

To: Finance, Resources and Customer Services Policy Board

On: 27 March 2019

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

Heading: Nursery and Primary School Electrical Upgrades (RC-CPU-18-266)

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 three (3) individual works Contracts for Nursery and Primary School Electrical Upgrades at Houston Primary School (Lot 2), Wallace Primary School (Lot 3) and East Fulton Primary School (Lot 4) to Atalian Servest AMK Limited.
- 1.2 The recommendation to award these three works Contracts follows a single procurement exercise which was conducted in accordance with the Council's Standing Orders relating to Contracts for below Regulated threshold Works Contracts using the Open procedure.
- 1.3 A Contract Strategy for the Contracts was approved by the Strategic Procurement Manager and the Head of Property Services on 6 December 2018.
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2. Recommendations

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

- (a) authorise the Head of Corporate Governance to award three (3) separate Contracts for the Nursery and Primary School Electrical Upgrades for: Lot 2 Houston Primary School; Lot 3 Wallace Primary School and Lot 4 East Fulton Primary School each to Atalian Servest AMK Limited;
- (b) authorise the award of each Contract for the following values of £364,799.31 for Lot 2, £303,083.98 for Lot 3 and £588,333.05 for Lot 4, all values are excluding VAT and;
- (c) note the planned sectional completion dates below. The final dates will be confirmed in the individual Councils Letter of Acceptance if there are any changes to these planned dates;

Lot 2 – Houston Primary School

Section	Dates of possession of sections	Dates for completion of sections
Section: Phase 1 – Internal Works	29th June 2019	9th August 2019
Section: Phase 2 – External Works	29th June 2019	18th October 2019

Lot 3 – Wallace Primary School

Section	Dates of possession of sections	Dates for completion of sections
Section: Phase 1 – Internal Works	29th June 2019	9th August 2019
Section: Phase 2 – External Works	29th June 2019	18th October 2019

Lot 4 – East Fulton Primary

Section	Dates of possession of sections	Dates for completion of sections
Section: Phase 1	29th June 2019	9th August 2019
Section: Phase 1A	29th June 2019	9th August 2019

Section: Phase 2	17th August 2019	13th September 2019
Section: Phase 3	16th September 2019	11th October 2019
Section: Phase 4	12th October 2019	8th November 2019
Section: Phase 5	11th November 2019	29th November 2019

- (d) note the award of Lot 4 is subject to the provision of a Performance Bond as indicated within the tender documentation.

3. Background

- 3.1 A central requirement of Property Services is to ensure that Council properties, facilities and assets are of a proper standard, are properly maintained in a manner that complies with statutory legislation and that the appropriate records are maintained. As part of the Council's continuing strategy to upgrade existing premises, it has been agreed to renew/replace existing electrical services and equipment with modern equivalents and to meet current legislative/statutory standards including the removal of asbestos residue throughout the ceiling voids at the following locations: Houston Primary School, Wallace Primary School and East Fulton Primary School.
- 3.2 A single contract notice for all three (3) contracts was published on the Public Contracts Scotland advertising portal on 7 December 2018 with the tender documentation available for downloading from the Public Contract Scotland – Tender platform.
- 3.3 The contract notice also included St Margaret's Nursery (Lot 1) however during the tender period it was agreed not to proceed with the electrical update of St Margaret's Nursery due to more substantial alterations and adaptations being required than simply an electrical upgrade. The St Margaret's Nursery requirements will be considered in the coming months and will be subject to a separate procurement exercise. As such, tender submissions were not sought for this Lot 1.
- 3.4 During the tendering period, twenty five (25) companies expressed an interest in these opportunities. By the tender return date, 22 January 2019 at 12 noon, nine (9) companies submitted a response, three (3) companies declined to respond and thirteen (13) failed to respond.
- Of this number, nine (9) companies submitted a response for Lot 2, eight (8) companies submitted a response for Lot 3 and seven (7)

companies submitted a response for Lot 4. Tenderers had the option to bid for one, two or all three lots.

