

Notice of Meeting and Agenda Procurement Sub-committee

Date	Time	Venue
Wednesday, 14 September 2016	14:00	Council Chambers (Renfrewshire), Council Headquarters, Renfrewshire House, Cotton Street, Paisley, PA1 1AN

KENNETH GRAHAM
Head of Corporate Governance

Membership

Councillor Audrey Doig: Councillor Christopher Gilmour: Councillor Jim Harte: Councillor Jacqueline Henry: Councillor Brian Lawson: Councillor Paul Mack: Councillor Kenny MacLaren: Councillor Mags MacLaren: Councillor Alexander Murrin: Councillor Allan Noon: Councillor Tommy Williams:

Councillor Michael Holmes (Convener): Councillor Derek Bibby (Depute Convener):

Further Information

This is a meeting which is open to members of the public.

A copy of the agenda and reports for this meeting will be available for inspection prior to the meeting at the Customer Service Centre, Renfrewshire House, Cotton Street, Paisley and online at www.renfrewshire.cmis.uk.com/renfrewshire/CouncilandBoards.aspx

For further information, please either email democratic-services@renfrewshire.gov.uk or telephone 0141 618 7112.

Members of the Press and Public

Members of the press and public wishing to attend the meeting should report to the customer service centre where they will be met and directed to the meeting.

Items of business

Apologies

Apologies from members.

Declarations of Interest

Members are asked to declare an interest in any item(s) on the agenda and to provide a brief explanation of the nature of the interest.

- 1(a) Contract Authorisation Report: Re-roofing and Rewire - St Margaret's Primary School** 5 - 10
- Joint report by Chief Executive and Director of Finance & Resources.
- 1(b) Contract Authorisation Report: Vehicle Replacement Programme** 11 - 16
- Joint report by the Chief Executive and Director of Community Resources.
- 1(c) Contract Authorisation Report: Year 4 Voids Annual Review** 17 - 20
- Joint report by Chief Executive and Director of Development & Housing Services.
- 1(d) Contract Authorisation Report: King George V Training Pitches** 21 - 24
- Joint report by Chief Executive and Director of Development & Housing Services.
- 1(e) Contract Authorisation Report: Insurance Framework** 25 - 32
- Joint report by Chief Executive and Director of Finance & Resources.



To: Procurement Sub Committee

On: 14th September 2016

Report by:

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

Heading:

**Contract Authorisation Report For
St Margaret's Primary School Re-roofing and Rewire
RC/OC/178/16**

1. Summary

- 1.1 The purpose of this report is to seek the approval of the Procurement Sub Committee to award a Standard Building Contracts without Quantities for use in Scotland (SBC/XQ/Scot) 2011 Edition for re-roofing and rewiring works at St Margaret's Primary School, Buchanan Street, Johnstone, PA5 8RY.
- 1.2 This procurement exercise has been conducted in accordance with Renfrewshire Council's Standing Orders Relating to Contracts for below EU Threshold Works contracts.
- 1.3 A Contract Strategy was prepared by the Corporate Procurement Unit and approved by the Strategic Commercial and Procurement Manager and the Head of Property Services on the 18th January 2016 for the re-roofing of Lochwinnoch and Inchinnan re-roofing, due to the similarity of the requirement

and addendum to this strategy was prepared to include the works at St Margaret's was approved by the Strategic Commercial and Procurement Manager and the Head of Property Services on 30th June 2016.

2. Recommendations

- 2.1 It is recommended that the Procurement Sub Committee authorise the Head of Corporate Governance to award the contract for St Margaret's Primary School Re-roofing and Rewire RC/OC/178/16, to Keepmoat Regeneration Limited.
 - 2.2 The value of the Contract is £643,751.67, excluding VAT.
 - 2.3 The Date of Possession of the Site is anticipated to be mid October 2016. The Date for Completion of the Works is programmed to be 16 weeks from the Date of Possession of the Site. The actual dates will be confirmed in the Council's Letter of Acceptance.
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3. Background

