

To: Finance, Resources and Customer Service Policy Board

On: 31 March 2021

Report by: Joint report by Chief Executive and the Director of Finance and Resources

Heading: Contract Award: Electrical Upgrade – St John Ogilvie PS
(RC-CPU-20-260)

1. Summary

- 1.1** The purpose of this report is to seek the approval of the Finance, Resources and Customer Services Policy Board to award a Works Contract for Electrical Upgrade at St John Ogilvie Primary School (RC-CPU-20-260) to Atalian Servest AMK Limited trading as Arthur McKay.
- 1.2** The recommendation to award the Contract follows a procurement exercise conducted in accordance with the Council's Standing Orders Relating to Contracts for a below Regulated Threshold (Works) contract using the Open Tender Procedure.

A Contract Strategy was approved by the Head of Property Services and the Strategic Commercial Category Manager on 16th December 2020.

2. Recommendations

It is recommended that the Finance, Resources and Customer Services Policy Board:

- 2.1 Authorise the Head of Corporate Governance to award a Contract for Electrical Upgrade -St John Ogilvie PS (RC-CPU-20-260) to Atalian Servest AMK Limited, trading as Arthur McKay;
- 2.2 Authorise the value of £383,300.71, exclusive of VAT;
- 2.3 Note the proposed Dates of Possession and Dates for Completion. Any changes to these dates will be confirmed in the Letter of Acceptance:

Section	Dates of Possession of site	Dates for Completion of sections
Section: 1	26 June 2021	11 August 2021
Section: 2	12 August 2021	15 October 2021
Section: 3	26 June 2021	15 October 2021

3. Background

- 3.1 This procurement is for the appointment of contractor with appropriate knowledge and experience, to carry out electrical upgrades at St. John Ogilvie Primary School. As part of the Council's continuing strategy to upgrade existing premises, it has been agreed to renew/replace existing electrical services and equipment with modern equivalents and to meet current legislative/statutory standards including the removal of asbestos residue through-out the ceiling voids.
- 3.2 A contract notice for this tender was published on the Public Contracts Scotland advertising portal on Wednesday 16th December 2020 with the tender documentation available for downloading from the Public Contract Scotland-Tender platform on this date.
- 3.3 During the live tendering period, twenty seven (27) companies expressed an interest in this opportunity. By the tender return date (25th January 2021 at 12 noon), five (5) companies submitted a response, four (4) companies declined and eighteen (18) failed to respond.
- 3.4 In accordance with the Council's Standing Orders Relating to Contracts 11.5 all five (5) Tenderer submissions were evaluated against a pre-determined set of criteria in the form of the European Single Procurement Document (ESPD) by representatives from the following Council services: Property Services, the Corporate Procurement Unit, Corporate Risk and Corporate Health and Safety. This procurement exercise was carried out prior to the United Kingdom's EU exit on 31

December 2020 and introduction of the new similar Single Procurement Document (SPD) process.

- 3.5 All five (5) tender submissions received complied with the minimum selection criteria of the ESPD. The five (5) tender submissions were each evaluated against the Award Criteria which were based on a weighting of 60% quality and 40% price.
- 3.6 During the tender evaluation period one (1) tenderer withdrew their Tender Submission.
- 3.7 The scores relative to the Award Criteria for each tender submission are noted below:

	Quality (60%)	Price (40%)	Total (100%)
Atalian Servest AMK Limited, trading as Arthur McKay	58.50%	29.43%	87.93%
A Alexander & Son (electrical) Ltd	52.75%	34.33%	87.08%
City Gate Construction (Scotland) Ltd	39.75%	40.00%	79.75%
Taylor & Fraser Ltd	50.00%	22.19%	72.19%

- 3.8 The evaluation of tender submissions received identified that the tender submission by Atalian Servest AMK Limited, trading as Arthur McKay was the most economically advantageous to the Council.
- 3.9 A capital budget of £383,300.71 has been made available for this Contract.
- 3.8 Community Benefits were sought for this Contract and Atalian Servest AMK Limited, trading as Arthur McKay has committed to the following:

Community Benefit Description	No of People / Activity
Modern Apprenticeship	1

Implications of the Report

1. **Financial** – The cost for this contract will be met through the Property Services Capital budget.

2. **HR & Organisational Development** – No TUPE implications.

3. **Community/Council Planning** –

- Our Renfrewshire is fair - Tenderers were assessed within this procurement process in regard to their approach to ensuring fair working practices throughout their organisation and supply chain i.e. payment of the living wage, training and development opportunities.
- Our Renfrewshire is safe - A central requirement of Property Services is to ensure that Council operated property, facilities and assets are properly maintained in a manner that complies with existing statutory legislation (Statutory Compliance) and that appropriate records are retained.
- Creating a sustainable Renfrewshire for all to enjoy – Atalian Servest AMK Limited trading as Arthur McKay has committed to deliver Community Benefits as detailed within section 3.8 of this report.

4. **Legal** - The procurement of this Contract was conducted as a below Regulated (Works) Open Procurement Procedure in accordance with the Council's Standing Orders relating to Contracts.

5. **Property/Assets** - This contract, once completed, will provide the school and premises with electrical upgrades to modern equivalents and to meet current legislative/statutory standards. The electrical upgrade will ensure a safe environment for staff and pupils and improve the condition core fact for the establishment.

6. **Information Technology** – No Information Technology implications are anticipated.

7. **Equality & Human Rights**

- (a) The Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified

arising from the recommendations contained in the report because for example it is for noting only. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website.

8. **Health & Safety** – Atalian Servest AMK Limited trading as Arthur McKay's health and safety credentials were evaluated by Corporate Health and Safety and met the Council's minimum requirements regarding health and safety.
9. **Procurement** - The procurement procedure outlined within this report shall ensure that the Council meets its statutory requirements in respect of procurement procedures, efficiency and modern Government
10. **Risk** – Atalian Servest AMK Limited trading as Arthur McKay's insurances were evaluated by Corporate Risk and met the Council's minimum requirements regarding insurable risk.
11. **Privacy Impact** - No Privacy Impact implications have been identified or are anticipated.
12. **Cosla Policy Position** – No Cosla Policy Position implications have arisen or are anticipated.
13. **Climate Risk** – The climate risk implications have been assessed using the Scottish Government Sustainability Test and are considered to be low risk. Contractors are required to provide documented procedures for dealing with waste.

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