- 3.5 Tenderers were required to complete the European Single Procurement Document (ESPD) which contained the same pre-determined set of criteria for all three (3) contracts and was evaluated by representatives from Property Services, the Corporate Procurement Unit, Corporate Risk and Corporate Health and Safety. All tender submissions confirmed compliance with the minimum selection criteria set within the ESPD and progressed to the Award stage with Quality Criteria which was based on a weighting of 60% Quality and 40% Price for each individual Lot.
- 3.6 Of the tender submissions received in respect of each Lot, four (4) tender submissions were deemed non-compliant for Lot 2, three (3) for Lot 3 and three (3) for Lot 4.
- 3.7 The Award Criteria was then applied to the tender submission for each of the remaining five (5) tender submission for Lot 2, each of the five (5) for Lot 3 and each of the four (4) for Lot 4 as noted below:

Lot 2 - Houston Primary School

	Quality (60%)	Price (40%)	Total (100%)
Atalian Servest AMK Limited	52.00%	39.23%	91.23%
City Gate Construction (Scotland) Limited	45.00%	40.00%	85.00%
Maclin Electric Limited	50.50%	27.44%	77.94%
Morris & Spottiswood Limited	49.00%	23.09%	72.09%
Ingen Technical Services (Central) Ltd trading as Parker Technical Services	40.00%	27.15%	67.15%

Lot 3 – Wallace Primary School

	Quality (60%)	Price (40%)	Total (100%)
Atalian Servest AMK Limited	53.50%	40.00%	93.50%
Maclin Electric Limited	50.50%	34.88%	85.38%

City Gate Construction (Scotland) Limited	45.00%	39.80%	84.80%
Morris & Spottiswood Limited	49.00%	23.38%	72.38%
Ingen Technical Services (Central) Ltd trading as Parker Technical Services	40.00%	28.49%	68.49%

Lot 4 – East Fulton Primary School

	Quality (60%)	Price (40%)	Total (100%)
Atalian Servest AMK Limited	55.00%	32.59%	87.59%
Morris & Spottiswood Limited	54.00%	25.03%	79.03%
City Gate Construction (Scotland) Limited	38.00%	40.00%	78.00%
Maclin Electric Limited	45.00%	32.13%	77.13%

3.8 The evaluation of tender submissions received in respect of each Lot identified that the tender submission by Atalian Servest AMK Limited was the most economically advantageous tender for Lot 2, Lot 3 and Lot 4. Please note that at the time of tendering Atalian Servest AMK Limited was known as Servest Arthur McKay Limited and subsequently changed their registered name on 15 February 2019. The Council is satisfied that this change will not affect the award of these contracts and no other changes have arisen due to this change

3.12 Community Benefits were sought for each individual Contract;

Atalian Servest AMK Limited has committed to the following:

Lot 2 Houston Primary School

Community Benefit Description	No of People / Activity
Work Experience Placement for an individual 16+ years of age	2

Lot 3 Wallace Primary School

Community Benefit Description	No of People / Activity
Work Experience Placement for an individual 16+ years of age	2

Lot 4 East Fulton Primary School

Community Benefit Description	No of People / Activity
Modern Apprenticeship	2

Implications of the Report

1. **Financial** – The cost for these three individual contracts will be met through the Property Services capital budget.
2. **HR & Organisational Development** – No TUPE implications.
3. **Community/Council Planning** –
 - Our Renfrewshire is fair - Tenderers were assessed within this procurement process in regards 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) and that appropriate records are retained.
 - Creating a sustainable Renfrewshire for all to enjoy – Atalian Servest AMK Limited has committed to deliver a number of Community Benefits as detailed within section 3.12 of this report.
4. **Legal** – The procurement of this Contract was conducted in accordance with the Council's Standing Orders relating to Contracts.
5. **Property/Assets** – These contracts once completed will provide the individual schools and premises with electrical upgrades to modern

equivalents and to meet current legislative/statutory standards. The electrical upgrade will maintain a safe environment for staff and pupils and improve the condition core fact for each establishment.

6. **Information Technology** – No Information Technology implications are anticipated.
7. **Equality & Human Rights** -
 - (a) 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** – Atalian Servest AMK Limited's 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 procedure outlined within this report shall ensure that the Council meets its statutory requirements in respect of procurement procedures, efficiency and modern Government.
10. **Risk** – Atalian Servest AMK Limited's insurances were evaluated by Corporate Risk and met the Council's 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.

List of Background Papers

(a) Not Applicable

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