- 3.1 A central requirement of Property Services is to ensure that Council properties, facilities and assets are properly maintained in a manner that complies with statutory legislation. Renfrewshire Council estate has a vast number of properties, including school buildings, which have been subject to a variety of maintenance regimes, upgrades and alterations etc.
- 3.2 St Margaret's Primary School was identified as requiring remedial roofing works due to the majority of its roof coverings being beyond their useful economic life. Where repairs have been carried out in the past, these have been undertaken on an ad hoc reactive basis. It is the intention to standardise the condition of roofs to provide a maintenance free environment and, where possible, to upgrade the thermal properties to meet current regulatory standards. In addition to the roofing work, the electrical system in the School requires to be rewired including upgraded lighting and containment installation.
- 3.3 The contract was tendered in accordance with Renfrewshire Council's Standing Orders Relating to Contracts for below EU Threshold Works contracts.
- 3.4 A contract notice was published on the Public Contracts Scotland advertising portal on 8th July 2016. Eighteen suppliers expressed an interest in the tender, with five suppliers submitting a response by the deadline for submissions of 12 noon on 2nd August 2016.
- 3.5 The five tender submissions were evaluated against a pre-determined set of criteria in the form of the European Single Procurement Document by

representatives from Corporate Procurement Unit, Corporate risk, Corporate Health & Safety and Finance and Resources.

All tenders met the Bid Selection Criteria and were evaluated against a set of award criteria which was based on a price/quality ratio of 55%/45%

The relative Scores awarded to the Tenderers are as follows:

	Price (55%)	Quality (45%)	Total (%)
Keepmoat Regeneration Limited	51.18	37.75	88.93
Clark Contracts Ltd	51.77	32.35	84.12
MPMH Construction Ltd	55.00	21.77	76.77
W H Kirkwood Ltd	53.73	19.85	73.58
Electrical and Data Systems Ltd	50.16	21.05	71.21

- 3.6 It is recommended that the contract is awarded to Keepmoat Regeneration Limited who, based on the evaluation, have provided the most economically advantageous tender.
- 3.7 The pre tender estimate for this project was budgeted at £650k; the contract price returned within budget. The financial costs in respect of this contract are being met by from the Corporate Landlord capital budget.
- 3.8 Community benefits were sought as part of this procurement exercise and Keepmoat Regeneration Ltd has committed to the delivery of the following community benefits:

Description	Quantity
Work Experience Placements (16+ years)	1
Further Education Visits	1
School Visit	1
S/NVQ (or equivalent) for an existing employee	2
Supply Chain Briefings with SME's	1
Business Mentoring for an SME	1

Implications of the Report

1. Financial

The financial stability of Keepmoat Regeneration Ltd has been assessed as part of the evaluation procedure and met with the Council's minimum requirements for this contract.

2. HR & Organisational Development

N/A

3. Community Planning

Keepmoat Regeneration Ltd has committed to deliver a number of community benefits for each of the contracts as detailed in section 3.8 of this report.

4. Legal

The tendering procedures for the establishment of this contract were in accordance with Renfrewshire Council's Standing Orders Relating to Contracts for below EU Threshold Works contracts.

5. Property Assets

In carrying out the work involved with the contracts, the school building will have improved efficiency and lesser maintenance and running costs.

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. 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

Keepmoat Regeneration Ltd health and safety submission was 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 ensure that the Council meets its statutory requirements in respect of procurement procedures, efficiency and modern Government.

10.Risk

Keepmoat Regeneration Ltd 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

(1) None

Author: David Taggart, Strategic & Commercial Category Manager, 0141 618 6905



To: Procurement Sub Committee

On: Wednesday, 14th September 2016

Report by:

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

Contract Authorisation Report

Vehicle Replacement Programme 2016/17

1. Summary

- 1.1. The purpose of this report is to seek the approval of the Procurement Sub-Committee to award contracts for the purchase of vehicles under the Council's Vehicle Replacement Programme for 2016/2017.
 - 1.2. A contract strategy document was approved by the Head of Procurement and Business Support and the Director of Community Resources on 20 September 2013 which covered the four vehicle replacement programmes from 2013/14 to 2017/18.
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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 contracts up to the following values with the Suppliers as noted below, for the provision of buses and refuse collection vehicles as detailed in Appendix 1 of this report. All

contracts are individual direct awards under the Scotland Excel Framework Agreement for Heavy Vehicles and Municipal Vehicles (ref: 02/13)

