

Item 1 (d)

To: Procurement Sub Committee

On: Wednesday 13th May 2015

# Joint Report by Directors of Development & Housing Services and Finance & Resources

# Contract Authorisation Report Supply and Installation of Photovoltaic Solar Panels – Phase 2 RC1503\_3190 (ITT6507)

#### 1. Summary

The purpose of this paper is to seek approval from the Procurement Sub Committee to award a Package Order for the Supply and Installation of Photovoltaic Solar Panels – Phase 2. The photovoltaic solar panels will be installed in the following ten (10) Locations:

- Houston Primary School
- St Fillan's Primary School
- Ralston Primary School
- East Fulton Primary School
- St Charles Primary School
- St Peter's Primary School
- West Primary School
- Williamsburgh Primary School
- St Mary's Primary School
- Lochwinnoch Primary School

This Package Order was tendered under the Council's Framework Agreement for Design, Supply and Installation of Photovoltaic Solar Panels.

#### 2. Recommendations

- 2.1 It is recommended that the Procurement Sub Committee authorise:
  - a. the Head of Corporate Governance to award the contract for the Supply and Installation of Photovoltaic Solar Panels – Phase 2, to Emtec Group Limited, and the value of the contract is £197,094 excluding VAT;
  - b. the term of contract is estimated as 6 weeks.
- 2.2 note the anticipated site start date is Monday 29th June 2015 and the anticipated completion date for all works is Monday 10th August 2015.

#### 3. Background

- 3.1 The award of the framework agreement for the Design, Supply and Installation of Photovoltaic Solar Panels, was approved by the Procurement Sub Committee on Wednesday 22nd January 2014.
- 3.2 The following four (4) contractors were accepted onto this framework agreement:
  - FES Support Services Limited
  - AC Gold Electrical Services Limited
  - Emtec Group Limited
  - Campbell & Kennedy Limited
- 3.3 All four (4) framework agreement contractors were invited to participate in the electronic mini competition for the Supply and Installation of Photovoltaic Solar Panels Phase 2. Three (3) of the contractors submitted a mini competition tender submission by the closing date of Wednesday 18th March 2015. FES Support Services Limited did not respond to the mini-competition.
- 3.4 All three (3) bids submitted passed bid selection and were then evaluated against the Award Criteria. The Award Criteria applied consisted of a Price / Quality ratio of 70% / 30% (10% of the 30% quality was allocated to Community Benefits). The evaluation of the tender submissions was undertaken by representatives of the Corporate Procurement Unit and Development and Housing Services.

	Price (%)	Quality (%)	Total (%)
Emtec Group Limited	70.00	20.25	90.25
Campbell & Kennedy Ltd	60.43	27.00	87.43
<b>AC Gold Electrical Services Limited</b>	57.97	21.85	79.82

- 3.5 As indicated in the table above, the most economically advantageous minicompetition submission was offered by Emtec Group Limited. The value of the contract is £197,094 excluding VAT. This represents a saving of £72,906 (27.00%) when compared to the Service Department's allocated capital budget of £270,000.
- 3.6 No performance bond has been requested. The contractor will provide a manufacturer's replacement warranty for each of the Photovoltaic panels supplied under this Package Order which shall be in place for a minimum period of five (5) years. The contractor will ensure that the photovoltaic module output performance be guaranteed for a minimum of ten (10) years to 90% of the originally specified power output, and for a minimum of twenty (20) years to 80% of the originally specified power output.
- 3.7 Emtec Group Limited's commitment to the delivery of community benefits under this contract include:

Outcomes / Activity	No of People
Graduates	1
Career Events	1
Workplace Visits	1

# **Implications of the Report**

#### 1. Financial

A financial assessment of all framework agreement contractors was undertaken as part of the assessment for acceptance onto the framework agreement. A further financial check has indicated that there is no significant financial risk associated with Emtec Group Limited.

## 2. HR & Organisational Development

None

#### 3. Community Planning

Emtec Group Limited has a commitment to deliver a number of community benefits under the contract as detailed in paragraph 3.7.

**Greener -** The supply and installation of solar photovoltaic panels represents an investment in more efficient buildings to reduce the Council's carbon footprint.

#### 4. Legal

The tendering procedures for this Package Order were in accordance Renfrewshire Council Standing Orders relating to Contracts and with the terms issued for a Package Order under the Framework Agreement for the Design, Supply and Installation of Photovoltaic Solar Panels.

#### 5. Property Assets

The investment will improve the suitability of council property assets so that they are more energy efficient and better meet service needs.

#### 6. Information Technology

Not Applicable

### 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

Emtec Group Limited Health & Safety track record and the processes and procedures in place were assessed at the point of establishing the framework agreement.

# 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

Corporate Risk have vetted the insurance provision held by the recommended company and have confirmed that it satisfied the minimum requirement relative to this contract.

## 11. Privacy Impact

The Privacy Impact Assessments (PIAs) procedure was not deemed necessary for this procurement.

# List of background papers

(a) Background Paper 1

None

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