



To: Finance, Resources and Customer Service Policy Board

On: 30th March 2022

Report by: The Chief Executive and the Director of Communities and Housing

Heading: Contract Award: PAS2035 Retrofit Design, Specification and Co-Ordination (Housing Investment and Regeneration Programmes) (RC-CPU-21-333)

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 Services Contract for PAS2035 Retrofit Design, Specification and Co-Ordination (Housing Investment and Regeneration Programmes) (RC-CPU-21-333) to ECD Architects Ltd.
 - 1.2 The recommendation to award the NEC3 Professional Service Short Contract follows a procurement exercise conducted in accordance with the Public Contracts (Scotland) Regulations 2015 and the Council's Standing Orders Relating to Contracts for an above Threshold Services Contract using the Open Tender Procedure.
 - 1.3 A Contract Strategy was approved by the Director of Communities and Housing Services and the Strategic Commercial and Procurement Manager on 20th December 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 PAS2035 Retrofit Design, Specification and Co-Ordination (Housing Investment and Regeneration Programmes) to ECD Architects Ltd.
- 2.2 Authorise the total contract value of up to £3,308,990.00 excluding VAT.
- 2.3 Note that the anticipated starting date is 26th May 2022 and the anticipated completion date is 25th May 2026. The Council has the sole option to extend the completion date by up to 12 months, subject to contract performance. The actual starting date and completion date will be confirmed in the Council's Letter of Acceptance to ECD Architects Ltd.
- 2.4 Note that ECD Architects Ltd are required to enter into a Data Processor Agreement and Sub Contractor Collateral Warranties as a requirement of this Contract .

3. Background

- 3.1 This procurement is for the appointment of a multi-disciplinary design team who will be responsible for the design, specification, and coordination of retrofit and regeneration works for the housing investment programme, as set out within the Housing Revenue Account (HRA) Capital Investment Plan which was approved by Council on 3rd March 2022. This will include investment works within the eight approved housing-led regeneration areas, as well as Energy Efficient Scotland: Area Based Schemes (EES:ABS) programmes and investment in housing stock to meet the Energy Efficiency Standard for Social Housing (ESSH).

The programme will include internal and external works to domestic properties (a mix of both Council owned and privately owned properties of various archetypes), such work to ensure the property achieves a standard compliant with PAS2035:2019, which is the specification for energy retrofit for domestic buildings. The Council is adopting a whole house retrofit approach to housing investment and regeneration works, as this is a more cost effective approach than undertaking multiple works over time and reduces disruption to residents. Delivering a whole house retrofit approach to PAS2035 standard is critical to achieving a high-performance design solution to improve the thermal performance of the Council's housing stock.

- 3.2 To initiate this procurement process a contract notice was published on Find a Tender via the Public Contracts Scotland advertising portal on Tuesday 21st

December 2021 with the tender documentation available for download from the Public Contract Scotland Tender platform on this date.

- 3.3 During the live tender period, 27 organisations expressed an interest in this opportunity. By the closing date set for the return of electronic tender submissions, 12 noon on Tuesday 8th February 2022, 4 organisations submitted a tender response, 5 organisations declined, and 18 organisations did not respond.
- 3.4 Tenderers were required to complete a Single Procurement Document (SPD) to be submitted with their tender submission. All 4 tender submissions were evaluated against a pre-determined set of criteria in the form of the SPD by representatives from the following Council services: Property Services, the Corporate Procurement Unit, Corporate Risk and Corporate Health and Safety.
- 3.5 All 4 tender submissions received complied with the minimum selection criteria of the SPD. The 4 tender submissions were each evaluated against the Award Criteria on a weighting of 70% quality and 30% price.
- 3.6 The scores relative to the Award Criteria for each of the 4 tender submissions are noted below:

		Quality (70%)	Price (30%)	Total (100%)
1	ECD Architects Ltd	58.00	24.00	82.00
2	Holmes Miller Ltd	58.75	16.00	74.75
3	Architype Limited	61.79	6.00	67.79
4	Diamond and Company (Scotland) Limited	36.05	30.00	66.05