- Volvo Truck and Bus Centre Scotland; up to £826,356.00
- Nu-Track Limited; up to £383,389.00

2.1.2 The delivery dates for the vehicles are detailed within Appendix 1.

3. Background

- 3.1. Scotland Excel has established a Framework Agreement for Heavy Vehicles and Municipal Vehicles (ref: 02/13). All 32 Local Authorities in Scotland have the opportunity to utilise this Framework Agreement. Scotland Excel advertised the requirement for the framework agreement in the Official Journal of the European Union through Public Contracts Scotland portal.
- 3.2. The procurement processes undertaken to establish the Framework Agreement was the open tender procedure and were conducted in compliance with the Public Contracts (Scotland) Regulations 2012. The Framework Agreement allows for “Direct Awards” to be utilised as the Selection Procedure where the Council can demonstrate best value for money.
- 3.3. The Council's direct awards under the framework was conducted in accordance with the Council's Standing Order Relating to Contracts and in accordance with the requirements under the Framework Agreement for Heavy Vehicles and Municipal Vehicles (ref: 02/13).
- 3.4. Analysis of the Suppliers on the relevant Lots of the Scotland Excel Framework Agreement for Heavy and Municipal Vehicles (ref: 02/13) was undertaken. The analysis demonstrated that best value for money could be achieved by making direct awards for the vehicles as detailed in Appendix 1. This analysis took into consideration the benefits of continuity of fleet following an investment in training & maintenance equipment, delivery timescales and whole life costing from all suppliers able to meet the minimum requirements under the Framework Agreement.
- 3.5. The costs for these contracts will be met from the Community Resource's Capital budget allocation for the Vehicle Replacement Programme for financial year 2016/17.
- 3.6. Community and additional benefits were requested on a voluntary basis with the following commitments provided from Volvo Truck and Bus Centre Scotland and Nu-Track Limited:

Volvo Truck and Bus Centre Scotland:

- Talks in Renfrewshire schools with a Volvo Truck present, to advise on trucks and their safety features.
- Attendance at career days to promote the Industry and the benefits working in the industry can bring.

Nu-Track Limited:

- Attendance at career days to promote the industry and discuss potential career paths for pupils.
- Presentations in Renfrewshire schools with Nu-Track buses to advise on vehicle safety and the industry.

Implications of the Report

1. **Financial** – These contracts will be funded from the capital budget allocation for the Vehicle Replacement Programme for FY2016/17.
2. **HR & Organisational Development** – None
3. **Community Planning** – Volvo Truck and Bus Centre Scotland, Nu-Track Limited have committed to the delivery of the community benefits as outline detailed at point 3.6 of this report.
4. **Legal** – The purchase of the heavy vehicles from these Suppliers was carried out in accordance with Renfrewshire Council's Standing Orders Relating to Contracts for direct awards under an existing framework, Contract Standing Order 27.5 and in accordance with the requirements under the Heavy Vehicles and Municipal Vehicles (ref: 02/13)
5. **Property Assets** – None.
6. **Information Technology** – None.
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** – All suppliers' health and safety tender submissions were evaluated by Scotland Excel at the time of awarding places to the Framework Agreement and were deemed to meet the minimum requirements.

9. **Procurement** – The procurement procedure outlined within this report shall ensure that the Council meets its statutory requirements in respect of procurement procedures, efficiency and Modern Government.
10. **Risk** – None.
11. **Privacy Impact** – None.

