

To: Procurement Sub Committee

On: 25 January 2017

**Joint Report
by
Chief Executive and Director of Development and Housing Services**

**Contract Authorisation Report for Ground Investigation – Land
Works for Clyde Waterfront and Renfrew Riverside and Glasgow
Airport Investment Area Projects**

1. Summary

- 1.1. The purpose of this report is to request the Procurement Sub Committee authorise the Head of Corporate Governance to enter into an NEC3 Engineering and Construction Contract Option B (April 2013) for land based Site Investigations for the Clyde Waterfront and Renfrew Riverside and Glasgow Airport Investment Area Projects (Ref: RC/OC/211/17).
 - 1.2. This recommendation to award the contract follows a procurement exercise which was conducted in accordance with the Council's Standing Orders Relating to Contracts for contracts below EU Threshold for Works.
 - 1.3. A contract strategy was approved by the Strategic Commercial and Procurement Manager and Depute City Deal Director in July 2016.
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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 land based Site Investigations for the Clyde Waterfront and Renfrew Riverside and Glasgow Airport Investment Area Projects to Environmental Reclamation Services Limited.
 - b. The Contract Sum for the works is £639,426.00.
 - c. The Starting Date will be 6 February 2017, or the date stated in the Letter of Acceptance with a Completion Date of the 26 June 2017.
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3. Background

- 3.1. The City Deal is an agreement between the UK Government, Scottish Government and eight member local authorities across Glasgow and The Clyde Valley (including Renfrewshire Council). The overall aim of the City Deal is to support an increase in the economy within this area by delivery of key projects, three of which are within the Renfrewshire area (Clyde Waterfront and Renfrew Riverside (CWRR), Glasgow Airport Investment Area (GAIA) and Airport Access Project (AAP)).
- 3.2. This contract requirement is to undertake ground investigations land works for two infrastructure projects being delivered in Renfrewshire as part of the Glasgow City Region City Deal; CWRR and GAIA. The Works will involve ground investigations at identified sites.
- 3.3. The objective of the investigations is to gather sufficient geotechnical and environmental information to inform the developing scheme designs for the GAIA and CWRR projects.
- 3.4. The contract was tendered in accordance with the below EU threshold Open Procedure for Works under the Council's Standing Orders Relating to Contracts 2016.
- 3.5. A contract notice was published on the Public Contracts Scotland advertising portal on 14 November 2016 with a tender submission deadline of 12 noon on 19 December 2016. Four contractors provided responses to the Invitation to Tender by the tender submission deadline.
- 3.6. All four tenderers confirmed they met the minimum criteria of the European Single Procurement Document (ESPD), which confirms their capability and capacity to carry out the specified work and their tenders were evaluated against a set of award criteria which were based on a price/ quality ratio of 90%/10%. The quality evaluation included questions on proposed methodology for the work and the contractors approach, community benefits and fair working practices.
- 3.7. The price/quality ratio of 90%/10% was utilised because the works are specialised, in nature therefore there is limited scope for quality differentials to be applied to the tender submissions.

3.8. The scores relative to the award criteria of each tenderer are noted below:

	Quality Score (10.00%)	Price Score (90.00%)	Total Score (%)
Causeway Geotech Ltd	3.15%	71.29%	74.44%
Environmental Reclamation Services Ltd	3.00%	90.00%	93.00%
Quantum Geotechnical Services Ltd	7.85%	60.34%	68.19%
Van Elle Ltd	7.55%	34.60%	42.15%

- 3.9. The evaluation identified Environmental Reclamation Services Limited as the most economically advantageous tender. Their quality score, while being of an acceptable standard, was lower than other tenders for a number of reasons, primarily in relation to providing less specific detail in certain areas. Notwithstanding this, the submission demonstrated an understanding of the pertinent issues and an ability to deliver appropriate quality for the prescriptive nature of the work required.
- 3.10. Following finalisation of the evaluation, Environmental Reclamation Services Limited, as the highest scoring tenderer were requested to submit their supporting documentation to evidence they met the minimum criteria of the ESPD. The minimum criteria included the technical capacity and capability of the tenderer, insurance provisions and health and safety procedures which were evaluated using pass/fail criteria by representatives from Corporate Procurement Unit, Corporate risk, Corporate Health & Safety and the City Deal Project.
- 3.11. Environmental Reclamation Services Limited passed the evaluation of the minimum criteria of the ESPD and the Council is satisfied that the tenderer is highly experienced and technically competent to deliver the requirements of the specified works and capable of meeting all statutory requirements. The tenderer has confirmed their compliance with the Council's Specification for the site investigation Works.
- 3.12. It is recommended that the tender is awarded to Environmental Reclamation Services Limited, who submitted the most economically advantageous tender.
- 3.13. Community Benefits were sought as part of this procurement exercise and Environmental Reclamation Services Limited have committed to delivering the following community benefits:
- Educational presentations in schools to encourage awareness of the industry and to educate school children.
 - Attend Meet the Buyer events for SMEs to engage with local businesses that may be interested in the company's sub contracting opportunities.

- An offer of assistance with ground clearance works for a Community Archaeology Project at the site of the former All Hallows Church, Inchinnan.
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Implications of this report

1. Financial Implications

The financial status of the supplier recommended for award has been assessed by undertaking a Dun and Bradstreet evaluation and it is confirmed that the companies satisfy the Council's requirement in relation to financial stability. This will be continually monitored throughout the life of the contract.

2. HR & Organisational Development

None

3. Community Planning / Council Plan Implications

The community benefits committed under this contract are listed within section 3.13 of this report.

4. Legal Implications

The procurement of this contract has been conducted in accordance with the Council's Standing Orders relating to Contracts 2016, using the open tender procedure for contracts below the EU threshold for Works.

5. Property Implications

There are no property implications associated with award of the contract as it relates to site investigations only.

6. Corporate Services Implications

There are no corporate services implications associated with award of the contract.

7. Equality Opportunities Implications

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 Implications**

There are no health and safety implications associated with award of the contract.

9. **Procurement Implications**

The procurement procedures outlined within this report shall ensure that the Council meets its statutory requirements in respect of procurement procedures.

10. **Risk Implications**

Environmental Reclamation Services Limited's insurances and health and safety procedures have been assessed and evaluated to confirm they meet the minimum requirements regarding risk.

11. **Privacy Impact**

None.

List of background papers

(a) None.

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