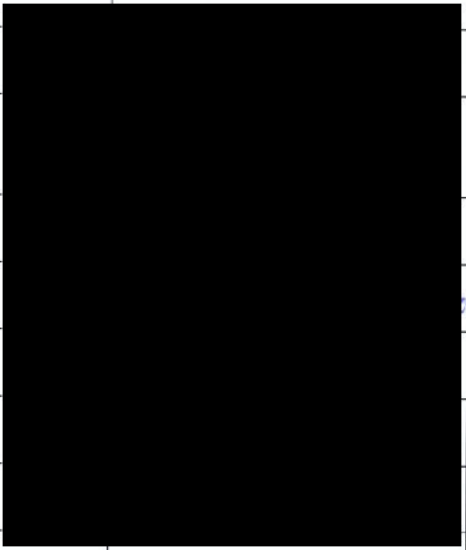
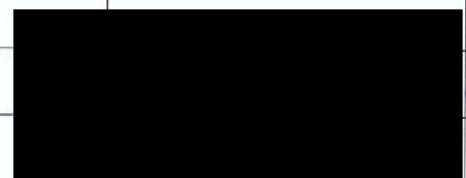
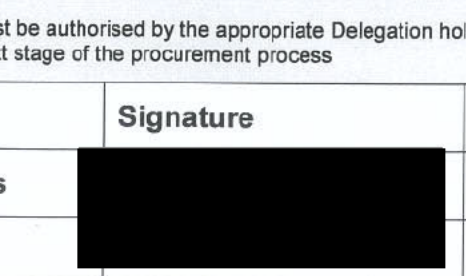


Approval and Authorisation Form

Platform Screen Doors System	C631
Contract Award Recommendation (Deliverable 9)	1.0
The original document and completed Approvals and Authorisation Form are to be retained by the Procurement Production Manager.	


Approvals

The Contract Award Evaluation Report must be approved by the Review Panel (if applicable) prior to the document being submitted for Procurement Authorisation. The approval signatures confirm that the final Evaluation Report has appropriately resolved any comments issued to the Procurement Leader by the Review Panel and that the document satisfies departmental requirements.

Role	Name	Signature	Date
Part 1			
Procurement Leader	Clive Thomas		04/09/14
Procurement Production Manager	Paul Darlington		06/09/14
Project Manager	Jonathan Osgood		04/09/14
Accountable Manager	Colin Gainsford		05/09/14
Part 2			
Procurement Manager	Clive Thomas		04/09/14
Legal	Megan Hands		9/9/14
Part 3			
Delivery Director	Colin Gainsford		09/09/14
Head of Contracts	David Morrice		8/9/14

Procurement Authorisation

Following approvals, the Contract Award Evaluation Report must be authorised by the appropriate Delegation holder (see Procurement Table of Authorities) before proceeding to the next stage of the procurement process

Role	Name	Signature	Date
Head of Procurement	Kevin Lloyd Davies		9/9/14
Delegation Holder	CSC		



PROCUREMENT DEPARTMENT

CONTRACT AWARD RECOMMENDATION REPORT

Contract C631 – Platform Screen Doors

OJEU Contract Notice: 2013/S 041-066187

Document Number:

Revision:	Date:	Prepared	Checked	Approved	Reason for Issue:
1.0	27/08/14	C. Thomas			Draft for Review
2.0	03/09/14	C.Thomas			Reviewed by Legal & HoP and includes Options received 01/09/14

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1 EXECUTIVE SUMMARY

Tenders for this contract C631 – Platform Screen Doors were received from three tenderers on 7th April 2014 based upon an NEC Option A – Priced contract with activity schedule. These Tenders have been reviewed and scored on a technical and commercial basis in order to identify the Most Economically Advantageous Tenderer.

The Technical, Commercial and Overall scores for each Tenderer are shown in Table 1 below (weighted Technical 70%, Commercial 30%):

Table 1 – Overall Scores

Table 1			
C631 Overall Score Summary			
Description	Tenderer / Score		
	Cenotaph	Shard	Big Ben
Technical Score	45.28%	31.78%	23.72%
Commercial Score	29.25%	27.25%	21.72%
Overall	74.53%	59.03%	45.44%
Overall Rank	1	2	3

The evaluation incorporates clarifications, adjustments and qualifications agreed with the tenderers during the evaluation period.

After receipt of tenders a Post Tender Addendum was issued that resulted in revised pricing from the tenderers. These revisions are included in the evaluation.

1.1 Qualifications

Each of the tenderers submitted qualifications to the terms and conditions issued with the ITT. Additionally Cenotaph and Big Ben submitted technical qualifications to the Performance Specification.

The technical qualifications broadly sought to either bring the performance specification in line with the tenderer's normal product offering or qualified the specification where the tenderer did not believe that it would be able to meet the level of performance specified. The technical qualifications were resolved during the evaluation period by:

- Agreement by the tenderer to remove the qualification;
- A revision to the CRL Performance Specification requirement; or
- Inclusion of a proposal from the Tenderer as Works Information for the Contractor's Design without amending the Performance Specification.