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Appendix 1

Supplier	Vehicle Requirement	Manufacturer	Model Number	Quantity	Scotland Excel Framework Agreement Utilised	Contract Value	Vehicle Delivery By
Volvo Truck and Bus Centre Scotland	26 tonne bin lifter - Chassis only	Volvo	Volvo FE 6x2	4	Framework Agreement for Heavy Vehicles (02/13) (Lot 1)	£349,656.00	February 2017
Volvo Truck and Bus Centre Scotland	RCV 26 tonne bin lifters – full vehicle	Volvo	Volvo FE 6x2	2	Framework Agreement for Heavy Vehicles (02/13) (Lot 1, Lot 7, Lot 10)	£272,800.00	February 2017
Nu-Track Limited	24 Seat Accessible Bus	Nu-Track Limited	Accessible Bus	1	Framework Agreement for Heavy Vehicles (02/13) (Lot 1, Lot 8)	£76,677.80	December 2016
Nu-Track Limited	24 Seat Accessible Bus	Nu-Track Limited	Accessible Bus	4	Framework Agreement for Heavy Vehicles (02/13) (Lot 1, Lot 8)	£306,711.20	March 2017
Volvo Truck and Bus Centre Scotland	18 tonne Tipper	Volvo	Econ Unibody	2	Framework Agreement for Heavy Vehicles (02/13) (Lot 1, Lot 2)	£203,900.00	December 2016



To: Procurement Sub Committee

On: 14th September 2016

Report by:

**Joint Report
by
Chief Executives Service and Director of Development and Housing Services**

Contract Authorisation Report

**Voids Maintenance and Refurbishment Works Annual Review for 2016 – 2017
(Year 4)**

RC/FA/1210/D

1. Summary

- 1.1 This report advises the Procurement Sub Committee on the methodology adopted for the determination of internal package orders for framework contractors for Year 4 (2016–2017) of the Voids Maintenance and Refurbishment Works programme, and seeks authority to allocate work to the framework contractor who offers best value.
 - 1.2 The contract strategy was agreed by the Head of Housing Services and the Head of Strategic Procurement and Business Support in October 2012. The Framework Contract (also known as Framework Agreement), Voids Maintenance and Refurbishment Works RC1210_578(ITT1344) was tendered in accordance with the above EU Threshold Restricted Procedure for works and the Councils Standing Orders Relating to Contracts.
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2. Recommendations

- 2.1 It is recommended that the Procurement Subcommittee authorise the Head of Corporate Governance to award a Maintenance Term Contract (MTC) for Voids Maintenance and Refurbishment Works to Keepmoat Regeneration (Apollo) Ltd.

- 2.2 The anticipated spend under Year 4 of the framework is £850,000 excluding VAT based on the number of void properties and work scope completed to date in year 3 of the framework.
- 2.3 The Procurement Sub-Committee is asked to note the Contract Period is 1 year and is expected to start on 13th October 2016 and will expire on 12th October 2016.

3. Background

- 3.1 Renfrewshire Council utilise Building Services (BS) to maintain Void properties so that they can be re-let at the earliest opportunity. In order to ensure targets for re-letting are met, back-up contractors are required to undertake works on excess stock that BS cannot meet due to workload.
- 3.2 The Scottish Housing Quality Standard (SHQS) is a government standard that all local authorities and registered social landlords must meet to ensure that their housing stock is acceptable, modern, safe and secure, good quality, and energy efficient.
- 3.3 A mini competition was run for year four of the framework to appoint the backup contractor to support the works of Building Services. Documentation was issued to the three framework participants through the PCS-Tender system on the 2nd August 2016.
- 3.4 One response was received by the closing date of 16th August 2016 and this was evaluated by officers from the Corporate Procurement Unit and Development and Housing Services in accordance with the Framework procedure.
- 3.5 The evaluation of tender received identified that the tender submitted by Keepmoat Regeneration (Apollo) Ltd was found to be acceptable.
- 3.6 Keepmoat Regeneration (Apollo) Ltd has been the most economically advantageous tenderer in the past 3 years of the Framework.
- 3.7 Financial costs in respect of this contract will be met by the Service's Housing Capital Budget for Financial Year 2016/17.
- 3.8 Any savings generated by the determination of the year 4 allocation will be retained within the programme to fund other necessary projects or any unforeseen requirements from existing projects.
- 3.9 Community benefits were sought at the inception of the Framework Agreement and, Keepmoat Regeneration (Apollo) Ltd offered the following community benefits per £1million of completed works;

