

**To: Finance, Resources and Customer Services Policy Board**

**On: 30<sup>th</sup> March 2023**

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

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**Heading: Contract Award: West Primary Electrical Upgrade Phase 2 (RC-CPU-22-220)**

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## **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 West Primary Electrical Upgrade Phase 2 to Atalian Servest AMK Limited T/A Arthur McKay & Company.
  - 1.2 The recommendation to award the Contract follows a procurement exercise conducted in accordance with the Council's Standing Orders relating to Contracts 1st January 2022 for a below Regulated (Works) contract using the Open Procedure.
  - 1.3 A Contract Strategy was approved by the Strategic Commercial and Procurement Manager on 22<sup>nd</sup> December 2022 and the Head of Property Services on 23<sup>rd</sup> December 2022.
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## **2. Recommendations**

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

- (a) Authorise the Head of Corporate Governance to award a Contract for West Primary Electrical Upgrade Phase 2 (RC-CPU-22-220) to Atalian Servest AMK Limited T/A Arthur McKay & Company.
- (b) Authorise the Tendered Total of £534,767.28 excluding VAT and an additional 10% contingency for any unforeseen works.
- (c) Note that, the Contract has sectional completion requirements, the proposed Dates of Possession and proposed Dates for Completion are noted below. Any changes to these dates will be confirmed in the Council's Letter of Acceptance:

|           | Dates of Possession of Sections | Dates of Completion of Sections |
|-----------|---------------------------------|---------------------------------|
| Section 1 | 28 <sup>th</sup> June 2023      | 13 <sup>th</sup> August 2023    |
| Section 2 | 28 <sup>th</sup> June 2023      | 6 <sup>th</sup> September 2023  |
| Section 3 | 14 <sup>th</sup> August 2023    | 22 <sup>nd</sup> October 2023   |

- (d) Note the Contract requires the provision of a Performance Bond and Collateral Warranties as indicated within the tender documentation.

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### 3. **Background**

- 3.1 This procurement exercise is for the appointment of a competent and experienced contractor to carry out the electrical upgrades at West Primary School, Newton Street, Paisley. This work is Phase 2 of the rewire works, Phase 1 was completed in Summer 2022. A large portion of the works will be carried out during the summer holiday while the remainder will be carried out on a phased basis outside school hours.
- 3.2 To initiate this procurement process a Contract Notice was published on the Public Contracts Scotland advertising portal on Friday 6<sup>th</sup> January 2023 with the tender documentation available for downloading from the Public Contracts Scotland - Tender portal from this date.
- 3.3 During the live tender period, ten organisations expressed an interest in the tender. By the closing date set for the return of electronic tender submissions, 12 noon on Wednesday 8<sup>th</sup> February 2023, three organisations submitted a tender response, three organisations declined to respond, and four organisations did not respond.

- 3.4 In accordance with the Council's Standing Orders relating to Contracts 1 January 2022 standing order 11.5, Tenderers were required to complete a Single Procurement Document (SPD) to be submitted with their tender submission. All three tender submissions were evaluated against a pre-determined set of criteria in the form of the SPD by representatives from the following Council services: Property Services, the Corporate Procurement Unit, Corporate Risk and Corporate Health & Safety.
- 3.5 All three tender submissions received, complied with the minimum selection criteria of the SPD. The three tender submissions were each evaluated against the Award Criteria of 60% Quality and 40% Price.
- 3.7 The scores relative to the Award Criteria for each of the three tender submissions are noted below:

|          |   | <b>Price<br/>(40%)</b> | <b>Quality<br/>(60%)</b> | <b>Total<br/>(100%)</b> |
|----------|---|------------------------|--------------------------|-------------------------|
| <b>1</b> | <b>Atalian Servest AMK Limited T/A Arthur McKay &amp; Company</b> | 30.56%                 | 52.50%                   | <b>83.06%</b>           |
| <b>2</b> | <b>Clark Contracts Limited</b>                                    | 25.27%                 | 56.25%                   | <b>81.52%</b>           |
| <b>3</b> | <b>Emtec Group Limited</b>  | 40.00%                 | 38.50%                   | <b>78.50%</b>           |

- 3.8 The evaluation of tender submissions received identified that the submission by Atalian Servest AMK Limited T/A Arthur McKay & Company was the most economically advantageous tender.
- 3.9 The form of Contract is SBCC Standard Building Contract Without Quantities 2011 Edition (SBC/XQ/Scot), incorporating the Employer Amendments.
- 3.10 The costs for the West Primary Electrical Upgrade Phase 2 will be met through the Capital General Services budget.
- 3.11 Community Benefits were requested as part of the procurement process and Atalian Servest AMK Limited T/A Arthur McKay & Company confirmed that the following Community Benefits would be made available to the Council for this Contract.

| <b>Community Benefit<br/>Description</b> | <b>No of People / Activity</b> |
|--|--------------------------------|
| Modern Apprenticeship                    | 2                              |

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## Implications of the Report

1. **Financial** – No financial implications have arisen or are anticipated. The Financial and Economic Standing of the recommended bidder has been assessed as part of the tender selection criteria, which Atalian Servest AMK Limited T/A Arthur McKay & Company passed. The cost for these works will be met by the Capital General Services budget
2. **HR & Organisational Development** – No TUPE implications.
3. **Community/Council Planning** –
  - Our Renfrewshire is fair- Addressing the inequalities that limit life's chances. Tenderers were assessed within the procurement process regarding their approach to Fair Work First throughout their organisation and supply chain i.e. payment of the living wage, training and development opportunities
  - Our Renfrewshire is safe – A central requirement for 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)
  - Tackling inequality, ensuring opportunities for all – Promoting skills and learning for life.
  - Creating a sustainable Renfrewshire for all to enjoy Atalian Servest AMK Limited T/A Arthur McKay & Company has committed to deliver Community Benefits as set out within 3.11 of this report.
4. **Legal** – The Procurement of this Contract was conducted as a below Regulated (Works) Open Procedure in accordance with the Council's Standing Orders Relating to Contracts.
5. **Property/Assets** - The Contract will facilitate the electrical upgrade of West Primary School Phase 2 that will ensure that the Council's assets are upgraded to a proper standard and maintained in a manner that complies with statutory legislation.
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.

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 T/A Arthur McKay & Company 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 ensures that the Council meets its statutory requirements in respect of procurement procedures, efficiency, and modern Government.
10. **Risk** – Atalian Servest AMK Limited T/A Arthur McKay & Company insurances have been assessed and evaluated to confirm that they 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 high risk.
  - **Carbon Energy Consumption** – The contractor will be required to consider energy saving measures where possible. As part of the rewire all lighting is being changed to low energy LEDs.
  - **Waste Production** – Contractor will be required to consider waste reduction and recycling measures while undertaking these works. Contractors are required to provide details of their proposed Waste Carrier.

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## List of Background Papers

- (a) None

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