The technical and commercial evaluations were completed prior to seeking a resolution of the specific qualifications on the terms and conditions submitted by each tenderer. An exception to this was the one area of common qualification with all three tenderers that related to Limitation of Liability. Initially the tenderers took different positions on the overall limit of liability. Following negotiations all three tenderers accepted an overall Limitation of

Liability of 100% of the tendered total of the Prices. Each tenderer also sought a cap on the level of delay damages that would fall within the overall liability cap and to exclude indirect and/or consequential losses from their liability. Agreed positions have been reached with Cenotaph and Big Ben whilst Shard have maintained a position on delay damages and indirect losses that is not acceptable to CRL. In view of the overall scores, and agreement of an acceptable position with Cenotaph on the terms and conditions, action to resolve this issue with Shard has not been brought to a conclusion.

A very large number of qualifications and comments were provided by Cenotaph to the terms and conditions issued with the ITT. These are dealt with more fully in section 3.2. During the clarification process a substantial number of these qualifications were removed as the tenderer understood better how the NEC contract operates.

1.2 Overall Scoring

There is a large range between the overall scores of the three tenderers. Cenotaph is the clear winner for both technical and commercial scores. For Shard and Big Ben the technical scores are low with both achieving less than half of the technical points available. CRL does not use a minimum points hurdle in the evaluation. However this level of scoring does highlight that the evaluators' confidence with these two tenderer's technical submissions is a cause of concern.

The commercial scores are based upon the final submissions from the tenderers taking into account adjustments for errors, qualifications and the post tender addendum.

1.3 Technical Evaluation

The total technical score available for the tenderers is 70 points. The technical score for Cenotaph is significantly higher than the other two tenderers. As explained more fully in section 5.1 Cenotaph are the only tenderer to achieve a good score across the key technical submissions. All three tenderers attracted some low scores (defined as either a score of Major Concerns or Concerns). Cenotaph attracted low scores against their submissions for two Key People, Design Management, Responsible Procurement and Interface Management. These concerns have been addressed and the concern has either been removed or a commitment gained that the issues will be addressed by the tenderer.

1.4 Commercial Evaluation

The commercial evaluation was undertaken in accordance with the ITT and Tender Opening and Evaluation Plan and was based on the Notional Price and Notional Fee calculations set out in the ITT.

The Notional Price calculation involved making adjustments for errors and qualifications and then factoring in adjustments for compensation events (as set out in the ITT) to reach an adjusted Tender price.

The Notional Fee scores reflect the range of fee percentages submitted and were calculated using the model set out in the Instructions for Tenderers (IfT) Part 3.

Cenotaph has the highest overall commercial score from the evaluation. Whilst their base tender Price was the second highest they offered more competitive fees and Prices for Options. Additionally, during the post tender period, an addendum was issued to all

tenderers to remove the anti reflective coating from the glass. Cenotaph was able to offer a substantial reduction in Price for this change which was not matched by the other tenderers.

Shard submitted the lowest price but offered the highest Fees.

One of the commercial checks requires that consideration is given to applying the CRL criteria for Abnormally Low Tenders. Following this review, none of the tenders received were considered to be 'suspiciously low'.

The tenderers' lack of knowledge of the NEC contract resulted in errors being made in the fee percentages and people rates that they submitted. Clarifications were raised with each tenderer during the evaluation period in relation to these and adjustments were incorporated into the commercial evaluation.

Four priced CRL Options were requested as part of the Tender as follows:

1. Performance Bond (2.5%)
2. Contractor to undertake the role of Principal Contractor
3. Maintenance Support Contract
4. Anti reflective coating to the advertising cassette

Each of these CRL Options is described in section 4.2.1. CRL Option Nrs 1 & 4 are not required so are not being exercised. CRL Option Nr 2 will be included within the awarded contract.

CRL Option Nr 3 is close to being finalised and will take the form of a separate contract between Rail for London and Cenotaph.

1.5 Negotiation of post award Options.

Following a Tender Review Panel meeting on the 18th July 2014 concern was expressed by the Systemwide Delivery Director that there may be a need to increase the level of the highest scored contractor's Key People resources for some functions. This issue principally arose out of the systemwide team's experience to date with the C600 series systemwide contractors.

Additionally the systemwide team had identified changes to Works Information Volume 2A and the Volume 2C Performance Specification that they wished to implement.

Following a review of the programme by the systemwide team it was concluded that time could be afforded to address these two issues and it was decided to seek Prices for these as Options that could be exercised after contract execution.

A request was made to Cenotaph to provide prices to CRL for two further CRL Options as follows:

- CRL Option 5 – additional resources
- CRL Option 6 – revised Works Information
 - Volume 2A
 - Volume 2C - Performance Specification
 - C100 Architectural Common Components Design Specification

On the 1st September 2014 Prices were received from Cenotaph.

They confirmed that the only change to the Prices arising from Option 6 - the revised Works Information is a saving of (£199,488) resulting from the omission of anti graffiti film to the glass from the specifications.

Cenotaph provided a Price of **£608,042** for Option 5 - additional resources. The level of additional resources proposed has been reviewed by the C631 Project Manager who has confirmed that the response is acceptable and addresses the issues we expressed to the tenderer.

1.6 Decision Required

The recommendation is that contract C631 – Platform Screen Doors System is awarded to Cenotaph for a tendered total of Prices of £27,443,990.00.