Description	Quantity
16-19 year old work placements	1
Curriculum support activities	1
New Apprenticeships	1
Training plans for sub-contractors	1
Health and Safety training for sub-contractors	1
Job Advertisements	10
Existing Apprenticeships	20

Implications of the Report

1. Financial

The financial stability of framework agreement contractors is monitored over the duration of the framework agreement

2. HR & Organisational Development

N/A

3. Community Planning

Keepmoat Regeneration (Apollo) Ltd has a commitment to deliver a number of Community benefits under this contract as detailed in section 3.9 of this report.

4. Legal

The tendering procedures for the establishment of this contract were in accordance with Renfrewshire Council's Standing Orders Relating to Contracts and the terms of the Framework Contract for Voids Maintenance & Refurbishment Works.

5. Property Assets

Maintaining and refurbishing void properties within an agreed timeframe to ensure targets are met for re-letting.

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. 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

Keepmoat Regeneration (Apollo) Ltd health and safety submission was evaluated by Corporate Health and Safety at the time of awarding the Framework and met the minimum requirements regarding health and safety.

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

Keepmoat Regeneration (Apollo) Ltd insurances have been assessed and evaluated to confirm that they have met the minimum requirement regarding risk.

11. Privacy Impact

N/A

List of background papers

(1) Report to Council on 17 April 2013 entitled: '*Contract Authorisation: Voids Maintenance and Refurbishment Works*'.

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To: Procurement Sub Committee

On: Wednesday 14th September 2016

Report by:

**Joint Report
by
The Chief Executive and the Director of Development and Housing Services**

Heading:

Contract Authorisation Report

King George V Training Pitches

1. Summary

- 1.1 The purpose of this report is to seek the approval of the Procurement Sub Committee to award a Standard Building Contract with Quantities for the Installation of a dual-purpose football/ruby 3G Synthetic Sports Pitch at King George V Park at Broadloan, Renfrew, PA4 0SA.
 - 1.2 The Contract was tendered in accordance with the below EU Threshold Open Procedure for Works and the Council's Standing Orders Relating to Contracts.
 - 1.3 A Contract Strategy was prepared by the Corporate Procurement Unit and was approved by the Strategic Commercial & Procurement Category Manager and the Head of Service.
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2. Recommendations

- 2.1 It is recommended that the Procurement Sub-Committee authorise:

2.1.1 The Head of Corporate Governance to award the Contract for King George V Training Pitches to Allsports Construction & Maintenance Ltd.

2.1.2 The contract value is £429,890.20 excluding VAT.

2.1.3 The Date for Possession of the Site is to be early January 2017 and the Date for Completion of the Works is 10 weeks from the Date of Possession of the Site. The Date for Possession will be confirmed in the Letter of Acceptance.

2.2 Please note that this contract is subject to the confirmation of approval from Sportscotland who are providing funding towards the project. The contract will not be awarded until funding has been confirmed.

3. Background

3.1 The Department of Development and Housing Services is seeking to appoint a suitably qualified and experienced Contractor to carry out the installation of a dual-purpose football/rugby 3G sports pitch at King George V Park, Broadloan, Renfrew, PA4 0SA.

3.2 A Contract notice was published on the Public Contract Scotland advertising portal on 18th March 2016 with the tender documentation available for downloading from the Public Contract Scotland – Tender website. During the tendering period ten (10) companies expressed an interest in the contract. By the closing date set for return of electronic tenders, 12 noon 6th April 2016, three (3) companies submitted a response, one (1) declined to tender and six (6) did not respond.

3.3 The three (3) electronic tender submissions received were evaluated by representatives from the Corporate Procurement Unit, Corporate Insurance, Health and Safety and Development and Housing Services against pre-determined Bid Selection Criteria which assessed their capacity, experience and track record and their technical and financial capabilities.

