

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

**On:** 29 January 2020

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**Report by:** Joint Report by the Chief Executive and Director of Finance and Resources

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**Heading:** Contract Award: Extension and Refurbishment works to three Early Learning and Childcare Centres (Early Years Expansion Programme) (RC-CPU-18-511)

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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 Extension and Refurbishment works to three Early Learning and Childcare Centres (Early Years Expansion Programme) (RC-CPU-18-511) to City Gate Construction (Scotland) Limited.
  - 1.2 The recommendation to award the Contract follows a procurement exercise which was conducted in accordance with the Council's Standing Orders Relating to Contracts for the Restricted Procedure for a Regulated threshold Works Contract.
  - 1.3 A Contract Strategy was approved by the Strategic Procurement Manager and the Head of Property Services on 5 July 2019.
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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 Extension and Refurbishment Works to three Early Learning and Childcare Centres (Early Years Expansion Programme) (RC-CPU-18-511) to City Gate Construction (Scotland) Limited;
  - (b) authorise the award of this Contract up to the value of £3,209,840.26 excluding VAT;
  - (c) note the anticipated date of award is 10 February 2020 with construction works commencing 23 March 2020 and a project handover for August 2020. If there are any changes to these dates prior to award these will be confirmed in the Council's Letter of Acceptance; and
  - (d) note the award of this Contract is subject to the provision of Contractors All Risk insurance to the level required by the Council, a Performance Bond and Collateral Warranties as indicated within the tender documentation.
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### 3. **Background**

- 3.1 Renfrewshire Council is strongly committed to improving outcomes for families, children and young people in the community. Renfrewshire Council's Community Plan for 2013 – 2022 will be the key driver for ensuring that Renfrewshire's children and young people will have the best start in life. This vision for Education in Renfrewshire is one which promotes the highest quality learning and teaching to ensure the best outcomes for all learners. The school estate should promote learning and achievement and gives all our children and young people the opportunity to learn in the best possible environment.

To support the aims of the Community Plan the programme of works and design rationale and has also been informed by the Scottish Government's Quality Action Plan for the Expansion of Early Learning and Childcare in Scotland as well as developed engagement with relevant stakeholders including Renfrewshire Council planners, architects/ designers, education practitioners and the Care Inspectorate. Scottish Government's Quality Action Plan for the Expansion of Early Learning and Childcare in Scotland is a national initiative which sees the near doubling of the entitlement to early learning and childcare places from 600 hours to 1140 hours per year from August 2020.

- 3.2 This procurement is for the appointment of a Principal Contractor for the construction of extensions and associated ancillary works to three Council owned Early Years education sites at:

- Inchinnan Community Nursery within the grounds of Inchinnan Primary School, Inchinnan;
- St Margaret's Nursery Class within the grounds of St Margaret's Primary School, Johnstone;
- Kilbarchan Community Nursery within the grounds of Kilbarchan Primary School, Kilbarchan.

Works at Inchinnan include for demolition of the existing facility and alterations to the existing school building.

Works at Kilbarchan include for replacement of the existing primary school roof and replacement of part of the school playing fields.

- 3.3 For the procurement of the Contract, a two-stage Restricted Procedure was undertaken in accordance with the Council's Standing Orders Relating to Contracts. The contract notice was issued on Public Contracts Scotland advertising portal on 17 September 2019 with the invitation to participate documents available for immediate download from the Public Contracts Scotland – Tender portal.
- 3.4 During the invitation to participate stage (ITP) (stage 1), twenty-five (25) organisations expressed an interest. By the return date for stage 1 at 12 noon on 17 October 2019, five (5) organisations had submitted a request to participate (RTP).
- 3.5 In accordance with Standing Orders Relating to Contracts 11.5, all five (5) candidate RTP submissions were evaluated against a set of pre-determined criteria in the form of the European Single Procurement Document (ESPD) by representatives from both the Corporate Procurement Unit and Property Services. All five (5) candidate RTP submissions satisfied the Council's minimum requirements within the ESPD selection criteria.
- 3.6 As part of the selection process and to reduce the number of candidates, the candidates had to respond to six (6) quality questions within their RTP submission which provided information about the candidate's previous experience of delivering similar projects in context of their application to the Extension and Refurbishment works to three Early Learning and Childcare Centres (Early Years Expansion Programme) (RC-CPU-18-511) Contract.
- 3.7 The responses to those six (6) questions from each of the five (5) candidate RTP submissions were evaluated by a panel formed of employees from the Council's Property Services. The ITP document anticipated a maximum of five (5) candidates would be taken forward to Invitation to Tender (Stage 2), however the Council reserved the right to take forward less than five (5) candidates. All five (5) candidates

were selected for Invitation to Tender (Stage 2). The selection score for each candidate within the RTP (Stage 1) is noted below:

