

To: Finance, Resources and Customer Services Policy Board

On: 22nd October 2021

Report by: Joint Report by the Chief Executive and the Director of Finance and Resources

Heading: New Nursery Building at Bargarran Community Centre RC-CPU-21-137

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 the New Nursery Building at Bargarran Community Centre (RC-CPU-21-137) to SKW Construction Ltd.
 - 1.2 The recommendation to award the Contract follows a procurement exercise conducted in accordance with the Council's Standing Orders Relating to Contracts for a below Regulated Threshold (Works) Contract using the Open Tender Procedure.
 - 1.3 A Contract Strategy was approved by the Technical Unit Programme Manager on behalf of the Head of Property Services, and the Strategic Commercial Category Manager on behalf of the Head of Policy and Commissioning on 3rd August 2021.
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2. **Recommendations**

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

- a) authorise the Head of Corporate Governance to award a Contract for the New Nursery Building at Bargarran Community Centre (RC-CPU-21-137), pending evidence of required insurances, to SKW Construction Ltd;
- a) authorise the award of this contract for the Contract Sum of £365,175.00 excluding VAT plus 10% contingency for any unseen works; and
- b) note the anticipated date of award is 5th November 2021, the contract period is 6 months with the Date of Possession anticipated to be 1st March 2022 but shall be confirmed in the Letter of Acceptance.

3. **Background**

- 3.1 This procurement is for a suitably experienced contractor to facilitate the provision of a new community nursery building at Bargarran Community Centre to replace the existing building, which is beyond economical repair.
- 3.2 A contract notice for this procurement process was published via the Public Contracts Scotland advertising portal on day 4th August 2021 with the tender documentation being available to download from the Public Contracts Scotland-Tender platform from this date.
- 3.3 During the live tendering period, seventeen (17) organisations expressed an interest in the tender. By the closing date set for the return of electronic tender submissions, 12 noon on Wednesday 25th August 2021, one (1) organisation submitted a tender response, eleven (11) organisations declined to respond and five (5) failed to respond.
- 3.4 The one (1) Tender Submission received complied with the minimum selection criteria of the SPD and progressed to the Award Criteria which was based on a weighting of 30% Quality and 70% Price.
- 3.5 The scores relative to the award criteria for the Tenderer are noted below:

		Price (70%)	Quality (30%)	Total (100%)
1	SKW Construction Ltd	70%	21%	91%

3.6 Budget information – This project is funded from Capital: Leisure Services; Community Halls Refurbishment, Bargarran - Community Provision for Nursery.

3.7 Community Benefits were requested as part of this procurement process and SKW Construction Ltd confirmed that the following Community Benefits would be made available to the Council for this Contract:

Community Benefit Description	No of People / Activity
Financial Support for a Community Project	2
Non-financial support for a Community Project	1
Industry Awareness Event	1

Implications of the Report

1. **Financial** – The cost for these works will be met by the Capital – General Services budget.
2. **HR & Organisational Development** – No TUPE implications
3. **Community/Council Planning** –
 - *Our Renfrewshire is thriving* – the result of this procurement process will be a community-based nursery, helping to build strong, safe and resilient communities.
 - *Our Renfrewshire is safe* – this new building will provide a safe environment to develop and educate children within a community setting.
4. **Legal** - The procurement of this Contract was conducted as a below Regulated (Works) Open Procurement Procedure in accordance with the Council’s Standing Orders Relating to Contracts.
5. **Property/Assets** - This contract will assist the Council in its legal obligation to ensure that properties under its control are safe to use.
6. **Information Technology** - No Information Technology implications have arisen or 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** – SKW Construction 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** – SKW Construction Ltd's insurances have been assessed and evaluated to confirm that they have met the minimum requirements regarding insurable risk, with final assessment pending evidence of the purchase of Statutory Third Party motor vehicle cover – unlimited for death and injury and minimum £5m property damage. The Contract award will be made on a conditional basis pending this evidence.
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 level of impact associated with provision of these works has been assessed using the Scottish Government Sustainability Test and is considered to be low risk. Volumetric modular technology and portable buildings are now firmly established within the construction industry for offering a range of benefits, from greener, healthier environments to maximised sustainability, reduced costs and rapid build times. Compared to a traditionally built project, up to 67% less energy is required to produce a modular build. Offsite construction also has a positive impact on the carbon footprint of the building as it allows for a reduction in the total number of deliveries to sites by 90%. Contractors are required to provide a list of licensed waste carriers that they will utilise to deal with any waste produced in the manufacture of the unit.

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