

To: Finance, Resources and Customer Services Policy Board

On: 07 June 2017

Joint Report

By

Chief Executive and the Director of Community Resources

Contract Authorisation Report

**Contract Authorisation: 2017 Pre Patching of Road Surfaces
in Advance of Surface Treatment (Contract 2) - RC/OC/280/17**

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 Pre Patching of Road Surfaces in Advance of Surface Treatment.
 - 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 and the below EU Threshold Open Procedure for Works.
 - 1.3 Authority to undertake pre patching works was approved by the Roads Capital Works Project Board on 17 March 2017. A Contract Strategy was prepared by Corporate Procurement for all 2017/18 Capital Roads Resurfacing Works and was approved by the Director of Community Resources and Strategic Commercial and Procurement Manager.
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2. Recommendations

- 2.1 It is recommended that the Finance, Resources and Customer Services Policy Board authorise the Head of Corporate Governance to award:
- a. The contract for Pre Patching of Road Surfaces in Advance of Surface Treatment to Newlay Civil Engineering Ltd.
 - b. At the Contract Sum of £223,056.75 excluding VAT. Plus 10% contingency for any unforeseen works.
 - c. The starting date is anticipated to be Monday 17 July 2017 however this shall be confirmed in the Council's Letter of Acceptance .The completion date being 12 weeks from the confirmed starting date.
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3. Background

- 3.1 Community Resources are responsible for the management and maintenance of all roads, excluding trunk roads, within the Council's boundaries.

Capital investment was announced at the Council budget meeting on 16 February 2017, announcing the largest single investment for maintenance of Renfrewshire's road network with £6.7million for key routes to keep Renfrewshire's economy moving freeing up extra resource for residential roads for 2017/2018.

This contract includes the pre patching (pot hole repair) of road surfaces in advance of further road surface treatment.

- 3.2 A contract notice was published on the Public Contract Scotland advertising portal on Wednesday 29 March 2017 with the tender documentation available for downloading from the Public Contract Scotland – Tender website. During the tendering period thirteen (13) companies expressed an interest in the contract. By the closing date set for return of electronic tenders of Wednesday 19 April 2017, six (6) companies submitted a response.
- 3.3 The six tender submissions were initially evaluated against a set of predefined bid selection criteria in the form of the European Single Procurement Document (ESPD) by representatives from Corporate Procurement Unit, Corporate risk and Corporate Health & Safety.
- 3.4 Five (5) Tenderers confirmed compliance with the minimum criteria of the ESPD and were then evaluated against a set of award criteria which was based on 30% Technical (Quality) and 70% Commercial (Price).

3.5 The scores relative to the award criteria of the tenderers are noted below:

	Quality (30%)	Price (70%)	Total (100%)
Newlay Civil Engineering Ltd	25.40	70.00	95.40
Mac Asphalt Ltd	28.00	57.03	85.03
MacLay Civil Engineering Ltd	24.95	54.07	79.02
Finco Contracts Ltd	20.25	56.90	77.15
Hillhouse Quarry Group Ltd	21.30	26.67	47.97

3.6 The evaluation of tender submissions received identified that the submission by Newlay Civil Engineering Ltd was the most economically advantageous.

3.7 A capital budget of £300,000 was made available for this project. Based on the costs submitted by Newlay Civil Engineering Ltd, this represents a non-cashable saving of £76,943 for the contract.

3.8 Community Benefits were requested as part of the procurement process and Newlay Civil Engineering Ltd, advised within their tender submission that the following Community Benefits would be available:

Community Benefit Description	No of People / Activity
New Entrant Job Opportunity – Minimum 12 Weeks	1
School Visits	1
Meet the Buyer Event	1
Non-Financial Support for a Community Project (May include volunteering for a minimum of 3 days)	1

Implications of the Report

1. Financial

The financial status of Newlay Civil Engineering Ltd was assessed 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 Planning

The community benefits submitted under this contract are listed within section 3.8 of this report.

4. Legal

The procurement of this contract has been conducted in accordance with the Council's Standing Orders relating to Contracts and Procurement Reform (Scotland) Act 2014 using the open tender procedure.

5. Property Assets

In carrying out the work involved within the contract, it shall prepare the road network for surface treatment works that will ultimately improve council maintained roads and transport infrastructure.

6. Corporate Services

None

7. Information Technology

None

8. Equality and 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.

9. Health & Safety

There are no health and safety implications associated with award of the contract.

10. 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.

11. Risk

Newlay Civil Engineering Ltd insurances have been assessed and evaluated to confirm they meet the minimum requirements regarding risk.

12. Privacy Impact

No Privacy Impact Assessment requirements were identified within this procurement.

List of background papers

(a) None

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