It is recommended that the tendered total of the Prices includes, at contract award, the reduction in price of **£199,488.00** offered by Cenotaph for CRL Option 6 (revised Works Information). The only change in the Works Information that has generated an impact on the Price is the omission of the anti graffiti film to the glass. This change has been introduced through the C100 Architectural Common Components Specification. Introducing the revised Works Information into the contract at award has the benefit of removing a misalignment between the tenderer's Price and the contracted Works Information. This reduction is excluded from the commercial evaluation. The evaluation was completed based upon an adjusted tender total of Prices of **£27,643,478.00**.

CRL Options 2 and 5 are included as separate standalone prices for instruction by the Project Manager. The Options are described above.

Tenders were submitted on 7th April 2014 with a tender validity of 210 calendar days, which expires on 3rd November 2014. The programme starting date has been amended during the evaluation process to the 1st October 2014. This amendment requires that the first Key Date (KD1) for the submission of the Design Statement is moved to the 24th December 2014. All tenderers have confirmed that there is no adjustment required to their Tender as a result of the changes to the starting date and KD1.

2 BACKGROUND

This report describes the outcome of the evaluation of tender submissions received in response to the OJEU Contract Notice: 2013/S 041-166187 for Contract C631 – Platform Screen Doors. It details the final results and recommendation.

The following three applicants were approved by Crossrail from pre-qualification onto the Tender List:

- Faiveley Transport Birkenhead Ltd.
- Knorr Bremse Rail Systems (UK) Ltd.
- Singapore Technologies Electronics Ltd.

3 TENDER RECEIPT AND OPENING

Tenders were received from three Tenderers before the stated deadline. Appendix A contains the completed Tender Opening Form.

The Tender submissions were opened in BRAVO on 7th April 2014, in accordance with the approved Tender Opening and Evaluation Plan (Appendix B).

3.1 Completeness of the submissions

There were some supporting information documents that were not initially provided by two of the tenderers with their tender submissions. These documents are not part of the scored evaluation. Shard failed to provide a price for CRL Option 1. This was requested and supplied.

3.2 Qualifications

3.2.1 Terms and Conditions Qualifications

All three tenderers submitted qualifications to the terms and conditions.

3.2.1.1 Cenotaph

Cenotaph submitted in excess of 100Nr qualifications on the terms and conditions with their Tender. The extent of the qualifications sought to alter the balance of the allocation of risk, reduced the contractor's obligations, significantly reduced the powers of the Project Manager to make decisions and sought to change the process for compensation events. Qualifications on specific topics such as Limitation of Liabilities, Intellectual Property Rights, Escrow, Termination, Confidential Information and others were submitted. In summary the tenderer sought to qualify the contract such that it would be materially different to those entered into by Crossrail to date.

Following the technical evaluation a series of clarification messages and meetings took place with Cenotaph with a view to removing these qualifications and to identify if a position could be achieved on the terms and conditions that are acceptable to CRL and consistent with the position achieved on other contracts. Resulting from this the majority of the submitted qualifications have been removed. The significant qualifications that remain, in their final amended form, are summarised as follows:

- Clause 21 – Contractor’s design – the Contractor’s design obligation is now to use “the standard of skill, care and diligence” of a “properly qualified professional consultant” rather than providing a design that is fit for purpose.
- Clause 50 – Assessing the amount due – the Employer’s (and TfL’s) rights to set-off are now limited to those companies entered into by the Contractor and do not extend to other Group Companies of the Contractor. Currently there are no other contracts that have been entered into by the Employer with Cenotaph.
- Clause X18 Limitation of Liability – the Contractor’s Limitation of Liability is capped at 100% of the final total of the Prices. Cenotaph would not accept an exclusion from this cap for delay damages. They have accepted the other exclusions included in the ITT. A sub-cap of 20% of the final total of the Prices has been negotiated and this sum is included in the overall cap. This percentage is higher than the minimum level of cap set by CRL and will fund a delay of in excess of 7 months. Additionally they have negotiated a cap on consequential or indirect losses of 20%.
- Clause Z8 – The Parties use of materials – this clause covers the Intellectual Property Rights (IPR) of the parties in respect of the system and its design. Maintaining ownership of all IPR, both background and foreground, was a key issue for the tenderer. Under the negotiated contract terms CRL is granted a licence by the Contractor to use, copy, develop, modify, integrate and maintain etc. the IPR for the purposes of the Crossrail project whilst ownership of the IPR remains with the Contractor. Certain exclusions apply to the licence such that CRL may not use the Contractor’s IPR to procure a product from a competitor. This approach is consistent with the position negotiated on other CRL systems contracts. The escrow arrangements which were heavily qualified by the Tenderer have been negotiated to provide a satisfactory position for CRL but with adequate protection for the Contractor e.g. to exclude COTS products (where it is not always possible to obtain the information from suppliers) and to grant the Contractor an opportunity to remedy a breach before CRL has the right to apply for a release of escrow information and to require CRL to provide advance notice to the Contractor prior to any application to release the escrow information.
- Clause Z11 – Access to Information – certain limitations to the information to which CRL may have access have been conceded.
- Clause Z13 – Confidential information – CRL has agreed to a reciprocal confidentiality obligation.

