

**WEST DUNBARTONSHIRE COUNCIL**

**Report by Strategic Director – Transformation & Public Service Reform**

**Tendering Committee: 19 February 2020**

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**Subject: Contract Authorisation Report – Provision of a Replacement Boiler at Carleith Primary School**

**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 the Provision of a Replacement Boiler at Carleith Primary School.

**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 the Provision of a Replacement Boiler at Carleith Primary School to Truedeal Building Services Limited.
- b)** Note that the contract shall be for a period of one month and at a value of £111,705 ex VAT. The estimated commencement date of this contract is 1 April 2020.

**3. Background**

- 3.1** The Council has a number of sites which still use oil as the primary source of heating. Many of the highest users are primary schools, located close to the mains natural gas network, which could be candidates for conversion to natural gas heating. Carleith Primary School was identified as one of the candidate sites.
- 3.2** The Works comprise replacing existing plant to condensing gas boilers for heating and an independent gas fired water for hot water production. The Works to convert from oil to gas will take place only during the school spring break, whilst the School is closed.
- 3.3** 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 22 July 2019.

#### 4. Main Issues

- 4.1** A contract notice was published on the Public Contracts Scotland advertising portal on 6 November 2019. Nine providers expressed an interest, with four providers submitting a response by the deadline for the submissions on 22 November 2019.
- 4.2** The four tender submissions were evaluated by representatives from Energy & Compliance, Consultancy Services, Corporate Procurement Unit, Health & Safety Services and Finance Services against pre-determined selection criteria forming part of the published tender documents which assessed competence, experience and capacity. All four tender submissions passed the selection criteria.
- 4.3** Four 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:

	Weighting	ECG Building Maintenance Ltd (T/A) ECG Facilities Services	JLA Limited	Skanska Rashleigh Weatherfoil Limited (T/A) Skanska Facilities Services	Truedeal Building Services Limited
<b>Quality (30%)</b>					
Service Delivery & Methodology	(6%)	4.5%	3%	4.5%	4.5%
Project Plan & Milestones	(6%)	4.5%	3%	6%	4.5%
Quality Management	(6%)	4.5%	4.5%	3%	4.5%
Key Risks	(6%)	4.5%	1.5%	3%	1.5%
Social Benefits	(4.5%)	2.3%	4.5%	2.3%	4.5%
eProcurement	(1.5%)	1.5%	0.8%	1.1%	0.4%
<b>Quality Sub-Total %:</b>	<b>(30%)</b>	<b>21.8%</b>	<b>17.3%</b>	<b>19.9%</b>	<b>19.9%</b>
<b>Price (70%)</b>					
Price	-	£115,892	£139,676	£134,571.72	£111,705
<b>Price Sub Total %</b>	<b>(70%)</b>	<b>67.5%</b>	<b>58.1%</b>	<b>56%</b>	<b>70%</b>
<b>Total Score</b>	<b>100%</b>	<b>89.3%</b>	<b>75.4%</b>	<b>75.9%</b>	<b>89.9%</b>

- 4.4** It is recommended that the contract is awarded to Truedeal Building Services Limited, of Glasgow, who has provided the most economically advantageous tender. The contract shall be for a period of one month at a value of £111,705 ex VAT. The value of the contract is below the value approved as part of the Capital Plan by West Dunbartonshire Council.
- 4.5** Truedeal Building Services Limited exceeds the Scottish Living Wage across all staff contracts.
- 4.6** Truedeal Building Services Limited have committed to delivery of the following social benefits as a result of delivery of this contract:
- Use of West Dunbartonshire based organisations for sub-contracting opportunities
  - Offer a new registered apprenticeship to a resident of the West Dunbartonshire geographical area
  - A minimum of £300 donation of goods to local food-share scheme
  - A minimum of £300 donation of money to the Community Fund to provide support for victims of domestic abuse
  - A minimum of £300 sponsoring a charity that promotes physical or mental health or wellbeing
  - Donation of labour to support a local community project.
  - Supporting environmental regeneration, such as re-development of old quarry or brown belt areas
  - Supporting environmental educational projects in schools such as tree or woodland planting or educational packs
  - Supporting the reduction of non-recyclable materials throughout the West Dunbartonshire area.

The social benefits will be discussed at contract award with Truedeal Building Services Limited and actions to take these forward will be agreed.

## **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 Council Capital Regeneration Fund. The budget held for this requirement is £149,000. The contract value of £111,705 includes pricing for anticipated aspects which are likely to be required. However there is scope to reduce the contract value where aspects are later identified as not required. Confirmation between the Council and the provider will take place to agree the final aspects required.

**6.2** The financial saving in respect of this contract, estimated to be at least £37,000; will be retained as an approved Capital budget and will contribute towards upcoming planned replacement boiler works. The saving may increase should the contract value decrease after confirmation of the final aspects required. Annual savings of estimated £10,000 per year will be achieved as the change will result in a payback period of approximately 11 years. This would also result in estimated carbon dioxide (Co2) savings of 47 tonnes of Co2 per year.

**6.3** This procurement exercise was conducted in accordance with the agreed contract strategy produced by the Corporate Procurement Unit in close consultation with Energy & Compliance officers and the provisions of Contract Standing Orders, the Financial Regulations and relevant procurement legislation.

## **7. Risk Analysis**

**7.1** The successful provider has no known links to Serious and Organised Crime which would have significant political and reputational ramifications for the Council.

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

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

## **9. Consultation**

**9.1** The Service Lead from Energy and Compliance has been consulted regarding the Contract Strategy. Finance Services and Legal Services have been consulted on the contents of this report.

## **10. Strategic Assessment**

**10.1** The Provision of a Replacement Boiler for Carleith Primary School will contribute to the delivery of the Council's strategic priorities by supporting the provision of efficient and effective frontline services that improve the everyday lives of residents.

Angela Wilson  
Strategic Director - Transformation & Public Service Reform  
19 February 2020

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**Appendices:** None

**Background Papers:** 1. Contract Strategy;  
2. EIA Screening.

**Wards Affected:** Kilpatrick

