

ITEM NO. 1 (b)

To: Procurement Sub Committee

On: 29th March 2016

Report by:

Joint Report by Chief Executive and Director of Community Resources

Contract Authorisation Report

Lochwinnoch Bridge Strengthening Deck Replacement

1. Summary

- 1.1 The purpose of this report is to seek the approval of the Procurement Sub Committee to award a NEC3 Engineering and Construction Option B Contract (April 2013) for the Lochwinnoch Bridge Strengthening Deck Replacement.
- 1.2 This procurement exercise has been tendered in accordance with Renfrewshire Council's Standing Orders Relating to Contracts for below EU Threshold Works contracts
- 1.3 A Contract Strategy was prepared by the Corporate Procurement Unit and approved by the Strategic Commercial & Procurement Manager and the Director of Community Resources on 11th September 2015.

2. Recommendations

- 2.1 It is recommended that the Procurement Sub-committee authorise the Head of Corporate Governance to award the Contract for Lochwinnoch Bridge Strengthening Deck Replacement, reference RC1601_5298(ITT11121) to Coffey Construction Limited.
- 2.2 The procurement Sub-Committee is asked to note that the value of this contract is £785,367.74, excluding VAT.
- 2.3 The Contract is expected to start in 08th April 2016 and is for a duration of 21 weeks, the actual date of commencement will be confirmed in the letter of acceptance.

3. Background

- 3.1 The Council has a requirement for a suitably qualified and experienced contractor to carry out Bridge Strengthening Deck Replacement works in Lochwinnoch.
- 3.2 A Contract notice was published on the Public Contract Scotland advertising portal on 15th January 2016 with the tender documentation available for downloading from the Public Contract Scotland Tender website. During the tendering period fifteen companies expressed an interest in the contract. By the closing date set for return of electronic tenders, 12 noon on 11th February 2016, seven companies submitted a response, three companies declined to tender and five did not respond.
- 3.3 The seven electronic tender submissions received were evaluated by representatives from the Corporate Procurement Unit, Corporate Insurance, Health & Safety and Community Resources against pre-determined Bid Selection Criteria which assessed their capacity, experience & track record and their technical and financial capabilities.

3.4 All seven companies met the Bid Selection Criteria. Tender submissions were then evaluated against a set of award criteria which were based on a Price/Quality ratio of 80%/20%. The scores relative to the Award Criteria of each tenderer are as follows:

	Price (80%)	Quality (15%)	Community Benefits (5%)	Total
Coffey Construction Ltd	71.85	15.00	4.65	91.50
Barhale Construction plc	69.19	15.00	3.58	87.76
Diack & Macaulay Ltd	80.00	3.75	3.25	87.00
RJ McLeod (Contractors) Ltd	69.45	11.25	4.55	85.25
Raynesway Construction Limited	56.41	15.00	4.85	76.26
WI A Gilbert Ltd	66.88	3.75	4.25	74.88
George Leslie Limited	46.80	11.25	3.95	62.00

- 3.6 The evaluation of tenders received identified that the tender submitted by Coffey Construction Ltd is the most economically advantageous.
- 3.7 The budget available for this project is £900,000.00, based on the price submitted by Coffey Construction Ltd this represents a non cashable saving of £114,632.26. Financial costs in respect of this contract will be met by Community Resources Capital Budget for Financial Year 2015/16.
- 3.8 Community Benefits were requested as part of this Contract and, Coffey Construction Ltd offered the following Community Benefits;

Description	Quantity
Jobs (Unemployed)	1
Work Experience Placements (16+ years)	1
Workplace visits	1
School Mentoring	1
Supply Chain briefings with SME's	1
Business Mentoring SME's	1

Implications of the Report

1. Financial

The financial status of Coffey Construction Ltd has been assessed by undertaking a Dun and Bradstreet evaluation and it is confirmed that the company satisfies the Council's requirements in relation to financial stability.

2. HR & Organisational Development

N/A

3. Community Planning

Coffey Construction Ltd has a commitment to deliver a number of Community Benefits under this contract as detailed in section 3.9 of this report.

4. Legal

The tendering procedures for the establishment of this contract were in accordance with Renfrewshire Council's Standing Orders Relating to Contracts for below EU Threshold Works contracts

5. **Property/Assets**

N/A

6. Information Technology

N/A

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. 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

Coffey Construction Ltd's health and safety submission has been evaluated by Corporate Health & Safety and meets the minimum requirements regarding health and safety.

9. **Procurement**

The procurement procedures outlined within this report ensure that the Council meets its statutory requirements in respect of procurement procedures, efficiency and modern Government.

10. **Risk**

Coffey Construction Ltd insurances have been assessed and evaluated to confirm that they meet the minimum requirement regarding risk.

11. Privacy Impact N/A

List of Background Papers

None

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