3.2.1.2 Shard

Shard submitted 4Nr qualifications. The qualifications concerned the liability the tenderer was prepared to accept for delay damages, consequential or indirect losses and the overall limit on its liability. Shard accepted that the overall limit on liability should be capped at 100% of the final total of the Prices with a proviso that delay damages should fall with the overall cap. Since then we have not reached a satisfactory conclusion to the negotiations with Shard on the remaining issues being:

- Clause 25.3 – Shard are seeking the deletion of this clause which allows CRL to recover damages for delays associated with Key Dates where there is no delay damages stated in the contract.
- X7 – Delay damages – CRL has offered that delay damages will be capped at 20% of the final total of the Prices and that the cap will sit within the total liability cap.

Shard has not accepted this so we have not reached an agreed position on the cap that will apply to the delay damages.

- Consequential loss – CRL has offered that consequential or indirect losses will be capped at 20% of the final total of the Prices and that the cap will sit within the total liability cap. Shard has not accepted this so we have not reached an agreed position on the cap that will apply to indirect losses.

3.2.1.3 Big Ben

Big Ben submitted 4Nr qualifications covering Insurances and Limitation of Liabilities. The qualifications are summarised as follows:

- Clause X18 Limitation of Liability – agreement was reached with this Tenderer to a 100% cap together with sub-cap of 30% for delay damages.
- Insurances – they introduced three qualifications on the detailed provision of insurances. One of these would be acceptable to CRL and two are unacceptable. These were not resolved with Big Ben.

3.2.1.4 Limitation of Liability

Table 2 – Limitation of Liability			
Tenderer	Total Cap* on Liability	Cap*on delay damages	Cap* on indirect losses
Cenotaph	100%	20% within the total cap	20% within the total cap
Shard	100%	10% (Not agreed) within the total cap	Excl.(Not agreed)
Big Ben	100%	30% within the total cap	Within the total cap

* The cap is in relation to the final total of the Prices.

3.2.2 Technical Qualifications

Two of the Tenderers submitted technical qualifications to the Works Information. The qualifications principally relate to clauses within the Performance Specification.

- Cenotaph submitted 9Nr qualifications with a further two becoming apparent as the evaluation progressed. These have been resolved by agreed amendments to the Works Information or by adopting proposals from the tenderer as Works Information in connection with the Contractor's Design. For Cenotaph we include below a summary table of the qualification issues:

Table 3 – Summary of technical qualifications - Cenotaph			
Nr:	Heading (Spec Ref)	Employer's Works Info	Contractor's Works Info
1	Automatic Doors – PSD39-42	N/A	Yes
2	EED – PSD70	WI Amended - PTA 1	No
3	PSD Cabinet – PSD98	WI Amended - PTA 1	No
4	Control Requirements – PSD194	N/A	Yes
5	Failure Indicator – PSD240	WI Amended - PTA 1	No
6	Opening Response Time – PSD245	Revised Train ETCS & S&CS Interface Spec	No
7	Automatic Door level Fault Reporting – PSD294	N/A	Yes
8	Performance Modelling – PSD324	WI Amended - PTA 1	No
9	Line wide SCADA – PSD340	WI Amended - PTA 1	No
10	Works Trains	N/A	N/A
11	Tottenham Court Road – EB – PSD372	N/A	Yes

PTA = Post tender addendum

- Big Ben submitted 18Nr qualifications. During the technical clarification process big Ben withdrew 7Nr of the qualifications. The remaining qualifications have been resolved by agreed amendments to the Works Information or by adopting proposals from the tenderer as Works Information in connection with the Contractor's Design.
- Shard did not submit any technical qualifications with their tender.

3.3 Changes in Circumstances

There are no declared Changes in Circumstances.

3.4 Programme

The following key issues were identified during the evaluation of the tenderers' programmes:

Cenotaph

The access dates, key dates and constraints defined in the contract are present in the programme and appear to have appropriate logic. Comparing the gate acceptance dates with the various predecessors the programme does not allow 28 calendar days for CRL

design reviews before the gate is accepted. The programme submitted with the tender will **not** be accepted into the contract.

Shard

Key Date KD03 has no predecessor meaning a Key Date is not being monitored against the progress being made. There is a gap in the programme between March 2016 and January 2017 where there is no activity. However the narrative suggests that there is activity in this period including assembly into the final product, customer acceptance testing, and quality inspections. This is critical activity which has to be identified in the programme. The programme is in insufficient detail to be considered for acceptance.

Big Ben

Generally the programme is of a good level of detail with relatively few very long or very short duration activities. Key Date KD03A is not included in the programme. Not all of the programme constraints defined in the Works Information are included in the programme. It is essential that the known constraints on the programme are recorded and monitored. Most importantly the availability of permanent power is not recorded. The programme is non-compliant with the requirement for KD02 completion of the factory prototype.

4 EVALUATION METHODOLOGY

The tender evaluation has been carried out in accordance with the ITT and the Tender Opening and Evaluation Plan (Appendix B).

4.1 Tender Addenda

During the tender period the following tender addenda were issued:

- 24 January 2014 – the details of the Maintenance Support Contract were issued to the tenderers to be priced as a CRL Option.
- 14 February 2014 – the ITT was amended so that the tenderers were to price solely on the basis of a system that aligned with the Bombardier train procured through the RSD contract. Prior to this the tenderers were required to submit Prices for all three train configurations. The addendum also included a revised version of the PSD performance Specification that incorporated changes made during the tender period.

