

Appendix 2 – Market Engagement Questionnaire and Summary of responses

BRISTOL CITY COUNCIL
Market Engagement - Questionnaire February 2016

Bristol City Council currently has a number of existing contracts, some frameworks some contracts, for which it uses to carry out its Highway Maintenance functions and procure contractors for new build e.g. MetroBus programme. We are looking to bring these existing contracts into a consolidated new procurement process which will comprise the following:

1. Two Term Contracts covering our Statutory Duties with respect to emergency response and Winter response;
2. One single Framework with thirteen Lots covering the range of maintenance works that we require ranging from machine laid surfacing through maintenance, cleansing and surveying of drainage systems and watercourses to structural steel repair and new works in the highway and public realm.

Bristol City Council is keen to work in partnership with Industry providers and design the new contract and procurement process as far as permitted by the Public Contracts Regulations 2015 to assist industry providers meet their needs and operational requirements. The purpose of this questionnaire is to seek to better understand your challenges and hence tailor the new contract to meet those. In this way Bristol City Council can work more in partnership with the Industry and aim to deliver more efficient and effective services to the residents, businesses and visitors to Bristol City Council. Please respond to the following questions and limit your responses to the questions detailed in this questionnaire only.

For each question, please limit your answer to a maximum of 400 words.

Bristol City Council will provide a written summary of the answers to the questionnaire to all those people who respond to the PIN notice irrespective of whether you complete the questionnaire or not. This summary will be company non-specific. This summary will indicate any lessons learnt that we may be considering for inclusion in the new contract.

Questions:

1. Please provide your name, contact details and email address as we may wish to discuss your responses further on a one to one basis.

Answer:

What is your Company's level of interest and ambition in terms of in working in Bristol? Please rank between 1 and 5 (where 1 is not interested and 5 is where Bristol is of significant importance to your company). Please provide your key

strategic reasons for wanting to work with Bristol City Council, outlining what wider benefits your company would bring to the City of Bristol, its residents, businesses, visitors and the Council itself.

2. Bristol City Council is interested in your views as to what would be an attractive or appropriate commercial contract model to your company in delivering highway services for Bristol City Council. Currently the model that we are considering is detailed below and splits simply between one Framework, with 13 Lots, some of which may be set up to accept a series of Contractors for assessment against a Schedule of Rates or subsequent mini-tendering of individual Contracts and frameworks and two Term Contracts covering our statutory duties.

Is the number of Lots that have been identified below appropriate or do you think we should be looking at bringing Lots together, to reduce the number, or alternatively separating the work areas out? In your opinion, could the contract be structured more efficiently to allow your Company to deliver greater savings or benefits to Bristol City Council? Please provide outline details In answering this question please explain what additional benefits your Company could bring with a different contract model? We would be interested to receive comment regarding the appropriate length of contract for the two Term Contracts.

1 Framework Contract with 13 lots

No.	Works	Framework Duration
1	Machine Laid Surfacing	4 years
2	Surface Dressing and Micro Asphalts	
3	Surfacing	
4	Seal and preventative treatments seal and preventative treatments	
5	Markings	
6	Highways and Associated works up to 1 million GBP	
7	Highways and Associated Works over 1 million GBP	
8	Highways Drainage	
9	Drainage Engineering	
10	Minor Bridge Repairs and Walling Works	
11	Painting Works to Highway Structures	
12	Steel Fabrication to Highway Structures	
13	Geotechnical and Ground Investigation	

2 Term Contracts

No.	Works	Contracts Duration
1	Winter Maintenance	4 or 8 years
2	Highway Maintenance & Minor Improvements	4 or 8 years

3. In response to the Public Services (Social Value) Act 2012, Bristol City Council wishes to encourage employment, education, training work placement and apprenticeship opportunities through these work streams. It is recognised that demands placed on the successful Tenderers must be proportionate and must not impose such a burden that the successful delivery of the projects on time and within budget is placed at risk.

Bristol's priority groups:

- Long term unemployed individuals
- Care Leavers
- Individuals from groups traditionally underrepresented in the construction sector, e.g. women and people from BME communities

Bristol City Council aspirations are:-

- that a minimum of 25% of external expenditure is delivered through Small and Medium Enterprises (SME's), 3rd sector and voluntary organisations.
- that 50% of the labour force working on these projects t will be from the West of England (former Avon area) including 25% from Bristol (BS1 to BS16).
- the tenderer intends to maximise opportunities for Bristol's priority groups
- the tenderer will meet Bristol's aspiration for training and apprenticeships

If you were successful in this procurement exercise what would your Company do to assist BCC in achieving its aspirations under the Public Services (Social Value) Act 2012?

