
To: Finance, Resources and Customer Services Policy Board

On: 02 February 2022

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

Heading: Contract Authorisation Report for a Framework Contract for Roads Related Maintenance Works (RC-CPU-20-172)

1. Summary

- 1.1 The purpose of this report is to seek the approval of the Finance, Resources and Customer Services Policy Board to enter into a Framework Contract with a number of suitably qualified and experienced Suppliers for Roads Related Maintenance Works (RC-CPU-20-172).
 - 1.2 The tendering procedure for this Works Framework Contract was conducted in accordance with the Public Contracts (Scotland) Regulations 2015 under the Open Procedure and Renfrewshire Council's Standing Orders Relating to Contracts for over Government Procurement Agreement (GPA) threshold Works contracts
 - 1.3 A Contract Strategy was approved by the Head of Operations and Infrastructure and the Procurement Manager in February 2021.
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2. Recommendations

- 2.1 It is recommended that the Finance, Resources and Customer Services Policy Board:-
- 2.1.1 Authorise the Head of Corporate Governance to enter into a multi-Supplier Framework Contract for Roads Related Maintenance Works (RC-CPU-20-172) ("Framework Contract") with the Suppliers listed in Appendix 2 to this report.
 - 2.1.2 Note the cumulative spend made under this Framework Contract will be up to the maximum value of £40,000,000 excluding VAT.
 - 2.1.3 Note that the Framework Contract is intended to commence on 3 March 2022 or alternatively, the date confirmed in the Council's Letter of Acceptance issued to each Supplier and will be for a period of two years with the Council having the option to extend on two (2) separate occasions for a period of up to twelve (12) months on each occasion.
 - 2.1.4 Note Call -Off Contracts made under this Framework Contract will be awarded by way of a Package Order using the selection procedure or the quotation procedure contained in the Framework Contract. For Lots 1 to 4 and 7 to 9 selection of the most appropriate procedure is at the discretion of the Council and will be subject to Council Standing Orders Relating to Contracts, the requirements of the individual Package Order (Call-off Contract) for the works and the need to secure best value. Lots 5 and 6 will follow the quotation procedure only.
 - 2.1.5 Grant delegated authority to the Strategic Commercial and Procurement Manager to approve the award of Call-off contracts exceeding the GPA threshold for services to the most economically advantageous tenderer. A Contract Authorisation Report will be submitted to the Finance, Resources and Customer Services Policy Board at the next available meeting advising of any contracts that exceed the GPA threshold for services with details of each exercise and outcome.

3. Background

- 3.1 Renfrewshire Council has a statutory obligation to maintain and improve all public roads and roads related structures within the Council boundary.
- 3.2 This Framework Contract includes maintenance and improvements of roads related maintenance works for the Council's road maintenance programme.
- 3.3 The Framework Contract will have nine (9) Lots as detailed below:
 - Lot 1 – Carriageway Resurfacing

- Lot 2 – Footway Resurfacing
- Lot 3 – Environmental Improvements
- Lot 4 – Carriageway Defect Patching
- Lot 5 – Surface Treatment
- Lot 6 – Pre-Patching in Advance of Surface Dressing
- Lot 7 – Works to Roads Related Structures
- Lot 8 – Road Markings
- Lot 9 – Minor Traffic Improvement Works

- 3.4 The Framework Contract will be formed under the NEC3 Framework Contract April 2013 edition with bespoke Z Clauses. Call-off Contracts awarded under Lots 1, 2, 5 and 6 of the Framework Contract will be formed using the NEC3 Engineering and Construction Short Contract April 2013 with bespoke Z Clauses. Call-off Contracts awarded under Lots 3, 4, 7, 8 and 9 of the Framework Contract will be formed using the NEC3 Term Service Short Contract April 2013 with bespoke Z Clauses.
- 3.5 The Framework Contract was tendered as an above GPA Threshold Works Contract using the Open Procedure in accordance with the Public Contracts (Scotland) Regulations 2015, as amended. The contract notice was dispatched via the Public Contracts Scotland portal on 3 December 2021 and advertised in the Find a Tender Service (FTS) on the same date. The tender documents were available for download through the Public Contracts Scotland – Tender portal.
- 3.6 During the tendering period, thirty-five (35) companies expressed an interest in the Framework Contract. By the closing date set for return of electronic tenders, 12 noon on Monday, 10 January 2022, fifteen (15) companies provided a response, two (2) declined to respond and eighteen (18) failed to respond. Of the fifteen (15) bids received, One (1) bid was received after the tender deadline and was rejected as a result of being a later submission. The remaining fourteen (14) Tender Submissions received were evaluated by a panel comprising representatives from Environment and Infrastructure, Health and Safety, Risk and the Corporate Procurement Unit.
- 3.7 The Tenderers were evaluated against a pre-determined set of criteria in the form of the Single Procurement Document, SPD (Scotland). All fourteen (14) Tenderers satisfied the Council's requirements in respect of their responses to the SPD (Scotland).
- 3.8 The technical and commercial responses contained in the Tender Submission were each scored against the award criteria of 30% technical (Quality) and

70% commercial (Price). The scores achieved by each Tenderers per Lot are as set out in Appendix 1 (attached to this report).