After the tenders were returned a Post Tender Addendum was issued:

- 14 May 2014 – the tenderers were requested to provide omissions and additions to their tendered prices for a number of changes to the specifications that arose from the tenderers' qualifications or TPO's. The two significant changes being the omission of the anti reflective coating to the glass and a requirement that the Contractor provides power distribution modules at the tunnel head and tail walls for the PSD system (this was specified as being provided by Others at ITT).

All three tenderers submitted tenders on 7th April 2014 incorporating tender addenda 1 and 2.

During the post-tender period Cenotaph and Shard provided omissions and additions to the Prices for the changes described in Post tender Addendum Nr1. Big Ben failed to provide a response to the addendum.

Big Ben informed CRL on 22/05/14 that *"we can confirm we had not included anti-reflective coating in our base offer since all glazing is covered by anti-graffiti film"* and failed to provide a response to Post Tender Addendum Nr 1 by the deadline for responses on 22/05/14. It later provided a revised priced activity schedule but did not identify the omissions and additions arising from Post Tender Addendum Nr1 in accordance with the Instructions to Tenderers.

4.2 Options

4.2.1 CRL Options

The ITT included a requirement for the tenderers to provide prices for four CRL Options as follows:

- Option 1 – Performance Bond for an amount equalling 2.5% of the tendered total of the Prices in lieu of 10% - this was evaluated as a Type 2 Option.
- Option 2 – Provision for the Contractor to be instructed to undertake the role of Principal Contractor for a Work Zone at a station – this was evaluated as a Type 1 Option.

- Option 3 – Provision of maintenance services through a Maintenance Support Contract with RfL – this was not evaluated as part of the Base tender submission.
- Option 4 – Provision of a rate for anti reflective glass to the advertising cassette.

All three tenderers provided Prices for the first three Options.

Option 1 - The Finance Operations Director has confirmed that CRL will require a 10% Performance Bond on this contract and accordingly the Option for a 2.5% Performance Bond will not be taken forward into the contract.

Option 2 - The prices received from Cenotaph to undertake the role of Principal Contractor for a Work Zone will be included in the contract.

Option 3 – A process of clarifying and negotiating a Maintenance Support Contract (MSC) has been undertaken with Cenotaph as the highest scored tenderer. Cenotaph proposed that they supply a one-off stock of spares during the contract providing the efficiencies that would come from manufacturing these alongside the main system components. This proposal has been accepted by RfL and incorporated into the contract as a separate list of Prices. The Maintenance Support Contract terms and conditions have been negotiated alongside the main contract terms and conditions and incorporate terms that align with the main contract in relation to Intellectual Property Rights and Escrow. Negotiations are not yet concluded but the level of agreement with Cenotaph has now reached a point where the C631 main contract may be awarded without significant risk to the remaining negotiations on the MSC.

Option 4 – Only Shard provided a price for Option 4. Cenotaph informed us that they were not able to provide a price for Option 4 – anti reflective glass for advertising cassette, as they could not obtain an economic Price for the small quantity required (see item 4.1 above). Big Ben failed to provide a rate for Option 4 (see item 4.1 above). The requirement for anti reflective glass has been removed from the C100 Architectural Common Components Specification and the Head of Architecture has indicated that it is unlikely that this will now be needed for the advertising cassette.

4.2.2 Tenderer Proposed Options (TPOs)

TPOs were received from Shard and Cenotaph as follows:

- Big Ben - Provision of entrapment detection at all stations.
- Cenotaph - Omission of entrapment detection at Tottenham Court Road – eastbound platform.
- Cenotaph - Omission of the anti reflective coating to the PSD system glass – the Tenderer identified that the specified requirement to fix anti graffiti film onto the glass negates the need for an anti reflective coating to the glass.

None of the TPOs were assessed as being suitable as Type 1 TPO's.

The offer to omit the anti reflective coating prompted a review of this requirement in the Specification. The Head of Architecture advised that this had been specified to ensure that passengers would be able to clearly see the trackside tunnel wall advertising. Advertising is now being incorporated into the PSD system and will not be provided along the tunnel wall. Accordingly there is no longer a need for the glass to be anti reflective. As this is a change in requirements the omission of the anti reflective glass was put to all of the tenderers as a Post Tender Addendum – (see 4.1 below) and no longer treated as a TPO. This change will be incorporated into the C631 conformed contract Works Information through the inclusion of a revised C100 Architectural Common Components Design Specification.

4.3 Technical Clarification Meetings

All three Tenderers were offered and accepted the opportunity to attend technical clarification meetings. Items for discussion were issued to the Tenderers prior to the meetings. The meetings were used primarily to address technical qualifications provided by the Tenderers and some clarifications on a limited number of commercial issues.

5 TECHNICAL SCORES

All technical scores are shown in Table 4 below. The full scores and rationale statements are included at Appendix C.

Technical submissions were evaluated using the following marking scale in conjunction with evaluator guidance published on AWARD:

100%	=	Excellent Confidence
90%	=	Very Good Confidence
75%	=	Good Confidence
55%	=	Moderate Confidence
25%	=	Minor Concerns
10%	=	Concerns
0%	=	Major Concerns

Table 2 is a schedule of the weighted scores achieved by each tenderer for each of the technical questions. Where a tenderer's submission has been scored as either a Major Concerns (0% of the weighting) in or a Concern (10% of the weighting) these are highlighted in red and yellow below.

