

To: Finance, Resources and Customer Services Policy Board

On: 6 June 2018

**Report by: Joint Report by The Chief Executive and the Director of
Environment & Communities**

Heading: Contract No. 1 – Surface Treatment 2018/2019 (RC-CPU-17-345)

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 Contract for Surface Treatment to Kiely Bros. Limited.
 - 1.2 The recommendation to award the Contract follows a procurement exercise which was conducted in accordance with Council's Standing Orders Relating to Contracts for a below Regulated and EU Procurement works contract.
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2. Recommendations

It is recommended that the Finance, Resources and Customer Services Policy Board authorise the Head of Corporate Governance to:

- 2.1 Award a Contract for Surface Treatment to Kiely Bros. Limited.
 - 2.2 The Contract is for a period of 4 months. The intended starting date is 2 July 2018, however, the actual date will be confirmed in the Council's Letter of Acceptance.
 - 2.3 The contract sum under this contract is £436,115.30 excluding VAT.
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3. Background

- 3.1 Environment & Communities is responsible for the management and maintenance of all roads, excluding trunk roads, within the Council's boundaries.
- 3.2 This Contract is to apply surface treatment to carriageways as well as undertake minor drainage, carriageway patching and kerbing works.
- 3.3 Due to the anticipated value a contract notice was published on the Public Contracts Scotland advertising portal on Tuesday, 10 April 2018 with the tender documentation available for downloading from the Public Contracts Scotland – Tender platform.
- 3.4 During the tendering period eleven (11) companies expressed an interest in the Contract. By the closing date set for return of electronic tenders of 4pm on Tuesday, 24 April 2018, two (2) companies submitted a tender response, six (6) declined to respond and three (3) failed to respond.
- 3.5 In accordance with the Council's Standing Orders Relating to Contracts 11.5 the two (2) tender submissions were evaluated against a pre-determined set of criteria in the form of the European Single Procurement Document (ESPD) by representatives from the Corporate Procurement Unit, Health and Safety and Risk against pre-determined criteria which assessed competence, expertise and economic and financial standing. All tenderers were assessed as meeting the minimum criteria following the methodology stated in the Invitation to Tender.
- 3.6 Bids were then evaluated against the published set of Award Criteria which was based on a price/quality ratio of 70%/30%.
- 3.7 The scores relative to the award criteria of the tenderers are noted below:

		Price (70%)	Qualtiy (30%)	Total (100%)
1	Kiely Bros. Limited	70.00	27.75	97.75
2	Road Maintenance Services Limited	40.79	16.50	57.29

- 3.8 The evaluation of tender submissions received identified that the submission by Kiely Bros. Limited was the most economically advantageous tender.
- 3.9 Community Benefits were requested as part of the procurement process and Kiely Bros. Limited have committed to the following Community Benefits:

Community Benefit Description	No of People / Activity
Financial Support for a Community Project – Must be a minimum value of £1,000	2
Non-financial support for a Community Project	1

Implications of the Report

1. **Financial**
The costs under this contract will be met by the Capital – General Services budget.
2. **HR & Organisational Development**
Not applicable
3. **Community/Council Planning –**
Reshaping our place, our economy and our future – the Contract proposed will support the delivery of this outcome.
4. **Legal**
As this was a below EU threshold and below Regulated threshold contract it was conducted in accordance with the Council's Standing Orders Relating to Contracts.
5. **Property/Assets**
This Contract will ensure that the Council's roads are maintained to a high standard.
6. **Information Technology**
No Information Technology implications have arisen or are anticipated.
7. **Equality & Human Rights**
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**

Kiely Bros. Limited 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 procedures outlined within this report shall ensure that the Council meets its statutory requirements in respect of procurement procedures, efficiency and modern Government.

10. **Risk**

Kiely Bros. Limited insurances have been assessed and evaluated to confirm that they have met the 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 Implications have arisen or are anticipated.

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