

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

**On:** 10 November 2021

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**Report by:** The Chief Executive

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**Heading:** Contract Award: Inchinnan Cycleway

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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 Works Contract for Inchinnan Cycleway to Luddon Construction Limited. The form of Contract is a NEC3 Engineering and Construction Short Contract as supplemented and amended by the Council specific "Employer's Amendments."
  - 1.2** The recommendation to award the Contract follows a procurement exercise conducted via an Open procedure under the Council's Standing Orders Relating to Contracts for below Regulated Threshold Works Contract.
  - 1.3** A Contract Strategy was approved by the Programme Director - City Deal and Infrastructure and the Corporate Procurement Manager on 9 September 2021.
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## 2. Recommendations

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

- 2.1 Authorise the Head of Corporate Governance to award a Contract for Inchinnan Cycleway to Luddon Construction Limited;
- 2.2 Note the anticipated *starting date* is 17 January 2022. The actual *starting date* will be confirmed in the Council's Letter of Acceptance to Luddon Construction Limited. The *completion date* is 26 weeks from the actual *starting date*.
- 2.3 Authorise that the total of the Prices is £946,378.83 excluding VAT.
- 2.4 Authorise the approved Contract value up to £1,343,630 excluding VAT which includes for quantified risk and contingency.

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## 3. Background

- 3.1 This procurement is for the appointment of a Contractor to undertake *works* that involve the widening out of the existing footway provision to form a series of shared and separated footways & cycleways along Greenock Road, Inchinnan. The route, between Inchinnan Drive and a new cycling and pedestrian bridge over the Black Cart river will improve active travel options and enhance safety from Inchinnan Business Park to the Advanced Manufacturing Innovation District Scotland (AMIDS) area. To enable this, the existing carriageway will be narrowed, and the speed limit reduced from 50mph to 40mph along Greenock Road.
- 3.2 A contract notice for this tender was published on the Public Contracts Scotland advertising portal on Thursday 9 September 2021 with the tender documentation available for downloading from the Public Contract Scotland-Tender platform on this date.
- 3.3 During the live tendering period, twenty nine (29) companies expressed an interest in this opportunity. By the tender return date (14 October 2021 at 12 noon), seven (7) companies submitted a response, five (5) companies declined and seventeen (17) failed to respond.
- 3.4 The seven (7) tender submissions received contained a completed Single Procurement Document (SPD) which was evaluated against a pre-determined set of criteria in the form of the Single Procurement Document (SPD) by representatives from the following Council services: City Deal and Infrastructure team, the Corporate Procurement Unit, Corporate Risk and Corporate Health and Safety.

- 3.5 The seven (7) tender submissions received complied with the minimum selection criteria of the SPD. The seven (7) tender submissions progressed to evaluation of the Award Criteria which were based on a weighting of 30% quality and 70% price. One (1) Tenderer's bid was deemed to be an irregular bid as their commercial submission failed to comply with the procurement documents. As a result, their bid was not considered further.
- 3.6 The scores relative to the Award Criteria for each tender submission are noted below:

		<b>Quality (30%)</b>	<b>Price (70%)</b>	<b>Total (100%)</b>
<b>1</b>	Luddon Construction Limited	21.00%	70.00%	<b>91.00%</b>
<b>2</b>	Hillhouse Quarry Group Limited T/A MacAsphalt	25.20%	63.63%	<b>88.83%</b>
<b>3</b>	JH Civil Engineering Limited	23.95%	64.41%	<b>88.36%</b>
<b>4</b>	John Graham Construction Limited T/A Graham Construction	27.30%	50.26%	<b>77.56%</b>
<b>5</b>	Noel Regan and Sons Building and Civil Engineering Contractors UK Limited	20.45%	53.19%	<b>73.64%</b>
<b>6</b>	Wills Bros Civil Engineering Limited	10.75%	46.17%	<b>56.92%</b>

- 3.7 The evaluation of tender submissions received identified that the tender submission by Luddon Construction Limited was the most economically advantageous to the Council.
- 3.8 Community Benefits were sought for this Contract and Luddon Construction Limited has committed to the following:

<b>Community Benefit Description</b>	<b>No of People / Activity</b>
Work Experience Placement for an individual 16+ years of age	2
S/NVQ (or equivalent)	2
Industry Awareness Events	2
Business advice/support to an SME /Social Enterprise/ Voluntary organisation	1

Luddon Construction Limited have also offered additional community benefits as part of the Contract which are not included on the Council's community benefit option menu. The additional community benefits offered are:

- Donation to a local foodbank
  - Engage with a local charity
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## **Implications of the Report**

1. **Financial** – The cost for this Contract will be met from existing City Deal and Infrastructure Capital programme resources.
2. **HR & Organisational Development** – No TUPE implications.
3. **Community/Council Planning** –
  - Our Renfrewshire is fair - Tenderers were assessed within this procurement process in regard 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.
  - Creating a sustainable Renfrewshire for all to enjoy – Luddon Construction Limited has committed to deliver Community Benefits as detailed within section 3.8 of this report.
4. **Legal** - The procurement of this Services Contract has been conducted as a below GPA Threshold Open Procurement Procedure in accordance with Renfrewshire Council's Standing Orders Relating to Contracts.
5. **Property/Assets** -. None
6. **Information Technology** – No Information Technology implications are anticipated.
7. **Equality & Human Rights**
  - (a) 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** - Luddon Construction Limited's 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 procedure outlined within this report shall ensure that the Council meets its statutory requirements in respect of procurement procedures, efficiency and modern Government
10. **Risk** – Luddon Construction Limited's insurances were evaluated by Corporate Risk and met the Council's 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.
13. **Climate Risk** – The climate risk implications have been assessed using the Scottish Government Sustainability Test and are considered to be low risk.

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