- 3.9 The Invitation to Tender stipulated that it was anticipated that four (4) Suppliers would be approved for inclusion in each Lot but the Council reserved the right to increase or decrease the number of Suppliers per Lot as deemed appropriate by the Council.
- 3.10 The Framework Contract ordering procedures contains the selection procedure and the quotation procedure. Where the selection procedure is applied then the Supplier ranked first per each Lot will be invited to apply for the Package Order (Call-Off Contract). Should the first ranked Supplier reject the invitation, the second ranked Supplier will be invited to apply for the Package Order (Call-Off Contract) and so on until the Package Order has been awarded. Where the quotation procedure is used the Package Order will be awarded to the most economically advantageous tenderer.
- 3.11 The Supplier ranking information detailed in Appendix 2 will be fixed for the first year of the Framework Contract. From the end of the first year and no later than 2 months prior to each anniversary of the Letter of Acceptance, Suppliers may submit an application for price increase or decrease in accordance with the terms of the Framework Contract for the purpose of re-evaluating the Suppliers' competitiveness. This annual re-evaluation will be in respect of prices and rates only. Where the revised prices and rates are accepted by the Council these will replace any earlier prices and rates quoted by the Supplier. The Council shall evaluate the new prices and rates and add this score to the quality score achieved by each Supplier in the original evaluation of Tenders for the Framework Contract. Suppliers will be re-ranked in accordance with the revised score. Where ranking positions are amended, the Council will notify all Suppliers awarded under this Framework Contract of their new ranking position prior to the commencement of the next year of the Framework Contract. The new ranking will apply for Package Orders (Call-Off Contracts) awarded after that anniversary of the Framework Contract.
- 3.12 All Suppliers accepted onto this Framework Contract have committed to providing Community Benefits. The level of Community Benefits provided will be based on the value of any Package Orders (Call-Off Contracts) awarded to each Supplier. The Community Benefits to be delivered will be in line with the Council's Community Benefits Outcome Menu.

Implications of the Report

1. Financial

The cost of all Package Orders (Call-Off Contracts) issued under this Framework Contract will be met by the individual Service budgets.

2. **HR & Organisational Development**

Not applicable.

3. **Community/Council Planning**

Reshaping our place, our economy and our future – the Framework Contract proposed will support the delivery of this outcome.

4. **Legal**

The tendering procedure for this Works Framework Contract was conducted in accordance with the Public Contracts (Scotland) Regulations 2015, as amended under the Open Procedure and Renfrewshire Council's Standing Orders Relating to Contracts for over GPA threshold Works contracts.

5. **Property/Assets**

The Council's roads infrastructure will be maintained to a high standard.

6. **Information Technology**

No Information Technology implications have been identified or 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. 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**

All Suppliers health and safety credentials were evaluated by Corporate Health and Safety and met the Council's requirements regarding health and safety.

9. **Procurement**

The procurement procedures outlined within this report shall ensure that the Council meets its statutory requirements in respect of procurement procedures, efficiency and modern Government.

10. **Risk**

All Suppliers insurances have been assessed and evaluated to confirm that they have met the 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 implications have arisen or 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 and is considered to be high risk. Suppliers awarded Package Orders (Call-off Contracts) under the Framework Contract will be required to organise their activities in such a way that the impact they have on the environment is minimised.

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List of Background Papers

None

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Appendix 1 Evaluation scoring

Lot 1 – Carriageway Resurfacing			
Tenderer	Price	Quality	Total
Finco Contracts Ltd	70.00%	30.00%	100.00%
Hillhouse Quarry Group Limited t/a MacAsphalt	67.68%	30.00%	97.68%
John McGeady Limited	58.51%	30.00%	88.51%
JH Civil Engineering Limited	54.00%	27.50%	81.50%
Tarmac Trading Limited	49.75%	30.00%	79.75%
Luddon Construction Limited	48.92%	30.00%	78.92%
Hamilton Tarmac	46.54%	26.25%	72.79%

Lot 2 – Footway Resurfacing			
Tenderer	Price	Quality	Total
Hillhouse Quarry Group Limited t/a MacAsphalt	70.00%	30.00%	100.00%
Finco Contracts Ltd	69.38%	30.00%	99.38%
John McGeady Limited	62.88%	30.00%	92.88%
JH Civil Engineering Limited	56.67%	27.50%	84.17%
Luddon Construction Limited	43.16%	30.00%	73.16%
Hamilton Tarmac	36.69%	26.25%	62.94%

