



To: Procurement Sub Committee

On: 11th November 2015

Report by:

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

Contract Authorisation Report

Demolition of 21-31 Hallhill Road, Johnstone

1. Summary

- 1.1 The purpose of this report is to seek the approval of the Procurement Sub Committee to award a Standard Building Contract with Quantities (SBC/Q/Scot 2011) for the Demolition of 21-31 Hallhill Road, Johnstone. The Contract is utilising Renfrewshire Council's Framework Agreement for Demolition Works.
 - 1.2 The contract strategy, including the process for mini-competitions, was agreed by the Head of Property Services and the Head of Strategic Procurement in May 2012. The Framework Contract, Demolition Works RC1211_572(ITT1178) was tendered in accordance with the above EU Threshold Restricted Procedure for works and the Councils Standing Orders Relating to Contracts.
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2. Recommendations

- 2.1 It is recommended that the Procurement Subcommittee authorise the Head of Corporate Governance to award the Mini Competition for the Demolition of 21-31 Hallhill Road Johnstone to Reigart Contracts Limited.
- 2.2 The Procurement Sub-Committee is asked to note that the Contract is for a value of £382,042.08.

- 2.3 The contract period is 10 weeks and the start date will subject to the completion of the new build shops including by the tenants fit-out programme, the start date will be confirmed in the Council's Letter of Acceptance.

3. Background

- 3.1 The Council has a requirement for a suitable qualified and experienced demolition contractor to undertake the demolition of 21-31 Hallhill Road.
- 3.2 This contract was tendered as a mini competition under lot 2 of Renfrewshire Councils Framework Agreement for Demolition Works.
- 3.3 The tender documentation was published on the Public Contract Scotland website on 25th August 2015, and all three contractors on Lot 2 of the Framework were invited to tender.
- 3.4 All three contractors submitted a response by the closing date of 15th September 2015. The responses were evaluated by officers from the Corporate Procurement Unit, Corporate Insurance, Health and Safety and Property Services against pre-determined Bid Selection Criteria which assessed their capacity, experience & track record and their technical capabilities.
- 3.5 All three contractors met the Bid Selection Criteria and were then evaluated against a set of Award Criteria. The Award Criteria was based on a Price/Quality ratio of 70%/30%. The scores relative to the Award Criteria of tender are as follows:

| | Price (70%) | Quality (30%) | Total |
|-------------------------------------|------------------------|--------------------------|--------------|
| Reigart Contracts Limited | 70.00 | 18.75 | 88.75 |
| Hughes and Salvidge Limited | 59.51 | 14.40 | 73.91 |
| (JCJ Demolition & Construction) Ltd | 64.82 | 20.85 | 58.67 |

- 3.6 The evaluation of tenders received identified that the tender submitted by Reigart Contracts Limited was the most economically advantageous.
- 3.7 Financial costs in respect of this contract will be met by the Service's Capital Budget for Financial Year 2015/16.
- 3.8 As part of the Framework Agreement Reigart agreed to provide the community benefits detailed below:

| Description | Quantity |
|------------------------------------|----------|
| Training plans for sub-contractors | 5 |
| Existing Apprenticeships | 2 |

As part of the mini competition additional community benefits were sought, Reigart have agreed to meet with CPU and confirm what further CB's could be delivered specific to this contract.

Implications of the Report

- Financial**
 The financial stability of framework agreement contractors is monitored over the duration of the framework agreement
- HR & Organisational Development**
 N/A
- Community Planning**
 Reigart Contracts Limited has a commitment to deliver a number of Community benefits under this contract as detailed in section 3.8 and 3.8 of this report.
- Legal**
 The tendering procedures for the establishment of this contract were in accordance with the requirements for awarding contracts under the Framework Agreement for Demolition Works, the Renfrewshire Council's Standing Orders Relating to Contracts for below EU Threshold Works contracts and the Public Contracts (Scotland) Regulations 2012, as amended.
- Property Assets**
 N/A.
- Information Technology**
 N/A
- 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.
- Health & Safety**
 Reigart Contracts Limited's health and safety submission was evaluated by Corporate Health and Safety at the time of awarding the Framework and met the minimum requirements regarding health and safety.

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**

Reigart Contract Limited's insurances have been assessed and evaluated to confirm that they have met the minimum requirement regarding risk.

11. **Privacy Impact**

N/A

List of background papers

(1) Report to Council on 17 April 2013 entitled: '*Framework Agreement for Demolition Works.*'

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