3.4 All three (3) companies met the Bid Selection Criteria. Tender submissions were then evaluated against a set of award criteria which were based on a Price/Quality ratio of 60%/40%. The scores relative to the Award Criteria of each tenderer are as follows:

	Price (%)	Quality (%)	Total (%)
Allsports Construction & Maintenance Ltd	60.00	29.65	89.65
Fairways Sportsgrounds Limited	57.26	27.35	84.61
W.H. Malcolm Ltd	47.74	34.95	82.69

- 3.5 The evaluation of tenders received identified that the tender submitted by Allsports Construction & Maintenance Ltd as the most economically advantageous on terms of price and quality.
- 3.7 The Council has committed £5m to the refurbishment of sports grounds throughout the Renfrewshire area and aims to supplement this with grants from Sportsscotland.
- 3.8 Community Benefits were requested as part of this Contract and, Allsports Construction & Maintenance Ltd has offered the following Community Benefits:

Description	Quantity
Jobs (Unemployed)	1
Workplace Visits	1
School Mentoring	1
Business Mentoring SME's	1

Implications of the Report

- Financial**
 The financial status of Allsports Construction & Maintenance Ltd has been assessed by undertaking a Dun and Bradstreet evaluation and it is confirmed that the company satisfies the Council's requirements in relation to financial stability.
- HR & Organisational Development**
 N/A
- Community Planning**
 None
- Legal**
 The tendering procedures for the establishment of this contract were in accordance with Renfrewshire Council's Standing Orders Relating to Contracts for below EU Threshold Works contracts
- Property/Assets**
 The works will improve the physical assets and will offer all weather use of the current facilities.
- Information Technology**
 N/A
- 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. 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

Allsports Construction & Maintenance Ltd's health and safety submission has been evaluated by Corporate Health & Safety and meets the minimum requirements regarding health and safety.

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

Allsports Construction & Maintenance Ltd insurances have been assessed and evaluated to confirm that they meet the minimum requirement regarding risk.

The Contract award is dependent on the receipt of funding from Sportsscotland if this is not received in time this may delay the award of contract and subsequently the Date of Possession.

11. Privacy Impact

N/A

List of Background Papers

None

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To: Procurement Sub Committee

On: 14 September 2016

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

**Contract Authorisation Report For
Insurance Framework
RC/RC/164/17**

1. Summary

- 1.1 The purpose of this report is to obtain authorisation from the Procurement Sub Committee to enter into a Framework Agreement and subsequent call-off contracts for Insurance provision for Renfrewshire Council and associated bodies.
 - 1.2 The Framework Agreement was tendered in accordance with the above the EU Threshold Open Procedure (Services) and the Council's Standing Orders Relating to Contracts.
 - 1.3 A Contract Strategy was agreed by the Strategic Commercial and Procurement Manager and the Head of Finance on 2 December 2013.
-

2. Recommendations

2.1 It is recommended that the Procurement Sub Committee authorise:

2.1.1 The Head of Corporate Governance to award the Framework and thereafter delegate to the Head of Corporate Governance authority to award each and every subsequent call-off contract per specific Lot as follows:

Lots	Recommended Tenderer
Lot 1 – Property Damage/Business Interruption	Risk Management Partners Ltd managing agent of behalf of AIG Europe Limited
lot 2 – Terrorism	Arthur J. Gallagher Insurance Brokers Ltd
Lot 3 - Casualty (includes Officials' Indemnity and Professional Indemnity)	Risk Management Partners Ltd managing agent of behalf of QBE Insurance Group
lot 4 – Motor	Zurich Insurance plc (Trading as Zurich Municipal)
lot 5 – Computer	RSA Insurance Group PLC
Lot 6 - Contractor's All Risks (includes Own / Hired-in Plant)	Risk Management Partners Ltd managing agent of behalf of HSB Engineering Insurance Ltd
Lot 7 – Engineering Inspection / Insurance	Risk Management Partners Ltd managing agent of behalf of HSB Engineering Insurance Ltd
Lot 8 – Group PA / Travel	Risk Management Partners Ltd managing agent of behalf of AIG Europe Limited
Lot 9 – Fidelity Guarantee	Risk Management Partners Ltd managing agent of behalf of QBE Insurance Group
Lot 10 - Medical Malpractice	Risk Management Partners Ltd managing agent of behalf of QBE Insurance Group