Answer:

4. Parent Company Guarantee (only for firms that have a parent company)

If you are the successful tenderer for either the term contracts or a call-off contract over the value of 500,000 GBP, Bristol City Council will require your parent company to enter into a Parent Company Guarantee, which would operate in the event of any serious and / or permanent default in your performance of the contract. The wording of the PCG will be the standard wording required by Bristol City Council. Has your parent company entered into Parent Company Guarantees for similar contracts previously?

Answer:

If so, has your parent company ever objected to the terms and conditions required by the Employer, or requested significant alterations thereto?

Answer:

5. The successful tenderers will be required to provide a Performance Bond in the sum of 10% of the term contracts or a call-off contract over 500,000 GBP. The

wording of the Bond will be the standard wording used by Bristol City Council for other contracts. Would you be able to provide such a Bond?

Answer:

6. The Government has set a target that all centrally-funded projects or programmes must use Building Information Modelling (BIM) by April 2016. Please confirm that your Company is BIM capable and describe projects where you have used BIM.

Answer:

7. Bristol City Council is working with Businesses across the City to meet its target of Bristol being a carbon neutral city by 2050. Please explain how your Company would help meet this target whilst delivering services to Bristol City Council? A non-exhaustive list of issues to consider includes noise pollution, waste management and recycling of existing highway materials.

Answer:

8. Bristol City Council is very keen to develop partnership working with any successful contractors. What would your Company do to promote and enhance better partnership working? In particular, please outline how your Company's approach to this initiative improve service to the residents and businesses of, and visitors to, Bristol? Please explain how you monitor and report on customers experience of work that you undertake on behalf of Bristol City Council.

Answer:

9. Bristol City Council takes the safety of its residents and visitors very seriously, including the road safety of vehicles and drivers in its own fleet and those of its contractors' and suppliers' vehicles. As part of an initiative to improve the safety of Bristol's roads and reduce the number of accidents and fatalities generated by heavy traffic, the Council is considering introducing schemes such as FORS <http://www.fors-online.org.uk/cms/> and CLOCS <http://www.clocs.org.uk/> for its own fleet. We welcome any comments you may have on these initiatives. Please also outline what your company currently does, or is intending to do, to improve road safety in your fleet and of your drivers and list any schemes of which you are already members.

Answer:

Highways Maintenance Contracts Portfolio – Retendering Services

Market Engagement – Questionnaire response analysis - 1 March 2016

Panel: Michael Bonnicks (Legal), Razvan Constantinescu (Contracts), David Prosser (Engineering Design), John Roy (Group Manager), Shaun Taylor (Group Manager), John Thompson (Procurement)

Introduction

The following paragraphs represent a summary of the second stage of the market engagement exercise conducted by Bristol City Council (BCC) as part of the retendering exercise for its consolidated portfolio of highways maintenance contracts. The package proposed through the consolidation exercise consisted of 1 Framework Contract (13 Lots) of 4 years duration and 2 Term contracts of 4 to 8 years duration.

The invitation to comment on a structured questionnaire was issued to over 50 firms operating in various areas of expertise on the UK and regional market, and who expressed an interest in BCC's new portfolio of highways maintenance contracts.

In total, BCC received **38** completed questionnaires which represent approximately **70%** of the total number of firms expressing an interest – an excellent response rate, confirming a genuine interest in the market in BCC package, and providing us with a substantial amount of market intelligence and strategic perspective.

Summary of findings

Question 1B - Level of interest in working with BCC

- 20 respondents were SMEs and 15 were T1 and T2 contractors
- 27 respondents ranked their interest in the BCC package at 5
- 3 respondents ranked their interest in the BCC package at 4 and 5 gave no ranking
- 11 respondents were existing BCC contractors
- 6 respondents previously worked with BCC

Question 2 – Attractiveness of the proposed package

- All 20 SMEs and 5 respondents T1 and T2 particularly supported the proposed approach
- 9 respondents suggested reducing the number of lots
- 5 respondents suggested reducing the surfacing lots

- 2 respondents suggested merging the entire package into a 1 contract
- 2 respondents T1 and T2 suggested 1 fully integrated contract
- General support for the longer 8 years contracts.
- SMEs particularly appreciative of the opportunity to bid for work in their specialist areas.
- 50% of respondents suggested merging the two term contracts and a longer period of 8 years. Many SMEs positive about access to work direct for specific lots and working for BCC directly as specialist providers. Suggested this would provide better value for public money. Two larger companies sought an integrated term maintenance contract based on reduced overheads, better interface with BCC, consistent team, greater certainty of work lead to investment, flexible workforce to suit increment weather and incidents – combining capital and revenue, better coordination, better buying power, flexibility for access to other specialist suppliers. One recommended HMEP form option A, C and E. Some firms suggested combining lots: just have 5 (Surfacing, lot 6 and lot 7 + Structures and Geotech). Reason - hard to put schemes in specific lots, help with work continuity. Combine the surfacing lots (a few suggested this). Also one suggested joining the drainage lots together into one. Good to keep specialisms separate – would help to know better definition of what falls in each lot. Split lots further or add lots – particularly the drainage maintenance and new and add specialist surveys lot. Need annual or biannual review of rates ref inflation – requested by many. Duration: General comments suitable – 8 years preferred for contract. Some suggested option to extend framework for 2 years if possible. Others that framework should be 8 years long giving the reason that a longer contract provides more ability to invest. Concern was expressed about not knowing the spend for lots 6 and 7 in advance. All 20 SMEs and 5 respondents T1 and T2 particularly supported the proposed approach. Competition: Many like the extended element of competition. Another suggested mini-tendering competition for works below 1 million. One contractor suggested start of contract be staggered for the lots – progression of new contractors starting. Many suggested the combining of the service contracts for winter + Highways maintenance to help with workforce management. Geotech firms particularly liked the framework approach.