Lot 3 – Environmental Network Improvement			
Tenderer	Price	Quality	Total
Hillhouse Quarry Group Limited t/a MacAsphalt	70.00%	30.00%	100.00%
JH Civil Engineering Limited	55.55%	27.50%	83.05%
John McGeady Limited	45.85%	30.00%	75.85%
Luddon Construction Limited	40.19%	30.00%	70.19%

Lot 4 – Carriageway Defect Patching			
Tenderer	Price	Quality	Total
Finco Contracts Ltd	70.00%	30.00%	100.00%
Hillhouse Quarry Group Limited t/a MacAsphalt	61.15%	30.00%	91.15%
JH Civil Engineering Limited	52.48%	27.50%	79.98%
John McGeady Limited	44.67%	30.00%	74.67%
Luddon Construction Limited	25.40%	30.00%	55.40%

Lot 5 – Surface Treatment			
Tenderer	Price	Quality	Total
Kiely Bros. Limited	70.00%	22.50%	92.50%
John McQuillan (Contracts) Limited	51.73%	22.50%	74.23%

Lot 6 – Pre-Patching in Advance of Surface Dressing			
Tenderer	Price	Quality	Total
Hillhouse Quarry Group Limited t/a MacAsphalt	70.00%	30.00%	100.00%
Finco Contracts Ltd	59.05%	30.00%	89.05%
John McGeady Limited	45.66%	30.00%	75.66%
JH Civil Engineering Limited	43.42%	27.50%	70.92%
Luddon Construction Limited	37.42%	30.00%	67.42%
John McQuillan (Contracts) Limited	29.66%	22.50%	52.16%

Lot 7 – Works to Roads Related Structures			
Tenderer	Price	Quality	Total
WI&A Gilbert Limited	70.00%	22.50%	92.50%
Chemcem Scotland Limited	59.83%	18.75%	78.58%

Lot 8 – Road Markings			
Tenderer	Price	Quality	Total
Finco Contracts Ltd	70.00%	30.00%	100.00%
Hillhouse Quarry Group Limited t/a MacAsphalt	50.26%	30.00%	80.26%
Luddon Construction Limited	42.36%	30.00%	72.36%
Markon Limited	52.65%	17.50%	70.15%
Tim Doody & Co. Limited	57.46%	12.50%	69.96%
WJ North Limited	48.21%	20.00%	68.21%

Lot 9 – Minor Traffic Improvement Works			
Tenderer	Price	Quality	Total
John McGeady Limited	70.00%	30.00%	100.00%
Hillhouse Quarry Group Limited t/a MacAsphalt	54.32%	30.00%	84.32%
Luddon Construction Limited	53.56%	30.00%	83.56%
Finco Contracts Ltd	47.27%	30.00%	77.27%

Appendix 2 Places on the Framework to be awarded for Year One

Lot 1 – Carriageway Resurfacing	
Tenderer	Ranking on Lot
Finco Contracts Ltd	1st
Hillhouse Quarry Group Limited t/a MacAsphalt	2nd
John McGeady Limited	3rd
JH Civil Engineering Limited	4th

Lot 2 – Footway Resurfacing	
Tenderer	Ranking on Lot
Hillhouse Quarry Group Limited t/a MacAsphalt	1st
Finco Contracts Ltd	2nd
John McGeady Limited	3rd
JH Civil Engineering Limited	4th

Lot 3 – Environmental Network Improvement	
Tenderer	Ranking on Lot
Hillhouse Quarry Group Limited t/a MacAsphalt	1st
JH Civil Engineering Limited	2nd
John McGeady Limited	3rd
Luddon Construction Limited	4th

Lot 4 – Carriageway Defect Patching	
Tenderer	Ranking on Lot
Finco Contracts Ltd	1st
Hillhouse Quarry Group Limited t/a MacAsphalt	2nd
JH Civil Engineering Limited	3rd
John McGeady Limited	4th

Lot 5 – Surface Treatment	
Kiely Bros. Limited	
John McQuillan (Contracts) Limited	

Lot 6 – Pre-Patching in Advance of Surface Dressing	
Hillhouse Quarry Group Limited t/a MacAsphalt	
Finco Contracts Ltd	
John McGeady Limited	
JH Civil Engineering Limited	

Lot 7 – Works to Roads Related Structures	
Tenderer	Ranking on Lot
WI&A Gilbert Limited	1st
Chemcem Scotland Limited	2nd

Lot 8 – Road Markings	
Tenderer	Ranking on Lot
Finco Contracts Ltd	1st
Hillhouse Quarry Group Limited t/a MacAsphalt	2nd
Luddon Construction Limited	3rd
Markon Limited	4th

Lot 9 – Minor Traffic Improvement Works	
Tenderer	Ranking on Lot
John McGeady Limited	1st
Hillhouse Quarry Group Limited t/a MacAsphalt	2nd
Luddon Construction Limited	3rd
Finco Contracts Ltd	4th