

To: Finance, Resources and Customer Services Policy Board

On: 28 March 2018

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

Heading: Contract Award: External Works at West Primary School, Paisley (RC-OC-17-003)

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 Contract to undertake External Works at West Primary School, Paisley (RC-OC-17-003) to Clark Contracts Limited.
 - 1.2 The recommendation to award the Contract follows a procurement exercise which was conducted in accordance with the Procurement (Scotland) Regulations 2016 for a Regulated works contract and the Council's Standing Orders relating to Contracts.
 - 1.3 A Contract Strategy was approved by the Head of Property Services and the Strategic Procurement Manager on 20 November 2017
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2. **Recommendations**

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

- (a) the Head of Corporate Governance to award a Contract to undertake External Works at West Primary School, Paisley (RC-OC-17-003) to Clark Contracts Limited ;
 - (b) the Contract Sum of £2,570,704.01 excluding VAT;
 - (c) the use by the Council of a potential Risk Allowance (where required) of an additional £257,070 excluding VAT;
 - (d) the total Contract Period of 38 weeks with the date of possession scheduled to be on 18 June 2018 and with the estimated completion date being 11 March 2019. Confirmation of the actual timescales and dates will be confirmed in the Council's Letter of Acceptance to Clark Contracts Limited; and
 - (e) the award of this Contract is subject to the provision of a Performance Bond and Collateral Warranties as indicated within the tender documentation.
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3. Background

3.1 As part of the Council's continuing strategy to upgrade existing premises, it has been agreed to undertake an upgrade of the external envelope at West Primary School, Paisley by upgrading existing roof coverings, installation of new windows, and replacement of render and stonework repairs.

3.2 A contract notice for this Regulated Works Contract was published on the Public Contract Scotland advertising portal on 18 December 2017 with the tender documentation available for downloading from the Public Contract Scotland – Tender platform.

During the tendering period twelve (12) companies expressed an interest in the Contract. By the closing date set (12 noon, 02 February 2018) for return of electronic tender submissions, five (5) companies had replied and each issued a Tender Submission.

- 3.3 In accordance with Standing Order 11.5 all five (5) tender submissions were evaluated against a pre-determined set of criteria in the form of the European Single Procurement Document (ESPD) by representatives from Property Services, the Corporate Procurement Unit, Corporate Risk and Corporate Health & Safety.
- 3.4 All five (5) tender submissions confirmed compliance with the minimum selection criteria set within the ESPD and progressed to the evaluation Quality Criteria which was based on a weighting of 60%.
- 3.5 To ensure that only suitably qualified and experienced tenderers progressed to the evaluation of Price Criteria (which was based on a weighting of 40%), the Council included a clause within the tender documentation confirming that only tenderers who obtained a total Quality score of 40.00% and above (out of the 60.00% Quality weighting available) would progress to evaluation of their pricing submissions.

Tenderers that obtained a Quality score of 39.99% and below (out of the 60.00% Quality weighting available) did not progress to the Price stage of the evaluation and were no longer considered under the procurement exercise.

In total, four (4) Tenderers progressed to have their pricing submissions evaluated with one (1) tenderer failing to meet the quality threshold required and therefore their tender was no longer considered.

- 3.6 The scores relative to the Award Criteria of the four (4) Tenderers who obtained a Quality Score of 40.00% and above are noted below

		Quality (60%)	Price (40%)	Total (100%)
1	Clark Contracts Limited	48.75%	36.29%	85.04%
2	Project Management and Construction Limited	42.60%	40.00%	82.60%
3	ENGIE Regeneration Limited T/A Keepmoat Regeneration	44.60%	36.61%	81.21%

4	Novus Property Solutions Limited	43.75%	34.41%	78.16%
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- 3.7 The evaluation of tender submissions received identified that the tender submission by Clark Contracts Limited was the most economically advantageous tender submission.
- 3.8 A capital budget of £3,000,067 was made available for the undertaking of works required within this procurement process. Based on the Contract Sum stated at 2.1 (b) above, this represents a non-cashable saving of circa £429,363 against the works tendered.
- 3.9 Community Benefits were requested as part of the procurement process and Clark Contracts Limited advised within their tender submission that the following Community Benefits would be made available to the Council for this Contract:

Community Benefit Description	No of People / Activity
New Entrant	1
Graduate	1
Work Experience Placements (14 – 16 Years of Age)	2
Careers Event	1

Implications of the Report

1. **Financial** – The financial status of Clark Contracts Limited was assessed by undertaking a Dun and Bradstreet evaluation and it confirmed that the company satisfied the Council's requirements in relation to financial stability.
2. **HR & Organisational Development** – No TUPE implications have arisen or are anticipated.
3. **Community/Council Planning**
 - Our Renfrewshire is fair –Tenderers were assessed within this procurement process in regards 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 etc.

- Our Renfrewshire is safe – A central requirement of the Property Services department is to ensure that Council operated property, facilities and assets are properly maintained in a manner that complies with existing statutory legislation (Statutory Compliance) and that appropriate records are retained.
- Creating a sustainable Renfrewshire for all to enjoy – Clark Contracts Limited has committed to deliver a number of Community Benefits as detailed within section 3.8 of this report.

4. **Legal** – The procurement of this Contract was conducted in accordance with the Procurement Reform Act 2014 requirements for a Regulated Works Contract and the Council's Standing Orders Relating to Contracts.
5. **Property/Assets** – This Contract award will provide extensive external fabric repairs throughout West Primary School, Paisley with an estimated life expectancy of in excess of 25 years whilst also providing a weather-tight and safe environment for staff and pupils.
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** – Clark Contracts Limited'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 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** – Clarks Contracts insurances have been assessed and evaluated to confirm that they have met the minimum requirements regarding insurable risk.
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

List of Background Papers

- (a) Not Applicable
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