2.1.2 The spend under this framework agreement will be up to the value of £4.6million.

2.1.3 The Framework is intended to commence on 31 October 2016 and is for a period for 4 years.

3. Background

3.1 Renfrewshire Council tendered for Insurance on behalf of the Council and their associated bodies. The areas of insurance cover required were separated into 10 individual lots as noted below;

- Property Damage, including claims handling (above deductible)
- Terrorism
- Combined Liability
- Motor Fleet, including claims handling (own damage > deductible, and any third party claims)
- Computer
- Contractors All Risk
- Engineering Insurance and Inspection
- Group Personal Accident/Travel
- Fidelity Guarantee
- Medical Malpractice

3.2 The call-off contracts will be awarded based on current policy renewal dates and will each run for an initial period of 3 years, with an option to extend for a further 2 years.

3.3 The procurement of this Framework Agreement contract was tendered in accordance with the above EU Threshold Open Procedure (Services), Public Contracts (Scotland) Regulations 2015 and the Council's Standing Orders Relating to Contracts.

3.4 A contract notice was published on the Public Contracts Scotland advertising portal and the Official Journal of the European Union (OJEU) on 7 July 2016. Twelve suppliers expressed an interest in the tender, with seven suppliers submitting responses, for a variety of the individual Lots, by the deadline for submissions of 12 noon on 5 August 2016.

3.5 The seven tender submissions were evaluated by representatives from Corporate Insurance, CPU and also the Council's Insurance Broker against pre-determined criteria which assessed scope of cover, competence and expertise. All seven tenderers met those minimum requirements.

3.6 All seven tenders were then evaluated against a set of award criteria which was based on a price / quality ratio of 60% / 40%, which was applied to each Lot which was then evaluated separately.

3.7 The scores relative to the award criteria of each tenderer are as follows for each lot:

Lot 1 - Property Damage/Business Interruption			
Supplier	Final Technical Score	Final Commercial Score	Total Score
Risk Management Partners Ltd managing agent of behalf of AIG Europe Limited	29.00	60.00	89.00
Travelers Ins Co Ltd	29.00	50.08	79.08
Zurich Municipal	23.00	40.31	63.31

Lot 2 - Terrorism			
Company	Final Technical Score	Final Commercial Score	Total Score
Arthur J. Gallagher Insurance Brokers Ltd	6.00	60.00	66.00
Risk Management Partners Ltd	32.00	33.40	65.40
Asta Managing Agency Limited on behalf of Axis Syndicate 1686	24.00	31.13	55.13

Lot 3 - Casualty (includes Officials' Indemnity and Professional Indemnity)			
Company	Final Technical Score	Final Commercial Score	Total Score
Risk Management Partners Ltd managing agent of behalf of QBE Insurance Group	26.00	60.00	86.00
Maven Public Sector	25.00	44.05	64.00
Zurich Municipal	19.00	40.01	54.43

Lot 4 - Motor			
Company	Final Technical Score	Final Commercial Score	Total Score
Zurich Municipal	28.00	60.00	88.00
Risk Management Partners Ltd	29.00	55.31	84.31
Travelers Ins Co Ltd	25.75	56.56	82.31
Maven Public Sector	31.00	39.41	70.41

Lot 5 - Computer			
Company	Final Technical Score	Final Commercial Score	Total Score
RSA Insurance Group PLC	25.00	60.00	85.00
Zurich Municipal	23.00	47.86	70.86
Risk Management Partners Ltd	29.00	41.83	70.83
Travelers Ins Co Ltd	26.00	36.73	62.73

Lot 6 - Contractor's All Risks (includes Own / Hired-in Plant)			
Company	Final Technical Score	Final Commercial Score	Total Score
Risk Management Partners Ltd managing agent of behalf of HSB Engineering Insurance Ltd	23.00	60.00	83.00
Travelers Ins Co Ltd	20.00	8.73	28.73
Zurich Municipal	8.00	2.41	10.41