Table 4 – Technical Scores		Wtg %	Cenotaph	Shard	Big Ben
Question					
RANKING			1	2	3
Technical Score		70.00%	45.28%	31.78%	23.72%
[E001] Leadership		2.00%	1.10%	1.50%	0.50%
[E002a] Organisation Chart		2.00%	1.50%	0.50%	0.50%
[E002b] Key People - Resource Profile		2.00%	1.50%	0.50%	0.50%
[E002c] Management Planning		2.00%	1.10%	0.50%	1.10%
[E003a1] Project Manager		1.00%	0.75%	0.75%	0.90%
[E003a2] Construction Manager		1.00%	0.75%	0.75%	0.25%
[E003a3] Commercial Manager		1.00%	0.10%	0.25%	0.10%
[E003a4] Design Manager		1.00%	0.55%	0.75%	0.75%
[E003a5] Project Controls Manager		1.00%	0.00%	0.25%	0.00%
[E003a6] Testing and Commissioning Manager		1.00%	0.55%	0.25%	0.25%
[E003a7] Integration Manager		1.00%	0.55%	0.75%	0.10%
[E004] Execution Plan		3.00%	2.25%	0.75%	0.30%
[E005a] Architectural Elevations and Details		3.00%	2.25%	2.25%	0.00%
[E005b] Earthing and Bonding Proposal		2.00%	1.80%	1.10%	1.10%
[E005c] RAM		3.00%	2.25%	0.75%	0.75%
[E005d] Entrapment Detection & Step Free Access Proposal		3.00%	2.25%	0.30%	0.75%
[E005e] Advertising Cassette Proposal		2.00%	1.50%	1.10%	0.50%
[E005f] Engineering Interface Proposal		3.00%	2.70%	1.65%	1.65%
[E005g] Delivery method statement		2.00%	1.80%	1.50%	1.10%
[E005h] Installation method statement		2.00%	2.00%	1.80%	1.50%
[E006] Supply Chain Strategies		2.00%	1.80%	1.10%	1.10%
[E007] Undertakings and Assurance		0.50%	0.45%	0.27%	0.12%
[E008] Design Management		1.00%	0.10%	0.55%	0.25%

Table 4 – Technical Scores				
Question	Wtg %	Cenotaph	Shard	Big Ben
[E009] Design Schedule	1.00%	0.75%	0.25%	0.55%
[E010] Risk Management Plan	1.00%	0.75%	0.90%	0.10%
[E011] Risk Log	2.00%	1.50%	1.10%	0.20%
[F001a] Self Certification	1.00%	0.55%	0.25%	0.55%
[F001b] Quality Assurance	1.00%	0.55%	0.10%	0.55%
[F001c] Quality Risk Management	1.00%	0.55%	0.10%	0.90%
[F002a] Quality Manager	1.00%	0.55%	0.55%	0.10%
[F003] Quality Resource	1.00%	0.75%	0.10%	0.55%
[G001] Delivering the contract to budget.	4.00%	3.00%	2.20%	0.00%
[H001] Tender Programme	3.00%	1.65%	0.30%	0.30%
[H002] Approach to Delivering the Programme	1.00%	0.75%	0.55%	0.25%
[J001a] H&S Risks (working area)	0.60%	0.45%	0.54%	0.54%
[J001b] H&S Risks (Interfaces)	0.60%	0.45%	0.45%	0.54%
[J001c] H&S Risks (Workforce)	0.60%	0.33%	0.45%	0.54%
[J002] Health & Safety Manager	1.60%	0.88%	1.44%	0.40%
[J003] H&S Key Inputs & Deliverables from others	0.60%	0.45%	0.45%	0.45%
[K001] Environmental Management Plan	1.50%	0.82%	0.82%	1.13%
[K002] Environmental Manager	1.00%	0.55%	0.25%	0.90%
[K003] Responsible Procurement	1.00%	0.00%	0.10%	0.10%
[L001] Interface Risks	4.00%	0.40%	1.00%	1.00%
Totals	70.00%			

Appendix D gives details of any of the preferred tenderer's submissions that have scored as a Major Concern or Concern.

5.1 Key Findings from Technical Submissions

There is a significant difference between the each of the tenderer's technical scores which is shown below:

Table 5 – Comparison of scores		
Tenderer	Total Scores	Difference between the tenderer and the highest score
1.Cenotaph	45.28%	-
2.Shard	31.78%	13.50%
3. Big Ben	23.72%	21.56%

A comparison of the scores shows that Cenotaph's scores are generally higher across all questions. In particular for the key technical proposals provided by the tenderers, covering questions E004 through to E005h, Cenotaph's scores are higher than the other two tenderers for each question. These nine questions have a weighting of 23%. The score for each tenderer for this section of questions is as follows:

1. Cenotaph 18.80%

2. Shard	11.20%
3. Big Ben	7.65%

Of concern is that the scores for Shard only averaged a score of 49% across these questions, which equates to a score of Moderate Confidence (55%) and for Big Ben the average score is 33% which equates to a score just above Minor Concerns (25%).

