leadership.
2.1.2. Quality Management	3%	2.40%	Clear Quality Plan developed covering all relevant areas requested in the question. Thorough explanations of how the plan will be implemented, although it could have made more specific references to the Stadium and its particular challenges.	3.00%	Excellent outline quality plan presented, summarising principal processes and components. The Tenderer describes quality assurance and ITP regime, how specifications are reviewed and met, and how inspection and testing will support a right first time culture to minimise defects. Example provided of where these systems have been used effectively previously.

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2.1.3.1. Employment and Skills – Strategy	1.5%	1.50%	Excellent submission covering the main elements of the Project Information and the Successful Tenderer demonstrates a flexible and innovative approach to delivery of employment and skills outcomes.	1.20%	<p>Good submission on commitment to embedding requirements with supply chain but unclear on whether or not LLW/WRA will be made obligation to supply chain.</p> <p>The response to apprenticeships whilst comprehensive is lacking specific details that relate to the Stadium development. It is a very general overview rather than opportunities for direct employed Shepherd opportunities. The proposed approach to priority groups such as women and disabled people is also general and it does not detail which roles have been earmarked specifically for this contract and in what sorts of volumes. More detail on the aims / objectives / mechanics of the employment charter required as this seems a potentially fundamental tool but is little developed as an idea.</p>
2.1.3.2. Employment and Skills – Proposed Targets	1.5%	1.50%	Excellent commitments. All minimum targets have been exceeded.	0.90%	The commitments provided are unclear and further clarification didn't provide the necessary clarity to award a higher score.
2.1.4. Inclusion	2%	1.20%	Relatively standard response identifying the key points required and committing to inclusive policies.	0.80%	Limited information/evidence to demonstrate what would actually be delivered under this contract.
2.1.5. Community Engagement	2%	1.60%	Good submission covering all the award criteria with the focus on engagement, however, the submission does cover responsible site management, which was an area identified.	1.60%	Good alignment to community engagement strategy and local partnerships with a community communications plan detail. The Tenderer has Considerate Constructor Status.

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2.1.6. Inclusive Design	2%	1.60%	The Successful Tenderer's response includes a team with excellent experience and knowledge of the site. The Tenderer intends to appoint Buro Happold as the access consultants who have experience and knowledge of working on projects on the Park, including the stadium transformation design work.	2.00%	An excellent response the Tenderer intends to appoint Buro Happold as the access consultants who have experience and knowledge of working on projects on the Park, including the stadium transformation design work. The Tenderer demonstrates good experience elsewhere and included information on having a CSR Champion and quote a relevant section of the London Plan.
2.1.7.1. Sustainable Design	2%	1.60%	Very good response provided addresses the minimisation of impacts associated with steel comprehensively and has already identified opportunities to design out waste. Refers to previous experience which was highly relevant and effective in the approach stated.	1.20%	A good response that demonstrates the concept of designing out waste, the targeting of BREEAM credits and steel manufacture. The response however did not address water at all, or transportation of materials to and from site.
2.1.7.2. Environmental Legislation	1%	0.80%	The response referenced ISO14001 certification meaning that the Successful Tenderer has a process in place for keeping abreast of legal requirements in relation to the project. A good outline is given in response to how risks and issues will be managed throughout the project.	0.40%	The submission details the Tenderer's approach to identifying environmental legislation and aspects. There is a lack of information regarding issue management, including monitoring and escalation. The submission does not clearly identify roles and responsibilities.

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2.2.1 Project Programme	8%	6.40%	Programme demonstrates a good approach to the delivery of the project and is broadly compliant with the requirements of the works information. There are few constraints in the programme and the majority of activities have been logically linked but there are areas that would cause concern.	6.40%	Programme demonstrates a good approach to the delivery of the project and is broadly compliant with the requirements of the works information. There are a few constraints in the programme and the majority of activities have been logically linked and the contract end date has been exceeded.
2.2.2 Method Statements	8%	6.40%	Very good method statements which demonstrate a good understanding of the project requirements, constraints and risks. In addition, it clearly identifies the key project specific interfaces and how they will be managed. There was a lack of detail on testing and commissioning of the retractable seating and the existing piles prior to strengthening works and on how productivity will be managed with respect to safety and quality.	8.00%	The Tenderer demonstrates excellent understanding of project requirements, constraints and risks. The method statements are relevant, specific to the project and supported by clear sequencing images and drawings. Key interfaces and how these will be managed are clearly set out.
2.2.3 Project Execution Plan	8%	6.40%	Good Project Execution Plan provided, however, some responses are generic and not specific to the project.	8.00%	An excellent Project Execution Plan which is comprehensive, relevant and specific to the project and addresses all the requirements of the Project Information.

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2.2.4 Risk Management	3%	1.80%	The Successful Tenderer's response outlines key processes but did not contain a high level of detail. The Risk Management plan does not include matrix for impact scoring or clear explanation of relevance. The submitted risk register has 26 risks most of which are highly relevant to the delivery of this project.	1.80%	A limited number of risks identified for a project of this size and complexity . The Risk Management Plan is generic and does not include proposed risk parameters for the project including matrix for impact scoring or clear explanation of relevance. No reference to the Employer and integration with the organisation risk management framework is provided.
2.2.5 Supply Chain Management	2%	1.60%	Good response that demonstrates the Tenderer understands the supply chain requirements. Examples of approved supplier management provided, together with defined processes to engage with local and diverse business networks.	1.60%	Good response identifying measures to assist the Contracting Authority aims and objectives. Performance management techniques clearly described. The Tenderer has identified further initiatives including establishing local business networks.
2.2.6 Design Management	4%	3.20%	The Successful Tenderer has provided good evidence of how design management will deliver integrated design across designers and subcontractors. Design management process is described, with project specific examples addressing interfaces and subcontract design. Documentation management and quality assurance is not described in the Tenderer's submission. Also the design management tools and methodologies that are mentioned do not make clear how central each is to the process of design delivery.	4.00%	Excellent response which covers all aspects of design management proposals. Good evidence provided demonstrating how design management will deliver integrated design across designers and subcontractors and how design responsibilities are to be analysed and allocated early to avoid gaps and overlaps. Excellent detail of the design management process with substantial evidence of procedures and mechanisms to be used, demonstrating a good understanding of the scale and scope of the tasks. Employers design intent is described through both internal QA process and project specific proposals. Integration of novated elements is explained in detail, due diligence and quality assurance

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					processes noted and integrated into the programme.
2.3.1 Project Organisations Chart	3%	2.40%	Summary level of job roles and duration in weeks on the project included however the job roles do not name specific people. A clear organisational chart provided that shows the specific relation of Balfour Beatty staff named in Contract Data Part 2. However, the commentary does not fully explain Project Team composition, operation or required reporting and communication lines.	3.00%	Organisation chart shows a comprehensive structure with defined individual elements of the project based on zonal marking which make individuals fully accountable. Good understanding of interaction with stakeholders.
2.3.2 Key People	3%	2.40%	Comprehensive and detailed CV's for all of the key personnel have been submitted including for the design element of the project. No stadia experience, but full detail of relevant experience including London 2012 Aquatics Centre and suitability for proposed role is provided. High calibre people are proposed for most of the key positions.	1.80%	CV's identifying the key people are provided. No stadia experience identified, but good detail of relevant experience and suitability for proposed role is provided for most of the key positions.
Totals	100.00%	82.94%		81.85%	