Lot 7 - Engineering Inspection / Insurance			
Company	Final Technical Score	Final Commercial Score	Total Score
Risk Management Partners Ltd managing agent of behalf of HSB Engineering Insurance Ltd	26.00	60.00	86.00
Zurich Municipal	23.00	50.92	73.92

Lot 8 - Group PA / Travel			
Company	Final Technical Score	Final Commercial Score	Total Score
Risk Management Partners Ltd managing agent of behalf of AIG Europe Limited	26.00	60.00	86.00
Zurich Municipal	20.00	21.80	41.80

Lot 9 - Fidelity Guarantee			
Company	Final Technical Score	Final Commercial Score	Total Score
Risk Management Partners Ltd managing agent of behalf of QBE Insurance Group	26.00	60.00	86.00
Travelers Ins Co Ltd	29.00	40.00	69.00
Maven Public Sector	27.00	39.00	66.00
Zurich Municipal	26.00	39.65	65.65

Lot 10 - Medical Malpractice			
Company	Final Technical Score	Final Commercial Score	Total Score
Risk Management Partners Ltd managing agent of behalf of QBE Insurance Group	26.00	60.00	86.00

- 3.8 It is therefore recommended that the following tenderers are awarded a place on the Framework Agreement in respect of these individual Lots and any subsequent call-off contracts made under the respective Lot, who based on this evaluation, have provided the most economically advantageous tender responses;

Lots	Recommended Tenderer
Lot 1 – Property Damage/Business Interruption	Risk Management Partners Ltd managing agent of behalf of AIG Europe Limited
lot 2 – Terrorism	Arthur J. Gallagher Insurance Brokers Ltd
Lot 3 - Casualty (includes Officials' Indemnity and Professional Indemnity)	Risk Management Partners Ltd managing agent of behalf of QBE Insurance Group
lot 4 – Motor	Zurich Insurance plc (Trading as Zurich Municipal)
lot 5 – Computer	RSA Insurance Group PLC
Lot 6 - Contractor's All Risks (includes Own / Hired-in Plant)	Risk Management Partners Ltd managing agent of behalf of HSB Engineering Insurance Ltd
Lot 7 – Engineering Inspection / Insurance	Risk Management Partners Ltd managing agent of behalf of HSB Engineering Insurance Ltd

Lot 8 – Group PA / Travel	Risk Management Partners Ltd managing agent of behalf of AIG Europe Limited
Lot 9 – Fidelity Guarantee	Risk Management Partners Ltd managing agent of behalf of QBE Insurance Group
Lot 10 - Medical Malpractice	Risk Management Partners Ltd managing agent of behalf of QBE Insurance Group

3.9 The estimated cost for call-off contracts made under this Framework will be allocated in accordance with the Council arrangement to cross charges to all Council Services.

3.10 The recommended tenderers have offered the following Community Benefits;

- Business Support and Mentoring Opportunities
- School Talks
- Financial support to local charities and community groups

Discussions will take place post-award to formalise the opportunities offered.

3.11 The recommended tenderers have also each offered as part of the contract additional services to assist the Council with managing their risk profile.

Example of additional services includes;

- Rebates for Low Claims
- Free consultancy with regards to loss control
- Property and Security Surveys
- Dedicated risk engineers for technical referrals
- Risk profiling
- Claims trend and leakage analysis
- 20 risk control days/customer days
- News and views on market trends

Implications of the Report

1. Financial

The financial stability of each recommended tenderer has been assessed as part of the evaluation procedure and met with the Council's minimum requirements for this Framework Agreement and each respective Lot.

2. HR & Organisational Development

N/A

3. Community Planning

N/A

4. Legal

The tendering procedures for the establishment of this Framework Agreement was in accordance with Renfrewshire Council's Standing Orders Relating to Contracts for over EU Threshold Services contracts.

5. Property Assets

N/A

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. 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

N/A

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

The recommended tenderers 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

(1) None

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