Some other specific key issues are:

- Shard – E002 – Organisation – the tenderer explained that it intended to create a local team in the UK by utilising an in-house software company into which it would second staff from its overseas head office. It planned to recruit new staff in the UK who would be trained and then take over from the experienced overseas staff that they had seconded into the UK. They would then return their overseas staff to their head office. Should this tenderer be taken forward it would be necessary to obtain a full transition plan from them of how they would manage this recruitment and migration of staff. There are also concerns that some of the functions would not have a presence in the UK. The evaluators have assessed this submission as Minor Concerns (25%).
- Big Ben – E002 – Organisation – the tenderer failed to provide a good level of confidence to the evaluators that the proposal would deliver the project and there was a lack of evidence as to how the tenderer would organise to deliver parts of the project. The evaluators have assessed this submission as Minor Concerns (25%).

All three tenderers attracted low scores (defined as either a score of Major Concerns or Concerns). Key Issues that have emerged out of this are:

- Key people – all tenderers have struggled to provide CVs for Commercial Managers or Project Control Managers that provided confidence to the evaluators in the people proposed. The individuals proposed by Cenotaph for these two roles were invited to an interview with the Area Business Manager for the systemwide delivery team. From these meetings came an increased level of confidence that the individuals would be capable of performing these roles and accordingly it is recommended that they be accepted as Key People. Cenotaph has also made a commitment that their staff will undertake training on the application and use of the NEC contract to ensure that they are able to effectively manage and administer the contract. This commitment will be captured in the Letter of Clarification.
- Quality – there was concern identified during the PQQ process over the companies' abilities to demonstrate that they could apply quality processes across the whole project and not just on the design and manufacturing stages. Both Shard and Big Ben have attracted low scores against some of these questions. Cenotaph have achieved moderate to good confidence on these questions.
- Responsible Procurement – all three tenderers struggled to provide confidence that they fully understand and can meet the Responsible Procurement requirements. Further assurance has been sought and obtained from Cenotaph and on the basis of the response the evaluator's confidence has increased to a level of concerns. This has not been incorporated into the evaluation. Three key issues that they need to address in this area have been communicated to them and will be included in the Letter of Clarification.

The highest scored tenderer Cenotaph attracted Low Scores in two other specific areas:

- Design Management – the response failed in some areas to address the question asked in the evaluation criteria and did not provide a response tailored to CRL's criteria. Additional information was requested from the tenderer and this information has increased our confidence in their approach to design management.

- Interface Risks – the response failed to address interface risks adequately. We have sought and obtained further information from the tenderer. However a weakness remains in that they have adopted a generic approach to the description of risk causes and mitigations. Accordingly a requirement is to be included in the Letter of Clarification requiring that they address this concern when they submit their risk logs as required in the works Information.

The Pre-Qualification process identified that there was a considerable lack of understanding of the UK's CDM Regulations within this market. This was addressed with each of the shortlisted bidders with additional assurance being received prior to issuing tenders that they were able to demonstrate competence in this area. The scores through the tender process support this assessment with the scores for Cenotaph being either Moderate or Good Confidence.

6 COMMERCIAL SCORES

The Commercial Evaluation was undertaken in accordance with the ITT and Tender Opening and Evaluation Plan. The details of the commercial scoring are contained in Table 6 below.

Table 6 Commercial Scores	Cenotaph	Shard	Big Ben
RANKING (after evaluation of tenders)	1	2	3
COMMERCIAL SCORE (Maximum - 30%)	29.25%	27.25%	21.72%
Tendered prices as submitted (rounded)	£29,256,850	£25,369,000	£38,450,005
Ranking (at submission of ITT)	2	1	3
Adjustments for Post Tender Addendum	£-1,674,050	£5,500	£0
Adjustments for contract qualifications	£60,678	£0.00	£28,593
Adjustments for errors	£0.00	£0.00	£-45,005
Adjustments for abnormally low offers	£0.00	£0.00	£0.00
Adjustments for Tenderer Price Options	£0.00	£0.00	£0.00
Adjusted tendered total of the Prices (rounded)	£27,643,478	£25,374,500	£38,433,593
Adjustments for Notional Price Calculation			
Additional design cost	£270,370	£642,500	£418,513
Additional design overheads	£94,630	£244,150	£29,714
Additional manufacture & fabrication costs	£515,150	£325,000	£315,425
Additional manufacture & fabrication overheads	£180,303	£123,500	£22,395
Additional people overheads	£350,000	£380,000	£50,000
Additional equipment costs	£0	£0	£0
Works Trains costs	£957,000	£528,000	£704,000
Notional Price (rounded)	£30,010,931	£27,617,650	£39,973,640
Adjustments for CRL Options (Type 1 Option)	£644,060	£3,552,500	£585,766
NOTIONAL PRICE (adjusted for CRL Options)	£30,654,991	£31,170,150	£40,559,406

The Commercial Evaluation was based on the Notional Price calculation set out in the ITT, which involved making adjustments for errors, TPOs, CRL options, and then factoring in a prescribed adjustment for compensation events (to test the level of rates and charges in

their Prices) to reach an adjusted Tender price. An allowance was also included as a notional price for the tenderer's assessed use of Works Trains.

The tenderers provided priced activity schedules that have been analysed by the Commercial Evaluation team to confirm that each Tenderers tendered total of the Prices for the works was complete.

