

To: Procurement Sub Committee

On: 2 December 2015

Report by:

**Joint Report
by
The Chief Executive and Director of Finance and Resources**

Heading:

**Contract Authorisation Report For
BUILDING MANAGEMENT SYSTEM (BMS) INSTALLATIONS AND
BUREAU SERVICE**

RC1507_4332_ITT8994

1. Summary

- 1.1 The purpose of this report is to obtain authorisation from the Procurement Sub Committee to enter into a NEC3 Term Service Short Contract for a Building Management System (BMS) Installation and Bureau Service.
 - 1.2 The properties that will be covered by this Contract will be for both Renfrewshire Council and Renfrewshire Leisure's properties. The Contract itself will be Renfrewshire Councils, with Renfrewshire Leisure giving pre-agreed permission to access their premises.
 - 1.3 This procurement exercise has been conducted in accordance with the above EU Threshold Open Procedure (Services) and the Council's Standing Orders Relating to Contracts.
 - 1.4 The Contract Strategy for this requirement was approved in August 2015.
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2. Recommendations

2.1 It is recommended that the Procurement Sub Committee:

- a) Authorise the Head of Corporate Governance to award the Contract for Building Management Systems (BMS) Installation and Bureau Service, RC1507_4332_ITT8994, to Advanced Energy Management Services Ltd;
 - b) Note that spend under this contract is anticipated to be in the region of £362,350 excluding VAT.
 - c) The contract is anticipated to commence on 11 January 2016 or alternatively, on the date confirmed in the Council's Letter of Acceptance and run for a period of three years, with two possible one year extension periods.
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3. Background

- 3.1 Finance and Resources are responsible for ensuring acceptable internal conditions throughout the Council Estate, hence the need for our existing and future BMS to be integrated onto a common platform and then monitored by Bureau Service.
- 3.2 Having all BMS on a common platform that can be monitored 24/7 ensures efficiency in the operation and running of all heating plant. It also ensures any breakdowns and errors are highlighted at the onset and are rectified immediately to ensure no/minimal disruption to the Staff working within the Council Estate.
- 3.3 A single Contractor was sought to complete the integration of their existing and future BMS onto a common platform; Supply and install further BMS and to provide a 24/7 BMS Bureau Service.
- 3.4 This contract was tendered in accordance with the over EU Threshold Open Procedure (Services), as detailed in the Public Contracts (Scotland) Regulations 2012, as amended and the Council's Standing Orders Relating to Contracts.
- 3.5 A contract notice was published on the Public Contracts Scotland advertising portal and the Official Journal of the European Union (OJEU) on 24th August 2015. Twenty suppliers expressed an interest in the tender, with three of the suppliers submitting a response by the deadline for the submissions of 12 noon on 5th October 2015.
- 3.6 The three tender submissions were evaluated by representatives from Corporate Procurement, Corporate Insurance, Corporate Accounting, Health & Safety and Finance and Resources Services against pre-determined criteria forming part of the published tender documents which assessed competence, experience, capacity and customer focus.
- 3.7 All three tenders were evaluated against a set of award criteria which was based on a price / quality ratio of 70% / 30%.

3.8 The scores relative to the award criteria of each tenderer are as follows:

Company	Final Technical Score	Final Commercial Score	Total Score	Total Ranking
Advanced Energy Management Services Limited	24.00	70.00	94.00	1
Affiniti Response Ltd	22.50	67.96	90.46	2
Craigalan Controls Ltd	9.00	15.49	24.49	3

3.9 It is recommended that the contract is awarded to Advanced Energy Management Services Ltd, who based on this evaluation, have provided the most economically advantageous tender.

3.10 The estimated cost for this contract can be accommodated within the approved budget.

3.11 Community Benefits were sought and Advanced Energy Management Services Ltd have noted the following approach to achieving community benefits in their submission;

- Assist with the reduction of Renfrewshire Council's Carbon Footprint through work on the contract.
- Provide presentations to local schools to promote the ethos and awareness of energy management and carbon reduction issues.
- Provide work experience placements in conjunction with Renfrewshire Council.

Implications of the Report

1. Financial

The financial stability of Advanced Energy Management Services Ltd has been assessed as part of the evaluation procedure and it has been agreed, based on both the evidence submitted and Corporate Accounting's financial analysis, that the financial risk for this contract is low.

Following Corporate Accounting's advice, Advanced Energy Management Services Ltd will be monitored over the period of the contract and following standard Council practice will not be offered credit terms or advanced payments.

2. HR & Organisational Development

N/A

3. Community Planning

N/A

4. Legal

The tendering procedures for the establishment of this contract were in accordance with Renfrewshire Council's Standing Orders Relating to Contracts for over EU Threshold Services contracts and as detailed in the Public Contracts (Scotland) Regulations 2012, as amended.

5. Property Assets

There will be no disruptive works carried out to our existing heating plant.

6. Information Technology

N/A

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. 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

Advanced Energy Management Services Ltd health and safety submission was evaluated by Corporate Health and Safety as part of the assessment of qualification questionnaires and met the Council's minimum requirements regarding health and safety for this contract.

9. Procurement

The Procurement procedures outlined within this report ensure that the Council meets its statutory requirements in respect of procurement procedures, efficiency and modern Government.

10. Risk

Advanced Energy Management Services Ltd insurances have been assessed and evaluated to confirm that they will meet all the minimum requirements regarding risk.

11. Privacy Impact

N/A

List of background papers

(1) None

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