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**To: Procurement Sub Committee**

**On: 03<sup>rd</sup> June 2015**

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**Report  
By  
Director of Finance and Resources**

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**Contract Authorisation Report  
Johnstone High School Dance Studio**

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**1. Summary**

- 1.1 The purpose of this report is to seek the approval of the Procurement Sub Committee to award a SBCC Minor Works Building Contract for Johnstone High Dance Studio.
  - 1.2 This procurement exercise has been conducted in accordance with the below EU Threshold Open Procedure (Works) and the Council's Standing Orders Relating to Contracts.
  - 1.3 A Contract Strategy was prepared by the Corporate Procurement Unit and agreed by the Procurement Manager and Head of Property Services on 24<sup>th</sup> March 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 Johnstone High School Dance Studio, RC1501\_3435(ITT7097), to Brick and

Steel Construction Company Limited at a value of £181,067.94 excluding VAT.

- b) Note the Contract proposed Date for Commencement of Works is 23<sup>rd</sup> June 2015 and the Date for Completion of Works is 16 weeks from the the Date for Commencement of the Works, the final requirement will be confirmed in the Letter of Acceptance.

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### **3. Background**

- 3.1 The Council has a requirement for a Contractor to convert an existing part enclosed open air area known as 'S1 Social Space', to provide an enclosed 'Dance Studio' complete with WCs, changing rooms, stores and ramped access. The area/site is located below the buildings first floor.
- 3.2 This contract was tendered in accordance with the below EU Threshold Open Procedure (Works) and the Council's Standing Orders Relating to Contracts.
- 3.3 A contract notice was published on the Public Contracts Scotland advertising portal on 27<sup>th</sup> March 2015 with the tender documentation available for downloading from the Public Contracts Scotland – Tender website. The contract has been tendered under the Public Contracts (Scotland) Regulations 2012, as amended.
- 3.4 During the tendering period eleven companies expressed an interest in the contract. By the closing date set for the return of electronic tenders, 12 noon on 17<sup>th</sup> April 2015, five companies' submitted a response, two companies declined to tender and four did not respond.
- 3.5 The five electronic tender submissions received were evaluated by representatives from the Corporate Procurement Unit, Corporate Insurance, Health & Safety and Property Services against pre-determined Bid Selection Criteria which assessed their capacity, experience & track record and their technical and financial capabilities.
- 3.6 All five companies met the Bid Selection Criteria and were then evaluated against a set of Award Criteria. The Award Criteria was based on a Price /Quality ratio of 70%/30%. The scores relative to the Award Criteria of each tenderer are as follows:

	Price (70%)	Methodology and Approach (30%)	Total
Brick and Steel Construction Company Limited	70.00%	22.00%	92.00%
City Gate Construction (Scotland) Limited	58.34%	22.00%	80.34%
Alex McKay Construction Ltd	46.78%	24.00%	70.78%
Clark Contracts Ltd	43.25%	24.00%	67.25%
W H Kirkwood Ltd	41.40%	14.00%	55.40%

- 3.7 It is recommended that the Contract is awarded to Brick and Steel Construction Company Limited who is the most economically advantageous tenderer after evaluation.
- 3.8 The cost for this contract is in line with the estimated budget and will be met through the departments Capital budget.
- 3.9 Brick and Steel Construction Company Limited have committed to delivery of the following community benefits:
- The provision of local suppliers and subcontractors to undertake works and services during the delivery of this Contract.
  - Allow assistance in our school placement programme, providing information and opportunities to school pupils with a works placement for the duration of these works.

## Implications of the Report

### 1. Financial

The financial status of Brick and Steel Construction has been assessed by undertaking a Dun and Bradstreet evaluation and it is confirmed that the

company have satisfied the Council's requirements in relation to financial stability.

2. **HR & Organisational Development**

N/A

3. **Community Planning**

Brick and Steel Construction Company Limited has a commitment to deliver a number of Community benefits under this contract as detailed in section 3.9 of this report.

4. **Legal**

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

5. **Property/Assets**

N/A.

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**

Brick and Steel Construction's health and safety submission has been evaluated by Corporate Health & Safety and have met the minimum requirements regarding health and safety.

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**

Brick and Steel Construction's insurances have been assessed and evaluated to confirm that they have met the minimum requirement regarding risk.

11 **Privacy Impact**

N/A

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**List of Background Papers**

None

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