6.1 Key Findings from Commercial Submissions

The following concerns have been identified by the commercial evaluator after assessing the tenders:

Cenotaph

- The tenderer demonstrated a lack of understanding of the NEC contract

Shard

- The tenderer demonstrated a lack of understanding of the NEC contract
- The tenderer has high management staff rates possibly reflecting the need to second staff into the UK.
- The manufacturing costs are significantly lower than the other two tenderers. This raises a concern over the quality of the product and robustness of the pricing
- Difficulties experienced in obtaining details of sub-contract costs provided as large lump sums.
- Lowest number of installation hours but highest price.
- Response to requests for information provided promptly but at a lower level of detail than the other two tenderers.
- Price for Option 2 – Maintenance Support Contract – the price for providing standard support services is approx. 16 times higher than the first ranked tenderer.
- Price for Option 3 – Principal Contractor – the price for undertaking the role of Principal Contractor is approx. 5 times higher than the first ranked tenderer.

Big Ben

- The tenderer demonstrated a lack of understanding of the NEC contract
- The tenderer has the highest number of man-hours - management and installation
- The tenderer submitted fee percentages with its Tender without having an understanding of how they would be applied.

6.2 Explanation of adjustments to the submitted tenders

Adjustments were made to the tender prices arising from the post tender addendum, contract qualifications and errors in the submission.

6.2.1 Adjustments for the post tender addendum

The adjustments shown in table 6 above are the values submitted by the tenderers in response to post tender addendum Nr 1. There are two principal elements in the values of the adjustment:

- Omission of the anti reflective coating to the glass
- Addition of power distribution modules.

Both Cenotaph and Shard offered prices for these adjustments. Cenotaph offered a considerable saving for the omission of the anti reflective coating to the glass. Big Ben informed CRL on 22/05/14 that *“we can confirm we had not included anti-reflective coating in our base offer since all glazing is covered by anti-graffiti film”* and failed to provide a response to Post Tender Addendum Nr 1 by the deadline for responses on 22/05/14. On the 16/06/14 it provided a revised priced Activity Schedule that showed a circa £9k reduction to the tendered total of the Prices but did not identify the omissions and additions arising from Post Tender Addendum Nr1. Big Ben was informed that the revised Activity Schedule would not be examined until the Prices were submitted in accordance with the instructions. Big Ben failed to respond to this request.

6.2.2 Adjustments for contract qualifications

Adjustments have been made to both Cenotaph and Big Ben’s tender arising from contract qualifications.

During the evaluation of the technical proposals it was identified that Cenotaph had priced the works on the assumption that the Platform Edge Screen above the PSD would not be complete when the PSD system was installed. This qualification provided an opportunity for the tenderer to offer a fully modular solution that could be slid into place from a Works Train. This assumption was incorrect and accordingly the tenderer was asked to remove this and advise if it needed to adjust its Price. It agreed to remove the qualification and modify its method of installation for the header and this resulted in an addition of **£60,678** to its Price.

Big Ben introduced a qualification in relation to its Professional Indemnity Insurance that the cover would be “£10m each and every occurrence and in all during the year” and that it the insurance would be project specific. CRL requires that the policy should provide a minimum of one reinstatement during the year. Accordingly Big Ben offered an additional cost of **£28,593** to remove this qualification. The agreed terms and conditions are acceptable to CRL.

Adjustments have not been made within the notional pricing calculations for the negotiated and agreed qualifications to the terms and conditions submitted by Cenotaph. The differential in the evaluated scores between the three tenderers is such that it would be necessary to assess the likely cost impact of the risk arising from the changes agreed with Cenotaph at a level of approx. £20m to effect a change in the ranking of the scores between the three tenderers. The potential impacts resulting from the retained risk are remote and there is no clearly identified quantification available of the impacts.

6.2.3 Adjustments for errors

During the commercial evaluation it was identified that Big Ben and Shard had errors in the calculation of the length of the PSD system at Canary Wharf station. To adjust for this error Big Ben offered a reduction of **(£45,005)** to its tendered total of the Prices. Shard offered to stand by its price.

The technical evaluation identified that Cenotaph had not provided for the Independent Safety Advisor within its Tender. They admitted that this was an error but requested no adjustment to the Price.

Similarly Shard did not allow for a full-time Quality Manager in accordance with the Works Information. Shard adjusted its tender submission but with no adjustment to its Price.

6.3 Explanation of adjustments to the submitted tenders

Within the total commercial score of 30% there is a separate score for the Fee that accounts for 5% of this score. Table 7 shows the Fees and scores for each of the Tenderers.

The Fees represent the final offered positions on Fees following clarifications. The Fee percentage is used for compensation events that are calculated on the basis of defined Cost.

Table 7			
C631 Fee Score Summary			
Description	Tenderer / Score		
	Cenotaph	Shard	Big Ben
Direct fee	47.06%	55.00%	34.10%
Subcontracted fee	29.00%	45.00%	41.20%
Fee Score	4.25%	2.82%	5.00%
Fee Ranking	2	3	1

7 LIST OF APPENDICES

7.1 Appendix A Tender Opening Form

7.2 Appendix B Tender Opening and Evaluation Plan

7.3 Appendix C Technical Evaluation – Full Scoring & Rationale

7.4 Appendix D Low Scores Report

Appendix A Tender Opening Form

Appendix B Tender Opening and Evaluation Plan

Appendix C Technical Evaluation – Full Scoring & Rationale

Appendix D Low Scores Report

