

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

**On: 14th September 2023**

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**Report by: The Director of Finance and Resources and the Director of Environment, Housing and Infrastructure.**

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**Heading: Contract Authorisation Report: Drainage Maintenance Works for Council Properties (RC-CPU-22-248)**

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## **1. Summary**

- 1.1 The purpose of this report is to seek approval of the Finance, Resources and Customer Services Policy Board to award a Works Contract for Drainage Maintenance Works for Council Properties to DAMM Environmental 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 June 2023 for a below Regulated (Works) contract using the Open Procedure.
  - 1.3 A Contract Strategy was approved by the Strategic Commercial and Procurement Manager on 30<sup>th</sup> June 2023 and the Head of Housing Services on 6<sup>th</sup> July 2023.
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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 Government to award a Contract for Drainage Maintenance Works for Council Properties (RC-CPU-22-248) to DAMM Environmental Limited;
  - (b) Authorise a Contract Period of 36 months with the Council having the sole option to extend for up to 12 months on two separate occasions to a Total Contract Period of 5 years. The proposed commencement date is 5<sup>th</sup> October 2023, with the actual date confirmed in the Council's Letter of Acceptance;
  - (c) Authorise a Contract value of up to £750,000.00 excluding VAT for the Contract period (initial and both extension periods); Any Orders to carry out works will be raised by the Council as and when required; and
  - (d) Note the award of this Contract requires the provision of a Data Processor Agreement as indicated within the tender documentation.
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### **3. Background**

- 3.1 Renfrewshire Council's Housing Services is responsible for providing effective and best practice estate management and housing maintenance services for the Council to meet its statutory and regulatory obligations as a landlord, while meeting the needs of its tenants and maximising the amount of rental income collected. As part of this process Housing Services, ensure that available houses are let quickly and efficiently.
- 3.2 The Council sought to appoint a suitably experienced Drain Maintenance/Repair Contractor to provide drain maintenance and repair services for sub-surface (below ground) drainage systems. The works include the provision of drain maintenance and repair services, diagnostic analysis, unblocking, flushing, jetting, CCTV surveys, vactor cleaning, excavation/disposal, reinstatement of footpath/highways including traffic management to Renfrewshire Council's housing stock.
- 3.3 To initiate this procurement process, a Contract Notice was published on the Public Contracts Scotland advertising portal on 11<sup>th</sup> July 2023 with the tender documentation available for downloading from the Public Contracts Scotland-Tender portal from this date.
- 3.4 During the live tender period, fifteen organisations expressed interest in the tender. By the closing date set for the return of electronic tender submissions, 12 noon on Friday 28<sup>th</sup> July 2023, four organisations submitted responses, three declined to respond, and eight organisations did not respond.
- 3.5 In accordance with the Council's Standing Order relating to Contracts June 2023 standing order 11.5, Tenderers were required to complete a Single Procurement Document (SPD) to be submitted with their submission.

All four tender submissions were evaluated against a pre-determined set of criteria in the form of the SPD by representatives from the following Council services: Housing Services, the Corporate Procurement Unit, Corporate Risk and Corporate Health & Safety.

3.6 All four tender submissions received complied with the minimum selection criteria of the SPD. The four tender submissions were each evaluated against the Award Criteria of 30% Quality and 70% Price.

3.7 The scores relative to the Award Criteria for each of the four tender submissions are noted below:

	<b>Price (70%)</b>	<b>Quality (30%)</b>	<b>Total (100%)</b>
<b>DAMM Environmental Limited</b>	70.00%	26.25%	96.25%
<b>IPSUM Water (England &amp; Wales) Limited</b>	63.05%	27.50%	90.55%
<b>John McGeady Limited</b>	53.83%	27.50%	81.33%
<b>City Gate Construction (Scotland) Limited</b>	34.90%	25.00%	59.90%

3.8 The evaluation of tender submissions received identified that the tender submission by DAMM Environmental Limited was the most economically advantageous tender.

3.9 The Conditions of Contract governing this contract are the SBCC Measured Term Contracts for use in Scotland (SBC/MTC/Scot), 2011 Edition incorporating Employers Amendments.

3.10 Community Benefits were requested as part of the procurement process and DAMM Environmental Limited confirmed that the following Community Benefit would be made available to the Council for this Contract.

Community Benefit Outcome Description	No of People / Activity
Job for an unemployed Individual	6
Work Experience Placement for an Individual 16+ years of age	4
S/NVQ	1
Industry Skill Transfer to Schools	1
Business Advice/Support to local SME/Social Enterprise/Voluntary organisation	4

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## Implications of the Report

1. **Financial** –The Financial and Economic Standing have been assessed as part of the tender selection criteria- DAMM Environmental Limited passed. The cost for these works will be met by the Housing Revenue Account (HRA) budget.
2. **HR & Organisational Development** – No TUPE implications.
3. **Community/Council Planning** –
  - Place- Working together to enhance wellbeing across communities. The works will ensure that the Council’s housing stock is up to standard and fit for purpose.
  - Economy- Building an inclusive, green, and resilient economy (matching people, skills and opportunities). DAMM Environmental Limited has committed to deliver Community Benefits as set out within 3.10 of this report.
  - Fair- Nurturing bright, happy and healthy futures for all. Tenderers were assessed within the procurement process regarding their approach to Fair Work First throughout their organisation and supply chain i.e. payment of the living wage, training and development opportunities and effective voice.
  - Green- Leading Renfrewshire to Net Zero. DAMM Environmental has indicated to ensure working in the community towards a net zero Renfrewshire by 2030 while ensuring waste generated from the works are disposed of appropriately.
  - Living our values- Making a difference together. Delivering Best Value for our citizens and customers.
4. **Legal** – The Procurement of this Contract was conducted as a below Regulated (Works) Open Procedure in accordance with the Council’s Standing Orders Relating to Contracts June 2023.

5. **Property/Assets** - By awarding this measured term contract, the Council will have the ability to carry out complex drainage repairs on a reactive basis which will improve the quality of its housing stock.
6. **Information Technology** - No information Technology implications have arisen 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** – DAMM Environmental Limited 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 procedures outlined within this report ensures that the Council meets its statutory requirements in respect of procurement procedures, efficiency, and modern Government.
10. **Risk** – DAMM Environmental Limited insurances have been assessed and evaluated to confirm that they meet the minimum requirements regarding insurable risk.
11. **Privacy Impact** - A Data Processor Agreement will be in place between Renfrewshire Council and DAMM Environmental Limited.
12. **Cosla Policy Position** – No COSLA Policy Position implications have arisen or are anticipated.
13. **Climate Risk** – The level of impact associated with provision of these works has been assessed using the Scottish Government Sustainability Test and is considered high risk.
  - **Carbon Energy Consumption** – The contractor will be required to consider energy saving measures where possible. As part of the drainage maintenance all lighting is being changed to low energy LEDs.

- **Waste Production** – Contractor will be required to consider waste reduction and recycling measures while undertaking these works. Contractors are required to provide details of their proposed Waste Carrier.

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### List of Background Papers

(a) None

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