
To: Procurement Sub Committee

On: 30th November 2016

Report by:

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

Heading:

**Contract Authorisation Report
Measured Term Contract for Legionella Prevention, Control and
Risk Management Services
RC/RC/107/16**

1. Summary

- 1.1 The purpose of this report is to seek the approval of the Procurement Sub Committee to award a Measured Term Contract for the Provision of a Legionella Prevention, Control and Risk Management Service throughout the Renfrewshire Council estate.
 - 1.2 This procurement exercise has been conducted in accordance with the above EU Threshold Open Procedure (Services) and the Council's Standing Orders Relating to Contracts.
 - 1.3 A Contract Strategy was prepared by the Corporate Procurement Unit and approved by the Director of Community Resources and the Strategic Commercial and Procurement Manager in May 2016.
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2. Recommendations

- 2.1 It is recommended that the Procurement Sub Committee;
 - 2.1.1 Authorise the Head of Corporate Governance to award the Contract for the Provision of a Legionella Prevention, Control and Risk Management Service, RC/RC/107/16, to ChemTech Consultancy Limited.
 - 2.1.2 Note that the Contract will be for an initial period of 3 years with the Council having the option to extend the contract term for 12 months on 2 separate occasions only giving a potential total contract term of 5 years.
 - 2.1.3 Note that the anticipated annual value of this contract has been assessed as £180,000.00 excluding VAT.
 - 2.1.4 Authorise a ceiling value of £540,000.00 for this contract over the initial 3 year period and to increase this ceiling value by £180,000.00 for each additional year should the Council take up the extension options up to a total ceiling value of £900,000.00 excluding VAT over the potential 5 year term.
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3. Background

- 3.1 The Council, as an employer and in control of premises, has a duty under the Health and Safety etc Act 1974 and more specifically under the Control of Substances Hazardous to Health Regulations 2002 (COSHH) to assess, prevent or control the risks from hazardous substances including biological agents such as Legionella and take suitable precautions. To this end the Council has in place a programme of monitoring and sampling. Monitoring and sampling is carried out by the Councils Building Services Section and also through the employment of a specialist Legionella control company who test samples taken by Building Services and provide reports to Building Services after examination of the samples. The specialist company also carry out Legionella control works for the Council which are outwith the scope of Building Services.
- 3.2 The specialist Legionella control company is also fully responsible for Planned Preventative Maintenance, in regard to Legionella control, within the Councils leisure and sports facilities.
- 3.3 The contract for the above noted service was tendered in accordance with the above EU Threshold Open Procedure (Services) and the Council's Standing Orders Relating to Contracts.
- 3.4 A contract notice was published on the Public Contracts Scotland advertising portal on the 12th September 2016 and in the Official Journal of the European Union (OJEU) on the 14th September 2016. During the tendering period 28 suppliers expressed an interest in the tender. By the deadline set for the return of tenders, 12 noon on the 13th October 2016, 11 suppliers submitted a response, 4 declined to tender and 13 did not respond.

- 3.5 The 11 tender submissions were evaluated against a pre-determined set of criteria in the form of the European Single Procurement Document (ESPD) by representatives from the Corporate Procurement Unit, Community Resources and Finance and Resources. 10 tenders passed the mandatory requirements as set out above and 1 withdrew their tender due to an incomplete pricing submission. The 10 tenderers who successfully passed the requirements of the ESPD were then evaluated against a set of award criteria, which was based on a price / quality ratio of 70% / 30%, by the Corporate Procurement Unit, Community Resources and Finance and Resources.

The relative Scores awarded to the Tenderers are as follows:

	Price	Quality	Total
ChemTech Consultancy Limited	70	25	95.00
Integrated Water Services Limited	66.01	28.75	94.76
Envirocure Limited	62.06	25	87.06
Clearwater Technology Limited	62.21	23.75	85.96
Biochemica UK Limited	52.6	23.75	76.35
SPIE Limited	34.85	25	59.85
FES FM Limited	34.21	25	59.21
ECG Facilities Services	38.7	20	58.70
OHS Limited	27.08	20	47.08
Wm Murchland and Co Limited.	28.12	17.5	45.62

- 3.6 It is recommended that the contract is awarded to ChemTech Consultancy Limited (ChemTech) who, based on the evaluation, have provided the most economically advantageous tender.
- 3.7 ChemTech provided appropriate information with regard to their Insurances and Health and Safety, Quality and Environmental Policies.

- 3.8 The budget amount set for this contract, £180,000.00 per annum, excluding VAT, is based on the cost to carry out regular Planned Preventative Maintenance (PPM) and also includes a contingency for reactive and unforeseen works required, and identified through the PPM schedule, to ensure that the Council is compliant in its duty to control the risk posed by the Legionella bacteria.
- 3.9 Community Benefits were sought as part of this contract and Chemtech have committed to the following;
- (a) Taking part in at least one fundraising event per year in aid of St Vincent's Hospice.
 - (b) Supporting a youth team within the Renfrewshire area (ChemTech already support Houston United and have sponsored a full new strip for the team and will support another youth team to a similar value).
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Implications of the Report

1. Financial

ChemTech have passed the financial vetting process and are at a level that is well above the Council's minimum criteria for this contract.

The cost associated with this contract will be met through Community Resources and Development and Housing Services maintenance budgets.

2. HR & Organisational Development

N/A

3. Community Planning

ChemTech Consultancy Limited are classified as an SME and are based within the Renfrewshire Council Area. They are also an accredited living wage employer.

ChemTech Consultancy Limited have committed to providing the community benefits as detailed within point 3.9 of this report.

4. Legal

The tendering procedures for the establishment of this contract were in accordance with EU process for an above EU Threshold Services contract and in accordance with Renfrewshire Council's Standing Orders Relating to Contracts.

5. Property Assets

This contract will ensure that the Council's assets are properly maintained and safe for public use in regard to the risks posed by Legionella.

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 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

ChemTech Consultancy Limited have met the Councils required Health and Safety standards.

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

This contract will ensure that the Council is managing its risk associated with Legionella occurring within its premises. Also, ChemTech's insurances have been assessed and evaluated to confirm that they have met the minimum requirements regarding risk.

11. Privacy Impact

N/A

List of background papers

(a) None

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