

To: Procurement Sub Committee

On: 29th March 2017

**Joint Report
by
Chief Executive and Director of Community Resources**

Contract Authorisation Report

**Contract for the Supply, Delivery and Erection of New Modular Welfare Facility at
Underwood Road Depot**

1. Summary

- 1.1 The purpose of this report is to seek the approval of the Procurement Sub Committee to enter into a SBCC Minor Works Building Contract for use in Scotland (SBC/MW/Scot) 2011 edition for the Construction and Installation of Modular Welfare Facilities at Underwood Road Depot in Paisley.
 - 1.2 The works have been tendered in accordance with Councils Standing Orders relating to Contracts 2016.
 - 1.3 A Contract Strategy was approved by the Strategic Commercial and Procurement Manager and Director of Community Resources in November 2016.
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2. Recommendations

- 2.1 It is recommended that the Procurement Sub-Committee authorise:
 - 2.1.1 The Head of Corporate Governance to award a contract for the works relating to the Construction and Installation of New Modular Welfare Facilities at Underwood Road Depot in Paisley to Portakabin Limited.
 - 2.1.2 The Contract Value is £646,342.00 excluding VAT.
 - 2.1.3 The Date for Commencement of Works is anticipated to be 10 April 2016 or as stated in the Council's Letter of Acceptance with the construction works Completion within 18 weeks of the Date for Commencement of Works.

3. Background

- 3.1 The works involved form part of the Council's Depots Rationalisation Strategy, as approved by the Council in October 2014, to centralise the depot function across the Renfrewshire area. These works will allow staff to relocate from Clark Street, improve the current condition of existing buildings at Underwood Road, including significant improvements to employee welfare facilities and create a new central salt store at the Underwood Road depot.
- 3.2 The works to be carried out under the Contract are for the supply, delivery and erection of new welfare facilities and office accommodation in the form of a new modular building. The modular building will have a combination of welfare facilities and office accommodation situated across two floors and includes the installation of a lift and will replace the existing welfare facilities that will be demolished as part of a separate works contract for the refurbishment and improvements at the Depot.
- 3.3 This Contract has been tendered separately from the main works due to the long lead in time, for off-site fabrication of the modular building.
- 3.4 The Contract was tendered in accordance with the Council's Standing Orders relating to Contracts 2016 as an open tender for works under EU threshold. A Contract notice was published on Public Contracts Scotland on 24 January 2017 with access to the Tender Documents through the Public Contract Scotland Tenders Portal.
- 3.5 During the tender period twenty two suppliers accessed the tender documents with six suppliers submitting tenders for the works by the deadline of 17 February 2017.
- 3.6 Tender submissions received were evaluated against the pre-determined award criteria of 50% Price and 50% Quality. The commercial evaluation was carried out by CPU with the Quality evaluation being carried out by representatives from Community Resources.
- 3.7 As part of the tender suppliers were requested to provide specification and details of their proposed buildings these were reviewed by the project Building Surveyors, Project Management Partnership Limited (PMP) to determine if the proposed solutions met the requirements for the new modular building. PMP have confirmed that only two proposals from Wernick Buildings Limited and Portakabin Limited would be considered suitable.
- 3.8 The result of the evaluation is shown in table 1 below:

Table 1:

	Portakabin Limited	Wernick Buildings Limited
Price	41.98%	50%
Quality	41.03%	21.73%
Total	83.01%	71.73%

- 3.9 Based on the results of the evaluation carried out the tender from Portakabin Limited represents the most economically advantageous tender.
- 3.10 The cost of £643,342.00 excluding VAT for the works will be funded from the Community Resources capital budget for 2017/18.

- 3.11 As part of this tender Portakabin Limited have committed to the delivery of the community benefits, listed in table 2 during the delivery of this contract:

Table 2:

Description	Quantity
Work Experience Placements (14 - 16 years of age)	4
Work Experience Placements (16 + years of age)	4

Implications of this report

1. Financial Implications

The financial status of Portakabin Limited was assessed as part of the evaluation process and met with the Council's minimum requirements for this contract.

2. HR and Organisational Development

The refurbishment of Underwood Road and relocation of Building Services from Clark Street has been discussed with relevant Trade Unions and workplace meetings have taken place with relevant employee groups.

3. Community Plan/Council Plan Implications

Portakabin Limited has a commitment to deliver a number of community benefits under this contract as detailed in table 2 of this report. The works under this contract will also have overarching benefits:

Developing our Organisation - The refurbishment of the depot at Underwood Road will ensure that the Council is significantly investing in our own assets rather than leased facilities and can be future proofed for future service change.

4. Legal Implications

The Tendering process has been carried out in accordance with the Council's Standing Orders relating to Contracts 2016 for Contracts below EU Threshold for Works.

5. Property Implications

The works covered by the Contract will improve the current environment of the Underwood Road Depot.

6. Corporate services Implications

None

7. Equal Opportunities Implications

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 and Safety Implications

Portakabin Limited's health and safety submission will be evaluated by Renfrewshire Council's Health and Safety section to confirm they meet the minimum requirements regarding health & safety for this contract prior to contract award.

9. Procurement Implications

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

10. Risk Implications

Insurance levels were provided by Corporate Risk and insurance certification will be checked prior to contract award.

11. Privacy Impact

None

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