

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

**On:** 28 March 2018

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

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**Heading:** Contract Award: Electrical Upgrade and Re-Wire at Inchinnan Primary School (RC-OC-17-002)

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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 Contract for the Electrical Upgrade and Re-Wire at Inchinnan Primary School (RC-OC-17-002) to Clark Contracts Limited.
  - 1.2 The recommendation to award this Works Contract follows a procurement exercise which was conducted in accordance with the Council's Standing Orders relating to Contracts as the value was below the threshold value for Regulated Works Contracts.
  - 1.3 A Contract Strategy was approved by the Head of Property Services and the Strategic Procurement Manager on 22 November 2017
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## 2. **Recommendations**

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

- (a) the Head of Corporate Governance to award a Contract for the Electrical Upgrade and Re-Wire at Inchinnan Primary School(RC-OC-17-002) to Clark Contracts Limited;
  - (b) the Contract Sum of £292,213.76 excluding VAT;
  - (c) the use by the Council of a potential Risk Allowance (where required) of an additional £29,214.00 excluding VAT; and
  - (d) the total contract period of six (6) weeks for these Works with the date of possession scheduled for 28 June 2018 and the estimated date for completion of the Work as 09 August 2018. Confirmation of the actual timescales and dates will be confirmed in the Council's Letter of Acceptance to Clark Contracts Limited.
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### **3. Background**

- 3.1 As part of the Council's continuing strategy to upgrade existing premises, it has been agreed to undertake an upgrade of existing electrical systems at Inchinnan Primary School, including (but not limited to) upgrading and installing new wiring, new distribution boards, new lighting, new electrical sockets & the installation of new suspended ceilings in the corridors.
- 3.2 A contract notice was published on the Public Contract Scotland advertising portal on 23 November 2017 with the tender documentation available for downloading from the Public Contract Scotland – Tender platform.

During the tendering period twenty-four (24) companies expressed an interest in the Contract. By the closing date set (12 noon, 15 January 2018) for return of electronic tender submissions, five (5) companies responded and each issued a Tender Submission.
- 3.3 In accordance with Standing Order 11.5, all five (5) tender submissions were evaluated against a pre-determined set of criteria in the form of

the European Single Procurement Document (ESPD) by representatives from the following Council Services: Property Services, the Corporate Procurement Unit, Corporate Risk and Corporate Health & Safety.

3.4 All five (5) tender submissions confirmed compliance with the minimum selection criteria set within the ESPD and progressed to evaluation of Award Criteria which was based on a combined weighting of 60% Quality and 40% Price.

3.5 The scores relative to the Award Criteria for each tenderer are noted below:

		<b>Quality (60%)</b>	<b>Price (40%)</b>	<b>Total (100%)</b>
<b>1</b>	<b>Clark Contracts Limited</b>	50.10%	37.27%	<b>87.37%</b>
<b>2</b>	<b>Servest Arthur McKay Limited</b>	47.45%	38.05%	<b>85.50%</b>
<b>3</b>	<b>Electrical &amp; Data Systems Limited</b>	46.30%	34.44%	<b>80.74%</b>
<b>4</b>	<b>Marmac Services Limited</b>	40.40%	40.00%	<b>80.40%</b>
<b>5</b>	<b>John G Mackintosh Limited</b>	41.25%	34.81%	<b>76.06%</b>

3.6 The evaluation of tender submissions received identified that the tender submission by Clark Contracts Limited was the most economically advantageous tender submission.

3.7 A capital budget of £276,250 was made available for the undertaking of works required within this procurement process. Based on the Contract Sum stated at 2.1(b) above, this represents a non-cashable overspend of circa £15,964 against the works tendered.

3.8 Community Benefits were requested as part of the procurement process and Clarks Contracts advised within their tender submission that the following Community Benefits would be made available to the Council under this Contract:

<b>Community Benefit Description</b>	<b>No of People / Activity</b>
Graduates	1

Work Experience Placements (16+ years of age)	2
Further Education Visits	1
Work Experience Placements (14-16years of age)	2
Careers Event	1

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## Implications of the Report

1. **Financial** – The financial status of Clark Contracts Limited was by undertaking a Dun and Bradstreet evaluation and it confirmed that the company satisfied the Council's requirements in relation to financial stability.
2. **HR & Organisational Development** – No TUPE implications have arisen or are anticipated.
3. **Community/Council Planning**
  - Our Renfrewshire is fair –Tenderers were assessed within this procurement process in regards 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 etc.
  - Our Renfrewshire is safe – A central requirement of the Property Services department 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 – Clark Contracts Limited has committed to deliver a number of Community Benefits as detailed within section 3.8 of this report.

4. **Legal** – The procurement of this Contract was in accordance with the Council's Standing Orders relating to Contracts as the value of the Contract was below the thresholds values for a Works Contract under both the Regulated and EU Procurement procedures.
5. **Property/Assets** – The implication on Property / Assets as a result of this recommendation be the improvement of the electrical distribution throughout Inchinnan Primary School including the modernisation of the existing fire alarm and emergency lighting features. The proposed Electrical Upgrade and Re-Wire at Inchinnan Primary School are planned to be undertaken and completed during the Summer holiday period, there should be no implications on school operations, as staff and pupils have vacated the premises for the summer holidays.
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 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** – Clark Contracts 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 shall ensure that the Council meets its statutory requirements in

respect of procurement procedures, efficiency and modern Government.

10. **Risk** – Clarks Contracts 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 Position implications have arisen or are anticipated

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#### **List of Background Papers**

(a) Not Applicable

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