

**WEST DUNBARTONSHIRE COUNCIL**

**Report by Strategic Lead – Transformation and Public Service Reform**

**Tendering Committee: 18 September 2019**

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**Subject: Contract Authorisation Report – Rot Eradication and Associated Reinstatement Works at West Dunbartonshire Council Domestic and Non-Domestic Properties**

**1. Purpose**

- 1.1** The purpose of this report is to seek the approval of the Tendering Committee to authorise the Strategic Lead – Regulatory, to conclude the award of the contract for Rot Eradication and Associated Reinstatement Works at West Dunbartonshire Council Domestic and Non-Domestic Properties.

**2. Recommendations**

- 2.1** It is recommended that the Tendering Committee:

- a) authorise the Strategic Lead Regulatory to conclude on behalf of West Dunbartonshire Council (the Council), the award of the contract for Rot Eradication and Associated Reinstatement Works at West Dunbartonshire Council Domestic and Non-Domestic Properties to City Gate Construction (Scotland) Limited; and
- b) agree that the contract shall be for a period of three years with the option to extend for a further two periods, each of which could be up to 12 months. The three-year value of the contract is up to £596,251 ex VAT with the five-year value of the contract being up to £993,751 ex VAT, dependent on works requested.

**3. Background**

- 3.1** The purpose of the tender was to appoint a suitably experienced and qualified contractor to provide a rot eradication and dampness control service to the Council's housing and non-housing stock including works for void properties within the agreed budget.
- 3.2** Further to the report to Housing and Communities Committee on 1<sup>st</sup> May 2019, the report stated a maximum duration of two years with the option to extend for a further two up to 12 month periods. However it is intended that the contract is awarded for three years with the option to extend for up to a further two periods, each of which could be up to 12 months. That is the basis on which tenders were sought and evaluated.

- 3.3** The budget of £250,000 per annum for Rot Eradication and Associated Reinstatement Works at West Dunbartonshire Council Domestic and Non-Domestic Properties was approved at the Housing and Communities Committee on 1<sup>st</sup> May 2019.

#### **4. Main Issues**

- 4.1** This procurement exercise has been conducted in accordance with the Council's Standing Orders and Financial Regulations and the *Public Contracts (Scotland) Regulations 2016* for Works. A Contract Strategy document was also approved by the Business Partner -Strategic Procurement (Place) on 20 May 2019.
- 4.2** A contract notice was published on the Public Contracts Scotland advertising portal on 25 June 2019. Six contractors expressed an interest, with three contractors submitting a response by the deadline for the submissions of 12 noon on 26 July 2019.
- 4.3** The three tender submissions were evaluated by representatives from Building Services, Corporate Procurement Unit, Health & Safety and Finance against pre-determined selection criteria forming part of the published tender documents which assessed competence, experience, and capacity. Three tender submissions passed the selection criteria.
- 4.4** Three tender submissions were 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>Weighting</b>	<b>City Gate Construction (Scotland) Ltd</b>	<b>Peter Cox Ltd</b>	<b>Richardson &amp; Starling</b>
<b>Quality (30%)</b>				
Service Delivery / Methodology	<b>(12%)</b>	8.3%	3%	8.3%
Risk Management	<b>(6%)</b>	6.0%	3%	3%
Contract Monitoring & Management	<b>(6%)</b>	5.1%	1.5%	3.9%
Social Benefits in Procurement	<b>(5.7%)</b>	5.4%	5.6%	5.4%
e-Procurement	<b>(0.3%)</b>	0.2%	0.2%	0.2%
<b>Quality Sub-Total %:</b>	<b>(30%)</b>	<b>25.0%</b>	<b>13.3%</b>	<b>20.8%</b>
<b>Price (70%)</b>				
<b>Price Sub Total £</b>	<b>-</b>	<b>£198,750</b>	<b>£250,291</b>	<b>£257,721</b>
<b>Price Sub Total %</b>	<b>(70%)</b>	<b>70%</b>	<b>55.6%</b>	<b>54.0%</b>
<b>Total Score</b>	<b>100%</b>	<b>95.0%</b>	<b>68.9%</b>	<b>74.8%</b>

- 4.5** It is recommended that the contract is awarded to City Gate Construction (Scotland) Limited, of Paisley, who has provided the most economically advantageous tender. The contract shall be for a period of three years at a value of up to £596,250, ex VAT, with the option to extend for a further two periods, each of which could be up to 12 months. The value of the contract is below the value approved by the Housing and Communities Committee.
- 4.6** City Gate Construction (Scotland) Limited has committed to follow Fair Working Practices and exceeds the Scottish Living Wage across all staff contracts and have committed to delivery of the following social benefits as a direct result of delivery of this contract:
- Recruit a member of staff from within the West Dunbartonshire geographical area;
  - Two new registered apprenticeships to residents of the West Dunbartonshire Geographical area;
  - Donation of goods to local food-share scheme; and
  - Measured and committed support to fair working practices for workers (including agency or sub-contractor workers) engaged in the delivery of this contract.

## **5. People Implications**

- 5.1** There are no people implications.

## **6. Financial and Procurement Implications**

- 6.1** Financial costs in respect of this contract will be met from the approved HRA Revenue budget. As advised to Housing and Communities Committee on 1<sup>st</sup> May 2019, the budget held for this service requirement is £250,000 per annum. The winning bid will therefore generate a saving of £51,250 per annum, dependent on works requested.
- 6.2** This procurement exercise was conducted with the agreed Contract Strategy produced by the Corporate Procurement Unit in close consultation with Building Services officers and the provisions of Contract Standing Orders, the Financial Regulations and relevant procurement legislation.

## **7. Risk Analysis**

- 7.1** The successful contractor has no known links to Serious and Organised Crime which would have significant political and reputational ramifications for the Council.
- 7.2** Should the Tendering Committee decide not to proceed as recommended then this will delay the project, may have financial implications and may result in legal challenge.

## **8. Equalities Impact Assessment (EIA)**

- 8.1** An equalities screening was undertaken for this reports to determine if there is an equalities impact. The results were that there is no equalities impact.

## **9. Consultation**

- 9.1** Building Services, Finance and Legal Services have been consulted regarding the contents of this report.

## **10. Strategic Assessment**

- 10.1** The service provided will contribute to the delivery of the Council strategic priorities by supporting the provision of efficient and effective front line services that improve the everyday lives of residents.

**Name:** Angela Wilson

**Designation:** Strategic Lead – Transformation and Public Service Reform

**Date:** 20 August 2019

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### **Person to Contact:**

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### **Appendices:**

None

### **Background Papers:**

Contract Strategy  
EIA Screening  
Housing and Communities Committee Meeting Minutes – 1 May 2019

### **Wards Affected:**

All