

To: Procurement Sub Committee

On: 29<sup>th</sup> March 2016

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Report by:

Joint Report  
by  
The Chief Executive & Director of Community Resources

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### Contract Authorisation Report

#### Strategic Review of Street Lighting – LED Lantern Replacement 2016/2017

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#### 1. Summary

- 1.1 The purpose of this report is to seek the approval of the Procurement Sub Committee to award a contract for the Strategic Review of Street Lighting - LED Lantern Replacement 2016/2017, reference RC1602\_5540\_ITT11689.
  - 1.2 This procurement exercise has been tendered in accordance with Renfrewshire Council's Standing Orders Relating to contracts for below EU Threshold Works contracts.
  - 1.3 A contract strategy document has been approved by the Strategic Commercial & Procurement Manager and Director of Community Resources for the Strategic Review of Street Lighting – LED Programme.
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#### 2. Recommendations

- 2.1 It is recommended that the Procurement Sub Committee authorises:
  - 2.1.1 The Head of Corporate Governance to award the contract for Strategic Review of Street Lighting – LED Lantern Replacement 2016/2017 (reference RC1602\_5540\_ITT11689) to Amey OW Ltd;

- 2.1.2 The value of the contract at £813,109.72, with an additional 10% contingency spend for unforeseen works.
- 2.1.3 The contract will commence on 28 April 2016. The completion date for the last section of the works scheduled for 2 September 2016.
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### **3. Background**

- 3.1 Community Resources is responsible for the maintenance of all street lighting within the Council area. This contract includes for installation of new LED lanterns to the street lighting infrastructure of all roads within the Paisley area (excluding trunk roads).
- 3.2 On 25<sup>th</sup> June 2015, the Council approved the street lighting improvement strategy for the replacement of existing street lanterns with LEDs to improve the quality of light, reduce energy and reduce maintenance costs. Council also approved a capital investment programme, estimated at £11m to fund delivery of the strategy by the end of financial year 2016/17; and the investment programme be delivered through the appropriate application of capital lifecycle maintenance resources available during the delivery programme period with the balance funded through self-financed prudential borrowing arrangements.
- 3.3 On 27 January 2016, the Procurement Sub Committee approved a new tendering procedure for the LED Lantern Replacement 2016/2017 contract be commenced using revised tender documents.
- 3.4 The original installation strategy was revised to provide for the LED installation to be completed in three (3) stages. This contract is for stage 1 covering Paisley. Subsequent reports to this board will follow in due course.
- 3.5 The procurement exercise was tendered in accordance with Council's Standing Orders Relating to Contracts for below EU Threshold Open Procedure (Works), Public Contracts (Scotland) Regulations 2012, as amended.
- 3.6 A contract notice was published on the Public Contracts Scotland advertising portal on 23 February 2016. Tender documentation was available for immediate download through the online e-tender system.
- 3.7 34 contractors noted an interest. At the deadline for tender submissions, 12 noon on Monday 14 March 2016, two (2) submissions were received.

3.8 The two (2) tender submissions were evaluated against a pre-determined set of Bid Selection Criteria by officers from the Corporate Procurement Unit, and in conjunction with the appropriate specialist & technical officers from within Community Resources and Finance & Resources – including Corporate Insurance and Corporate Health & Safety. None of the tenderers failed to meet the Bid Selection Criteria.

3.9 Tender submissions were then evaluated against a set of award criteria which was based on a price / quality ratio of 70% / 30%. The scores relative to the award criteria of each tenderer are as follows:

<b>Supplier</b>	<b>Price (70)</b>	<b>Quality (30)</b>	<b>Total Score</b>
Amey OW Ltd	70	27.60	97.60
Centre Great Ltd	58.29	16.35	74.64

3.10 It is recommended that the contract is awarded to Amey OW Ltd, who based on evaluation, have provided the most economically advantageous tender. Prices have been agreed for the contract duration.

3.11 In terms of environmental management, Amey OW Ltd have confirmed that 25% of their vehicles are Euro 6 compliant. The tender contained a question on end of life for lanterns and columns, Amey OW Ltd confirmed that they will transfer old lanterns, lamps, columns and cardboard to their storage depot and separate each component into skips, shredder, bailers and stock piles prior to being transferred to recycling centres. Old lanterns will be disposed as per the WEEE Regulations 2013. Columns will be cut down and recycled. Cardboard from the new lantern packaging will be shredded and recycled.

3.12 Amey OW Ltd have committed to delivery of the following community benefits as a result of delivery of this contract:

- 4 Jobs (unemployed)
- 1 Work experience placement (16+ years of age)
- 1 industry awareness day
- 1 career event
- 1 supply chain briefing with SME's
- 3 S/NVQ's or equivalent for existing employees

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## **Implications of the Report**

### **1. Financial**

Financial costs in respect of this contract will be met from approved capital resources.

### **2. HR and Organisational Development**

None.

### **3. Community Planning**

Safer and Stronger Renfrewshire Council has a statutory obligation under the Roads (Scotland) Act 1984 for the provision and maintenance of roads and footways.

This type of improvement to the condition of the road network contributes to maintaining network availability and public safety.

Greener The recommended contractors have an environmental policy which demonstrates that they give consideration to the impact their business and processes have on the environment.

### **4. Legal**

The procurement exercise was tendered in accordance with Council's Standing Orders Relating to Contracts for below EU Threshold Open Procedure (Works), Public Contracts (Scotland) Regulations 2012, as amended.

### **5. Property**

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. 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 and Safety**

Tenderers health and safety submissions have been evaluated by Renfrewshire Council's Health and Safety section. All tenderers have met the minimum requirements regarding health & safety.

**9. Procurement**

The procurement exercise was conducted in accordance with Renfrewshire Council's Standing Orders Relating to Contracts.

**10. Risk**

N/A

**11. Privacy Impact**

N/A

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