Question 3 – Social Value*

- Responses were relatively limited in detailed information provided
- 13 respondents provided responses with a varied degree of detail
- Majority of respondents suggest that accurate KPIs are a MUST
- Very useful suggestion of sharing Apprentices across lots for better exposure and training opportunities.

**For further information of BCC policy on Social Value please see attached link:*

<https://bristol.citizenspace.com/business-change/creating-social-value>

Question 4 – Parent Company Guarantee*

Most firms responded.- 6 respondents commented they do not have a parent company.

All 20 SMEs and 5 respondents T1 and T2 particularly supported the proposed approach

- 13 respondents confirmed that they will be able to provide a PCG in accordance with BCC's standard wording.
- 7 respondents confirmed they would be able to provide a PCG but conditionally, wishing to agree the wording first.
- A small number of respondents commented they have previously objected to the detail and wording of standard PCG's.
- 1 local authority and 1 firm failed to reply.
- 1 local authority replied explaining why a PCG was not necessary in their case.

** Bristol City Council reiterates that the PCG is a non-negotiable precondition of every contract entered into under this package, including the wording of the PCG issued with the Invitation To Tender documents.*

Question 5 – Performance Bond*

- 21 respondents did not foresee any problem in providing a PB
- 3 respondents commented that a PB is not necessary for the nature of their work; without further investigation, it is not known whether these respondents are able to provide the required bond.
- 1 respondent commented that they cannot offer a PB
- 11 respondents confirmed they will offer a PB conditionally, wishing to examine and negotiate the wording first.

**Bristol City Council reiterates its requirement for a 10% PB for every contract over £500,000 entered into under i.e. any call off Contract from the Framework and both Term Tender contract.*

Question 6 – Building Information Modelling*

- 19 respondents commented that they are fully compliant with BIM
- 6 respondents commented they are not compliant with BIM
- 5 respondents commented BIM is not applicable in their case
- Some contractors feel that the lots that they are tendering for are not required to be BIM compliant.
- The larger contractors tended to be BIM compliant with examples provided, however most of the SMEs were are not at the moment but were willing to work towards BIM compliance

** Bristol City Council encourages SMEs to look at PAS1192 and produce a BIM Execution Plan.*

Question 7 – Environment*

- General support for BCC's environmental aspirations to become carbon neutral by 2050
- All but one firm commented in support of BCC target with useful suggestions including:
 - a) monitoring of carbon use, assessing whole life costs and offer to produce environmental mgt plans at start:
 - b) Noise pollution
 - c) Waste Management
 - d) Energy use
 - e) Well maintained plant
 - f) Recycling – measurement and facilities
 - g) Carbon use tracking of vehicles offered by many – some working towards becoming carbon neutral businesses
 - h) Supplier locations
 - i) Cold application materials to replace need to heat asphalts, road markings and anti-skid treatments etc.
 - j) Planting trees?
 - k) Carbon fibre bridge structures
 - l) Various examples of the projects they have been involved in that have won awards and met specific targets.

Question 8 – Collaborative working

- All respondents provided useful answers with different levels of detail and specific examples on how best to achieve effective collaborative working
- Very useful examples on achieving BS11000 and other cost saving tips
- Among the top listed recommendations were: transparency, reputational protection and supply chain management, benchmarking and customer service
- Mutual trust and cooperation (NEC principles)
- Most respondents referred to Early contractor involvement

Question 9 – Safety

- 28 firms responded they were signed-up on schemes such CLOCS, FORS or similar
- 5 respondents commented they were in the process of preparing and applying for such schemes
- 14 respondents described alternative schemes they were members of
- Vast majority of respondents commented they were fully committed with 20 respondents providing actually more than the BCC's requirements

Next steps

Bristol City Council's appointed Project Team will carefully consider all responses and review the proposed package accordingly.

Respondents who would like to further comment on the above summary are invited to a second round of commentaries and suggestions by 15 March 2016.

Ends.