		<b>Selection (100%)</b>
<b>1</b>	<b>Clark Contracts Limited</b>	91.00
<b>2</b>	<b>Fleming Buildings Limited</b>	89.00
<b>3</b>	<b>Maxi Construction Limited</b>	82.00
<b>4</b>	<b>City Gate Construction (Scotland) Limited</b>	81.00
<b>5</b>	<b>Stewart and Shields Limited</b>	73.00

3.9 The Invitation to Tender (Stage 2) documentation was made available to download by the five (5) selected candidates via the Public Contracts Scotland – Tender portal on 29 October 2019. By the closing date, 12 noon on 2 December 2019, four (4) companies had submitted a tender submission and one (1) company declined to respond.

3.10 All four (4) tender submissions were evaluated against the published Award Criteria, based on a weighting of 70% Quality and 30% Price. The scores relative to the Award Criteria for each tenderer are noted below:

		<b>Quality (70%)</b>	<b>Price (30%)</b>	<b>Total (100%)</b>
<b>1</b>	<b>City Gate Construction (Scotland) Limited</b>	66.85	30.00	<b>96.85</b>
<b>2</b>	<b>Clark Contracts Limited</b>	66.80	27.07	<b>93.87</b>
<b>3</b>	<b>Maxi Construction Limited</b>	66.05	25.66	<b>90.71</b>
<b>4</b>	<b>Fleming Buildings Limited</b>	61.15	24.60	<b>85.75</b>

3.11 The evaluation of tender submissions received identified that the submission by City Gate Construction (Scotland) Limited was the most economically advantageous tender submission.

3.12 The costs for this Contract will be met from the Scottish Government Early Years Expansion Programme Renfrewshire's total capital allocation.

- 3.13 Community Benefits were sought as part of this contract, City Gate Construction (Scotland) Limited have committed to deliver the following Community Benefits under this Contract:

Community Benefit Description	No of People / Activity
Job for an unemployed individual	3
Industry Skill Transfer to Schools	12
Playground Murals	3
Work Experience Placements	3
Supporting Local Communities – Afternoon Tea Days	1

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### Implications of the Report

1. **Financial** – The cost of the project will be met from the Scottish Government Early Years Expansion Programme Renfrewshire's total capital allocation.
2. **HR & Organisational Development** – No TUPE implications
3. **Community/Council Planning** –
  - Our Renfrewshire is fair - Tenderers were assessed within this procurement process in regard 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 – City Gate Construction (Scotland) Limited has committed to deliver a number of Community Benefits as detailed within section 3.13 of this report.
4. **Legal** – The procurement of this Works Contract was conducted in accordance with the Restricted Procedure under the Council's Standing Orders Relating to Contracts and The Procurement Reform ( Scotland) Act 2014 and the Procurement (Scotland) Regulations 2016
5. **Property/Assets** – The Extension and Refurbishment works to three Early Learning and Childcare Centres (Early Years Expansion Programme) (RC-CPU-18-511) will provide young children with a

modern environment with fit for purpose facilities to mature, learn and develop.

6. **Information Technology** – ICT staff will be on site to set up existing/new network equipment, wired and/or wireless. They will connect and test computer terminals, printers and IP telephony-based handsets to ensure all technology is working to the centre's satisfaction.
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** – City Gate Construction (Scotland) 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** – City Gate Construction (Scotland) Limited's Employer, Public & Product, Motor Vehicle and Professional Indemnity insurances were evaluated by Corporate Risk and met the Council's minimum requirements regarding insurable risk. City Gate Construction (Scotland) Limited confirmed they would obtain Contractors All Risk insurance to the level required by the Council.
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** - No climate risk implications have arisen or are anticipated.

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**List of Background Papers**

(a) None

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**Author:** Laura Gillan, Strategic Commercial Category Manager - Construction,  
Corporate Procurement Unit, Tel: 07483 393 633