

To: Procurement Sub Committee

On: 16th March 2016

Report by:

**Joint Report
by
The Chief Executive and Director of Development and Housing
Services**

Heading:

**Contract Authorisation: Year 7 Measured Term Contract made under Lot 1 of
the Framework Agreement for Housing Capital Investment Internal works
Programme (Years 6-9) reference RC1407_2637 (ITT 5324)**

1. Summary

- 1.1 The purpose of this report is to seek the approval of the Procurement Sub-Committee to award the Years 7 Measured Term Contract (MTC) under Lot 1 of the Framework Agreement for the Housing Capital Investment Internal Works Programme (Years 6-9): RC1407_2637(ITT 5324).
 - 1.2 The Council's Framework Agreement was tendered in accordance with the above EU Threshold Open Procedure for Works and the Council's Standing Orders Relating to Contracts.
 - 1.3 A contract Strategy was approved by the Strategic Commercial and Procurement Manager and the Head of Housing Services on 27th August 2014.
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2. Recommendations

- 2.1 It is recommended that the Procurement Sub-Committee authorise the Head of Corporate Governance to award the Year 7 MTC made under Lot 1 of the Framework Agreement for the Housing Capital Investment Internal Works Programme (Years 6-9): RC1407_2637(ITT 5324). to Mitie Property Services (UK) Limited.
- 2.2 The anticipated spend will be up to £1m, excluding VAT.
- 2.3 The MTC will be for a Contract Period of 12 months from the award of this Package Order (MTC). The anticipated date of award is the 31st March 2016, however the actual date will be confirmed in the Council's letter of Acceptance for this MTC.
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3. Background

- 3.1 The Framework Agreement was approved by the Procurement Sub-Committee on 3rd December 2014.
- 3.2 The first MTC (year 6) made under Lot 1 was issued on 2 February 2015 to start on the same date. On the anniversary date of the MTC for Year 6, all three contractors awarded onto Lot 1 of the framework submitted a review of their prices for Year 7.
- 3.3 The submission of prices for Year 7 was evaluated and given a commercial (Price) score out of 60%, the score for each contractor was then added with their Quality score evaluated and identified at the Framework Agreement award stage. The cumulative score bringing together the Price and Quality elements for each tenderer is noted as follows:

Contractor	Price (60%)	Quality (40%)	Total (100%)
Mitie Property Services (UK) Limited	43.71	37.90	81.61
Keepmoat Regeneration Limited	44.87	36.65	81.52
McTear Contracts Limited	60.00	14.25	74.25

- 3.4 The evaluation of submissions received identified that the submission by Mitie Property Services (UK) Limited was the most economically advantageous.
- 3.5 Financial costs in respect of this contract will be met by the Service's Revenue Budget.
- 3.6 Community benefits were secured at inception of the Framework:

Community Benefit	No of People/Activity
Modern Apprenticeships	2
Graduates	1
Job (Unemployed)	2
Trainee Position	1
Career Events	2
Supply Chain Briefings with SME's	2
Business Support Social Enterprises, Supported Businesses, Third Sector Organisations	2
Mentoring Third Sector Organisations	2
S/NVQ's or equivalent for Existing Employees	5
S/NVQ's or equivalent for New Entrants	2
S/NVQ's or equivalent for Sub-contract staff	2

Implications of the Report

1. Financial

The financial status of Mitie Property Services (UK) Limited has been assessed by undertaking a Dun and Bradstreet evaluation and it is confirmed that the company have 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

Mitie Property Services (UK) Limited has a commitment to deliver a number of Community Benefits under this contract as detailed in section 3.6 of this report.

4. Legal

The tendering procedures for the establishment of the Framework Agreement were in accordance with the Renfrewshire Council's Standing Orders Relating to Contracts and the Public Contracts (Scotland) Regulations 2012 (as

amended). This MTC has been awarded in accordance with the Framework Agreement requirements and the Council's Standing Orders relating to Contracts.

5. **Property Assets**

The refurbishment of kitchens and bathrooms, rewiring and the upgrading of heating systems will ensure that the council's property assets are kept up to a modern standard.

6. **Information Technology**

None

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**

The contractor's health and safety was vetted as part of the establishing of the Framework Agreement.

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**

Insurance levels were provided by Corporate Risk and insurance documents submitted as part of the tendering process were evaluated. Mitie Property Services (UK) Limited have sufficient cover in place.

11. **Privacy Impact**

N/A

List of background papers

(a) Background Papers - Contract Authorisation: Framework Agreement for Housing Capital Investment Internal works Programme (Years 6-9) RC1407_2637 (ITT 5324)

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