

To: Finance, Resources and Customer Services Policy Board

On: 22 October 2021

Report by: The Chief Executive and the Director of Finance and Resources

Heading: Contract Award: Kirklandneuk Primary School - Extension and

Alterations – (RC-CPU-20-432)

1. Summary

- 1.1 The purpose of this report is to seek approval of the Finance,
 Resources and Customer Services Policy Board to award a works
 contract for Kirklandneuk Primary School Extension and Alterations to
 Fleming Buildings Limited.
- 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 Restricted Procedure.
- 1.3 A Contract Strategy was approved by the Technical Unit Programme Manager and the Strategic Commercial and Procurement Manager on Wednesday 28th July 2021.

2. Recommendations

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

- a) authorise the Head of Corporate Governance to award a works Contract for Kirklandneuk Primary School - Extension and Alterations – (RC-CPU-20-432) to Fleming Buildings Limited.
- authorise the award of this contract for the Contract Sum of £774,533.26 excluding VAT, with an additional 10% contingency spend;
- c) note the anticipated date of award is Friday 5th November 2021 with an anticipated date of possession Monday 29th November 2021
- d) note that the anticipated completion dates are: Section 1, new extension – 11th August 2022 Section 2, internal alterations – 7th September 2022 – this date is based on commencing internal works at start of Summer break on 30th June 2022. However, if earlier access to internal areas is permitted to the Contractor, it is expected both sections will be completed simultaneously. If there are any changes to these planned dates these will be confirmed in the Council's Letter of Acceptance; and
- e) note the award of this Contract is subject to the provision of a Performance Bond and Collateral Warranties as indicated within the tender documentation.

3. Background

- This procurement is for the appointment of a suitably qualified contractor to construct additional classrooms, external learning area and improved use of space to some existing class bases at Kirklandneuk Primary School.
- 3.2 For the procurement of the Contract, a two-stage Restricted Procedure was undertaken in accordance with the Council's Standing Orders Relating to Contracts. A contract notice was dispatched via Public Contracts Scotland advertising portal on 28th July 2021 with the invitation to participate documents available for download from the Public Contracts Scotland Tender portal on 28th July 2021.

- During the Invitation to Participate (ITP) (stage 1), fourteen (14) organisations expressed an interest. By the tender return for stage 1, 4pm on Tuesday 17th August 2021 eight (8) organisations submitted a Request to Participate (RTP).
- 3.4 All eight (8) RTP submissions were evaluated against a set of predetermined criteria in the form of the Single Procurement Document (SPD) by representatives from both the Corporate Procurement Unit and Property Services. All eight (8) RTP submissions satisfied the Council's minimum requirements within the SPD selection criteria.
- 3.5 As part of the selection process and to reduce the number of candidates, the candidates had to respond to two (2) quality questions within their RTP submission which provided information about the candidate's technical and professional ability and project team experience with similar projects in context of their application to the Kirklandneuk Primary School Extension and Alterations (RC-CPU-20-432).
- 3.6 The responses to those two (2) questions from each of the remaining eight (8) RTP submissions were evaluated by a panel formed of employees from the Council's Property Services. The ITP document anticipated a maximum of five (5) candidates would be taken forward to Invitation to Tender (Stage 2). Five (5) candidates were selected for Invitation to Tender (Stage 2). The selection score for each candidate within the RTP (Stage 1) is noted below:

		Selection (100%)
1	Galliford Try Construction Ltd t/a Morrison Construction Scotland	100.00
2	Clark Contracts Limited	87.50
3	Emtec Group Limited	87.50
4	Fleming Buildings Limited	87.50
5	McKelvey Construction Limited	87.50
6	City Gate Construction (Scotland) Limited	62.50
7	Amey Community Limited	50.00
8	W H Kirkwood Limited	50.00

3.7 The Invitation to Tender (Stage 2) documentation was made available to download by the five (5) selected tenderers via the Public Contracts Scotland – Tender portal on Friday 27 August 2021. By the closing

date, 12 noon on Thursday 30 September 2021, four (4) companies had submitted a tender submission. One (1) of those candidates was deemed to be non-compliant as they failed to provide commercial documentation by the tender deadline.

The three (3) remaining tender submissions were evaluated against the published Award Criteria, based on a weighting of 60% Quality and 40% Price. The scores relative to the Award Criteria for the tenderers are noted below:

		Quality (60%)	Price (40%)	Total (100%)
1	Fleming Buildings Limited	47.75%	40.00%	87.75%
2	Clark Contracts Limited	48.75%	33.32%	82.07%
3	McKelvey Construction Limited	36.00%	30.92%	66.92%

- 3.9 The evaluation of tender submissions received identified that the tender submission by Fleming Buildings Limited was the most economically advantageous tender submission.
- 3.10 A capital budget of £1,150,000 has been made available for this Contract, inclusive of contingency cost, professional fees and excluding VAT.
- 3.11 Community Benefits were requested as part of this procurement process and Fleming Buildings Limited confirmed that the following Community Benefits would be made available to the Council for this Contract:

Community Benefit Description	No of People / Activity
Job for an unemployed individual	1
Work Experience Placement for an individual16+ years of age	1
S/NVQ (or equivalent) for • New Employee • Existing Employee • Supply Chain Employee	1
Industry Skill Transfer to Schools.	2

Implications of the Report

- 1. **Financial** No financial implications have arisen or are anticipated. Financial and Economic Standing have been assessed as part of the tender selection criteria which Fleming Buildings Limited passed.
- 2. **HR & Organisational Development** No HR & Organisational Development implications have arisen or are anticipated.

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).
- Creating a sustainable Renfrewshire for all to enjoy Fleming Buildings Limited have committed to deliver Community Benefits as detailed within section 3.12 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** The project will facilitate the extension and alterations at Kirklandneuk Primary School.
- 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** Fleming Buildings 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** Fleming Buildings Limited insurances have been assessed and evaluated and confirm that they will meet 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 Position implications have arisen or are anticipated.
- 13. Climate Risk The level of impact associated with provision of these works has been assessed using the Scottish Government Sustainability Test and is considered to be low risk.

List of Background Papers

(a) None

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