

To: Finance, Resources and Customer Services Policy Board

On: 21 June 2017

**Joint Report
by
The Chief Executive and the Chief Executive of Renfrewshire Leisure
Limited**

Contract Authorisation Report for King George V Pavilion Refurbishment

1. Summary

- 1.1. The purpose of this report is to request the Finance, Resources and Customer Services Policy Board to authorise the Head of Corporate Governance to enter into an SBCC Standard Building Contract without Quantities for the Refurbishment of the King George V Sports Pavilion at Broadloan, Renfrew, PA4 0SA (Ref: RC/OC/216/17).
 - 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. A contract strategy was approved by the Head of Property Services and the Strategic Commercial Category Manager in November 2016.
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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 the contract for King George V – Pavilion Refurbishment to Clark Contracts Limited.
 - b. the Contract Sum for the works is £297,202.98 excluding VAT.
 - c. the Contract will commence on 3 July 2017 or the date stated in the Letter of Acceptance and the Date of Possession will be 2 weeks from date stated in the letter of Acceptance. The Completion Date will be twelve (12) weeks from the Date of Possession.

3. Background

- 3.1. A previous paper was presented to the Procurement Sub Committee in February 2017 to recommend the award of this contract to Galliford Try Building Limited t/a Galliford Try Facilities Management (GTFM) however, subsequent to the approval of the contract, the formal award was delayed as the Council required to use King George V Pavilion as a polling station during both the 2017 Scottish local elections and the General Election 2017. GTFM consequently withdrew their offer in May 2017 as they were unable to hold their resources and price to meet the revised programme.
- 3.2. Following GTFM's withdrawal, the second named contractor has confirmed that their offer remained valid and due to the delay a revised timetable for the programme has been agreed.
- 3.3. The Chief Executive and Chief Executive of Renfrewshire Leisure Limited therefore recommend the Finance, Resources and Customer Services Policy Board approve the recommendation to award this contract to Clark Contracts Limited, who were the second ranked tenderer in the previous paper, as noted in 3.1, as the most economically advantageous tender.
- 3.4. The Council has committed £5m to the refurbishment of sports grounds throughout the Renfrewshire area.
- 3.5. On behalf of Renfrewshire Leisure Limited, the Department of Finance and Resources sought bids from a suitably qualified and experienced Contractor to carry out the Refurbishment of the Sports Pavilion at King George V Park, Broadloan, Renfrew, PA4 0SA.
- 3.6. A Contract notice was published on the Public Contract Scotland advertising portal on 9th November 2016 with the tender documentation available for downloading from the Public Contract Scotland – Tender website. During the tendering period forty (40) companies expressed an interest in the contract. By the closing date set for return of electronic tenders, 12 December 2016, nine (9) companies submitted a response.

All nine tender submissions were evaluated against a pre-determined set of criteria in the form of the European Single Procurement Document (ESPD) by representatives from Corporate Procurement Unit, Corporate risk and Corporate Health & Safety.
- 3.7. All nine submissions confirmed compliance with the minimum criteria of the ESPD and were evaluated against a set of award criteria which were based on a price / quality ratio of 70%/30%.
- 3.8. During the commercial evaluation two tender submissions were found to be non compliant due to incomplete pricing submissions.

3.9. The scores relative to the award criteria of the remaining tenderers are noted below:

Contractor	Technical Score (30%)	Commercial Score (70%)	Total Score
Clark Contracts Limited	28.03%	57.52%	85.54%
AGM Interiors Limited	19.55%	61.03%	80.58%
Advanced Refurbishment Contracts Ltd	19.15%	56.02%	75.17%
Brick and Steel Construction Limited	19.03%	51.46%	70.49%
IQA Operations Group	20.15%	48.76%	68.91%
City Gate Construction (Scotland) Limited	14.55%	47.42%	61.97%

3.10. It should be noted that the scores for Galliford Try Building Limited trading as Galliford Try Facilities Management (GTfM) have been removed from the table in 3.8 as they have withdrawn their offer.

3.11. It should be noted that the scores in the table at 3.8 have not been recalculated to remove GTfM's scores. However, the CPU did a due diligence exercise on the evaluation scores and confirm that by removing GTfM's scores, Clark Contracts are still the most economically advantageous tender.

3.12. Community Benefits were requested as part of this Contract and Clark Contracts Limited has committed the following Community Benefits:

Description	Quantity
Supply Chain Briefings with SME's including micro businesses	1
Non financial support for a Community Project	2
Work Experience Placement Graduate	1
Work Experience Placements (14-16 years of age)	2

Implications of this report

1. Financial Implications

The financial status of the supplier recommended for award has been assessed by undertaking a Dun and Bradstreet evaluation and it is confirmed that the companies satisfy the Council's requirement in relation to financial stability. This will be continually monitored throughout the life of the contract.

2. HR & Organisational Development

None

3. **Community Planning / Council Plan Implications**

The community benefits committed under this contract are listed within section 3.12 of this report.

4. **Legal Implications**

The procurement of this contract has been conducted in accordance with the Council's Standing Orders relating to Contracts, the Public Contracts (Scotland) Regulations 2015 using the open tender procedure for below EU threshold works.

5. **Property Assets**

In carrying out the work involved with the contract, the sports pavilion will be upgraded providing the community with improved facilities.

6. **Corporate Services Implications**

There are no corporate services implications associated with award of the contract.

7. **Equality 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 & Safety Implications**

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

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**

Clark Contracts Limited's insurances have been assessed and evaluated to confirm they meet the minimum requirements regarding risk.

11. **Privacy Impact**

None.

List of background papers

- (a) Contract Authorisation Report for King George V Pavilion Refurbishment approved at Procurement Sub Committee on 15 February 2017.

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