- 3.7 The evaluation of tender submissions received identified that the tender submission by ECD Architects Ltd was the most economically advantageous tender.
- 3.8 The form of Contract will be NEC3 Professional Services Short Contract April 2013 with Z Clauses.
- 3.9 This Contract is funded from the Housing Revenue Account (HRA) Capital Programme budget.
- 3.10 Community Benefits were requested as part of the procurement process and ECD Architects Ltd has committed to the following:

Community Benefit Description	No of People / Activity
Job for a young person (age 16-24) from a recognised priority group e.g. from the councils' most deprived data zones	1
Modern Apprenticeship	1
Work Experience Placement for an individual 16+ years of age	2
Work Experience Placement for an individual in full time education	2
Industry Awareness Events	4
Business advice/support to a local SME /Social Enterprise/ Voluntary organisation	1
Commitment to ensure that supply chain opportunities are prioritised for Renfrewshire based businesses	1
Financial Support for a Social Enterprise or other approved community initiative	1
Non financial support for a Social Enterprise or other approved community initiative	2

- 3.11 The Council also requested voluntary community benefits in addition to the contractual community benefits offered. Tenderers were asked to take into account the nature of this Contract and its location. ECD Architects Ltd have also offered the following voluntary community benefits:

Additional Voluntary Community Benefits
Staff working on the Contract would provide volunteering days to worthwhile causes in the Renfrewshire area (charities, community groups or food banks)

Implications of the Report

1. **Financial** – The cost for this contract will be met through the Housing Revenue Account Capital Programme budget.
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 – ECD Architects Ltd has committed to deliver Community Benefits as detailed within section 3.10 + 3.11 of this report.
 - Driving Housing Regeneration - The designs and the subsequent works will ensure that the housing stock is up to standard and protected for the future, while reducing carbon and helping to reduce residents' energy bills within the 8 neighbourhoods.
 - Keeping local places clean and attractive – Sitting separately from the PAS2305 services, ECD Architects Ltd will also provide a detailed design solution, and investment plans for the upgrade of the external environment, physical landscape and facilities within eight local .The Landscaping design element of this Contract will provide an improvement of the physical environment and infrastructure.
 - Providing good quality services - Tenderers were assessed within this procurement process in regard to their technical ability to ensure the services provided were of a good quality standard.
4. **Legal** - The procurement of this Services Contract has been conducted as an above Threshold Open Procurement Procedure in accordance with the Public Contracts (Scotland) Regulations 2015 and Renfrewshire Council's Standing Orders Relating to Contracts.
 5. **Property/Assets** -The design element of this contract will ensure that energy efficiency and other retrofit works are suitable for each and every property. Subsequently the Retrofit Coordinator will ensure that the designs are implemented by the works contractor as intended. The designs and the subsequent works will ensure that the housing stock is up to standard and protected for the future, while reducing carbon and helping to reduce residents' energy bills.
 6. **Information Technology** – No Information Technology implications are anticipated.
 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** - ECD Architects Ltd.'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 ensures that the Council meets its statutory requirements in respect of procurement procedures, efficiency and modern Government
10. **Risk** – ECD Architects Ltd.'s insurances have been assessed and evaluated to confirm that they meet the Council's minimum requirements regarding insurable risk.
11. **Privacy Impact** –Housing Services will liaise with the Information Governance team to complete a Data Protection Impact Assessment (DPIA). ECD Architects Ltd will complete and return a Data Processor Agreement.
12. **Cosla Policy Position** – No Cosla Policy Position implications have arisen or are anticipated.
13. **Climate Risk** – - The level of impact associated with provision of these services has been assessed using the Scottish Government Sustainability Test and is considered to be low risk. **Waste Prevention/ Reuse/ Recondition/ Remanufacture** – There is an opportunity to reduce waste through extending products or materials useful life, through reuse , recondition or remanufacturing internally or externally. The Contractor will be required to consider waste prevention in their design where possible. **Energy Consumption** - there is an opportunity to reduce energy consumption by replacing roof insulation, external wall panels, offering better insulation, and reducing heat loss. The contractor will be required to consider energy saving measures in their design where possible to make the housing stock more energy efficient and as a result, reduce carbon emissions.

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