

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

**On:** 30 March 2023

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**Report by:** Chief Executive and the Director of Environment and Infrastructure Services

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**Heading:** Contract Award: Watercourse Maintenance – RC-CPU-21-239

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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 Watercourse Maintenance (reference RC-CPU-21-239) to John McGeady Limited.

1.2 The recommendation to award the NEC3 Term Service Short Contract follows a procurement exercise conducted in accordance with the Council's Contract Standing Orders Relating to Contracts for a below Regulated Works Contract using the Open Procedure.

1.3 A Contract Strategy was approved by the Director of Environment and Infrastructure Services and the Strategic Commercial Procurement Manager on the 12 August 2022.

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2. **Recommendations**

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

- 2.1 Authorise the Head of Corporate Governance to award a Contract for Watercourse Maintenance (RC-CPU-21-239) to John McGeady Limited;
  - 2.2 Authorise a maximum contract value of up to £800,000 excluding VAT. The anticipated annual value of this contract has been assessed as £200,000 excluding VAT and;
  - 2.3 Note the initial *service period* of 24 months, with the Council having the option to extend the *service period* for an additional 12-month period on two separate occasions, subject to contractor contract performance. The anticipated *starting date* is 1 May 2023. The actual *starting date* will be confirmed in the Council's Letter of Acceptance to John McGeady Limited.
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### 3. **Background**

- 3.1 Renfrewshire Council has a statutory obligation to maintain watercourses and reservoirs and flood prevention schemes within the Renfrewshire boundary including drainage works; cleaning and minor repair works to grids, culverts, drains & flood prevention schemes; and emergency works.

The Watercourse Maintenance Works contract involves a bespoke scope of services based on an annual schedule at specific locations. Most of these services are reactive, meaning that locations needing treatment are highlighted only after flooding has taken place, a complaint has been lodged or through routine inspection, and is “natural” drainage in type.
- 3.2 The Contract was tendered as a NEC3 Term Service Short Contract (April 2013) incorporating the Z Clauses under which there is no guarantee of spend as this will depend on the Task Orders issued by the Council. The anticipated value of this contract is £800,000 excluding VAT based on historic spend of around £200,000 per annum excluding VAT.
- 3.3 To initiate this procurement process a contract notice was published on Public Contracts Scotland advertising portal on Thursday 22 December 2022, with the tender documentation available for downloading from the Public Contract Scotland-Tender platform on this date.

- 3.4 During the live tender period 21 organisations expressed an interest in this opportunity. By the closing date set for the return of electronic tender submissions, 12 noon on Friday 27 January 2023, 4 organisations submitted a tender response, 3 organisations declined to respond, and 14 organisations did not respond.
- 3.5 As part of their tender submission, tenderers were required to complete and return the Single Procurement Document (SPD) as per standing order 11.5 of the Council Standing Orders Relating to Contracts. Those completed SPD submissions were then evaluated against a pre-determined set of criteria by representatives from the following Council services, the Corporate Procurement Unit, Environment and Infrastructure, Corporate Risk and Corporate Health & Safety.
- 3.6 All 4 tender submissions received complied with the minimum selection criteria of the SPD. The 4 tender submissions were each evaluated against the Award Criteria on a weighting of 70% Price and 30% Quality.
- 3.7 The scores relative to the Award Criteria for each of the 4 tender submissions are noted below:

		<b>Price (70%)</b>	<b>Quality (30%)</b>	<b>Total (100%)</b>
<b>1</b>	John McGeady Limited	70.00%	30.00%	<b>100.00%</b>
<b>2</b>	Ipsium Drainage (Scotland) Limited	36.28%	28.75%	<b>65.03%</b>
<b>3</b>	Luddon Construction Limited	30.15%	24.25%	<b>54.40%</b>
<b>4</b>	Lanes Group PLC	30.24%	22.25%	<b>52.49%</b>

- 3.8 The evaluation of tender submissions received identified that the tender submission by John McGeady Limited was the most economically advantageous tender.
- 3.9 This contract is funded from the Environment and Infrastructure Revenue Budget.
- 3.10 Community Benefits were requested as part of the procurement process and John McGeady Limited has committed to the following:

<b>Community Benefit Description</b>	<b>No of People / Activity</b>
Business advice/support to an SME /Social Enterprise/ Voluntary organisation	4

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## **Implications of the Report**

### **1. Financial**

The cost for this contract will be met through the Environment and Infrastructures Revenue budget.

### **2. HR & Organisational Development**

No TUPE implications.

### **3. Community/Council Planning –**

- Reshaping our place, our economy, and our future
  - Delivering required infrastructure
- Building strong, safe and resilient communities
  - Working with partners to keep people safe
  - Leading on civil contingencies and resilience planning
- Creating a sustainable Renfrewshire for all to enjoy
  - Addressing flood management issue
  - Leading on local environmental management issues.
  - Keeping local places clean and attractive
- Working together to improve outcomes
  - Ensuring financial sustainability
  - Providing good quality services
  - Strengthening our partnership approach

### **4. Legal**

The procurement of this Works Contract has been conducted as a below Regulated Open Procedure, in accordance with the Renfrewshire Council's Standing Orders Relating to Contracts.

### **5. Property/Assets**

The Contract shall ensure that the Council's watercourses and reservoirs and flood prevention schemes are maintained to a high standard.

### **6. Information Technology**

No Information Technology implications are anticipated.

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.

8. **Health & Safety**

John McGeady 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 ensures that the Council meets its statutory requirements in respect of procurement procedures, efficiency and modern Government.

10. **Risk**

John McGeady Limited's insurances have been assessed and evaluated by Corporate Risk to confirm that they meet 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.

13. **Climate Risk**

The level of impact associated with works connected with the Framework Contract has been assessed using the Scottish Government Sustainability Test.

**Waste Production** – Waste will be created from the works carried out under this Contract. The Contractor will be registered to dispose of the waste themselves or appoint a subcontractor who holds an appropriate waste licence for disposing of waste created by the works.

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