

To: Finance, Resources and Customer Services Policy Board

On: 31 March 2021

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

Heading: Contract Award: Community Halls Refurbishments (RC-CPU-20-211)

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 Community Halls Refurbishments (RC-CPU-20-211) to City Gate Construction(Scotland) Limited,
 - 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 Strategic Procurement Manager and the Head of Property Services on 24 November 2020.
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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 Community Halls Refurbishments (RC-CPU-20-211) to City Gate Construction(Scotland) Limited,
- (b) Authorise the award of this Contract up to the value of £1,625,414.75 excluding VAT;
- (c) The breakdown of spend per property:
- 3. McKillop Institute - £799,340.66
 - 4. Elderslie Village Hall - £498,985.34
 - 5. Southend Action Centre - £327,088.75
- (d) Note the contract has sectional completion requirements and the proposed Dates for possession for those sections are noted below. Any changes to these dates will be confirmed in the Council's Letter of Acceptance:

Section 1: Southend Action Centre	25 May 2021
Section 2: McKillop Institute	25 May 2021
Section 3: Elderslie Village Hall	25 May 2021

- (e) Note the proposed Dates for completion of the sections identified in 2.1(c) above. Any changes to these dates will be confirmed in the Council's Letter of Acceptance:

Section 1: Southend Action Centre	9 November 2021
Section 2: McKillop Institute	9 November 2021
Section 3: Elderslie Village Hall	9 November 2021

- (f) Note the award of the Contract is subject to the provision of a Performance Bond and Collateral Warranties as indicated within the tender documentation; and
- (g) Note the award of the Contract is subject to the provision of Contractors All Risk Insurance as indicated within the tender documentation and City Gate Construction(Scotland) Limited, have committed to having the required level of Contractors All Risk Insurance upon receipt of the Council's letter of Acceptance and prior to the site possession being granted.
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3 Background

- 3.1 Renfrewshire Council requires a competent and suitably qualified contractor to carry out the Community Halls Refurbishment of the McKillop Institute, Elderslie Village Hall and South End Action Centre.

The scope of works for each community centre includes:

McKillop Institute: Roof covering replacement including photovoltaics, door and window replacement, external wall repairs, internal finishes refurbishment and Mechanical & Electrical works.

Elderslie Village Hall: Roof covering replacement, door and window replacement, external wall stone repairs, internal finishes refurbishment and Mechanical & Electrical works.

South End Action Centre: Roof covering replacement, door and window replacement, internal finishes refurbishment and Mechanical & Electrical works.

- 3.2 To initiate this procurement process a Contract Notice was published via the Public Contracts Scotland advertising portal on 24th November 2020 with the tender documentation available for downloading from the Public Contracts Scotland – Tender platform from this date.
- 3.3 During the live tendering period twenty-six (26) companies expressed an interest in the tender. By the closing date set 21 January 2021 at 12 noon, for return of electronic tender submissions, seven (7) companies submitted a tender response and nineteen (19) companies did not respond.
- 3.4 In accordance with the Council's Standing Orders Relating to Contracts 11.5 all seven (7) 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 following Council services: Property Services, the Corporate Procurement Unit, Corporate Risk and Corporate Health and Safety. This procurement exercise was carried out prior to the United Kingdom's EU exit on 31 December 2020 and introduction of the new similar Single Procurement Document (SPD) process.
- 3.5 Six(6) of the seven (7) tender submissions received complied with the minimum selection criteria of the ESPD. One (1) tender submission was deemed non-compliant under the Standing Orders Relating to Contracts 2017 Clause 25, due to failing to meet the financial criteria set by the Council within the ESPD. The 6 tender submissions were

each evaluated against the Award Criteria which were based on a weighting of 60% Quality 40% Price. .

3.6 During the tender evaluation period one (1) tenderer withdrew their Tender Submission.

3.7 The scores relative to the Award Criteria for each of the remaining five (5) tender submissions are noted below:

		Quality (60%)	Price (40%)	Total (100%)
1	City Gate Construction (Scotland) Limited	45.75%	40.00%	85.75%
2	Clark Contracts Ltd	48.75%	34.08%	82.83%
3	Redpath Construction limited	45.00%	35.50%	80.50%
4	P M C Commercial Limited	21.50%	34.77%	56.27%
5	Procast Building Contractors Ltd.	24.75%	29.85%	54.60%

3.8 The evaluation of tender submissions received identified that the tender submission by City Gate Construction (Scotland) Limited was the most economically advantageous to the Council.

3.9 A capital budget of £1,725,000.00 has been made available for this contract, Capital Plan – Community Halls & Facilities Programmes.

3.10 Community Benefits were requested as part of the procurement process and City Gate Construction (Scotland) Limited confirmed that the following Community Benefits would be made available to the Council for this Contract:

Community Benefit Description	No of People / Activity
Job for unemployed Individual	2
Work Experience Placement for an individual 16+ years of age	1
Industry Awareness Events	6
Industry Skill Transfer to Schools.	1
Event to promote supply chain opportunities	1

Implications of the Report

1. **Financial** – The costs for the Community Halls Refurbishment will be met through the Capital Plan – Community Halls & Facilities Programmes.
2. **HR & Organisational Development** – No TUPE implications.
3. **Community/Council Planning** –
 - Our Renfrewshire is thriving – Maximising economic growth, which is inclusive and sustainable
 - Our Renfrewshire is well - Supporting the wellness and resilience of our citizens and communities
 - Our Renfrewshire is fair - Addressing the inequalities which limit life chances
 - Our Renfrewshire is safe - Protecting vulnerable people, and working together to manage the risk of harm
 - Reshaping our place, our economy and our future - Delivering required infrastructure
 - Building strong, safe and resilient communities - Empowering communities, Delivering community-based services.
 - Tackling inequality, ensuring opportunities for all – promoting skills and learning for life.
 - Creating a sustainable Renfrewshire for all to enjoy – City Gate Construction (Scotland) Limited has committed to deliver Community Benefits as set out within section 3.9 of this report.
 - Working together to improve outcomes - Strengthening our partnership approach
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** -the award of the Community Halls Refurbishment Contract will allow three (3) community centres to be refurbished, providing new updated modern space for the many groups and community members that use the facilities.
6. **Information Technology** – No information Technology implications have arisen or 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** - City Gate Construction (Scotland) Limited 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 procedures outlined within this report shall ensure that the Council meets its statutory requirements in respect of procurement procedures, efficiency and modern Government.
10. **Risk** – City Gate Construction (Scotland) Limited have advised that the required levels of insurance will be obtained on receipt of the Letter of Acceptance. These will be assessed and evaluated to confirm that they have met the minimum requirements regarding insurable risk before works commence.
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 medium risk.
- Carbon Energy Production - Energy will be consumed in the use of machinery to carry out the refurbishment works - Contractor will be required to respond to questions within the ESPD relating to breaches in Environmental Law.
 - Waste Production - As part of the works that will be carried out under this Contract waste will be created. - Contractor will be required to complete a form which provides details of the registered waste carriers and their license.

List of Background Papers

(a) None

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