

**WEST DUNBARTONSHIRE COUNCIL**

**Report by Strategic Director of Transformation and Public Service Reform**

**Tendering Committee: 28 August 2019**

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**Subject: Contract Authorisation Report – Water Quality Management Including Legionella**

**1. Purpose**

- 1.1** The purpose of this report is to seek the approval of Tendering Committee to authorise the Strategic Lead – Regulatory, to conclude the award of the contract for Water Quality Management Including Legionella.

**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 a Water Quality Management Including Legionella to Envirocure Limited.
- b) Note that the contract shall be for a period of three years with the option to extend for a further 2 up to 12 month periods. The 3-year value of the contract is £231,540 ex VAT with the 5-year value of the contract being £385,900 ex VAT, dependent on works requested.

**3. Background**

- 3.1** At a meeting of the Infrastructure, Regeneration & Economic Development (IRED) Committee on 15 May 2019, approval was given to issue a tender for water management services including legionella control within all Council operational buildings.

- 3.2** The Council adheres to the Health & Safety Arrangements Code 25 – Legionella, for hot and cold water systems within Council properties. It further confirms that the Council will ensure that their water storage and delivery systems are:

- Risk Assessed in line with BS 8580:2010 [Water Quality for Legionella Control];
- Maintained in both a proactive and reactive manner as required;
- Monitored in line with both the ACOP and HSG274 Part 2; and
- Reviewed on a regular basis to ensure that controls remain effective.

#### **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 2015* (above the EU threshold) for Services. A Contract Strategy document was also approved by the Business Partner – Strategic Procurement (Place) on 1 July 2019.
- 4.2** A contract notice was published on the Public Contracts Scotland advertising portal and the Official Journal of the European Union (OJEU) on 5 July 2019. 25 providers expressed an interest, with 6 providers submitting a response by the deadline for the submissions of 6 August 2019 at 10:00 hours.
- 4.3** 6 tender submissions were evaluated against a set of award criteria which was based on a Price / Quality ratio of 60 % / 40 %. The scores relative to the award criteria of each tenderer, are as follows:

	Weighting	Envirocure Limited	Environtec Limited	HBE Limited	HCS Water Treatment Limited	Total Environmental Compliance Limited	Waterman Environmental Services Limited
<b>Quality (40%)</b>							
Service Delivery / Methodology	40 %	30.0%	32.0%	38.0%	30.0%	34.0%	26.0%
Business Continuity	30 %	20.2%	22.5%	27.7%	19.5%	17.2%	22.5%
Staffing	10 %	7.5%	8.7%	10.0%	8.7%	8.7%	7.5%
Reporting	10 %	5.0%	6.5%	9.5%	8.5%	8.0%	9.0%
Social Benefits	5 %	4.7%	4.7%	4.9%	5.0%	4.9%	4.7%
Sustainability	3 %	2.2%	3.0%	3.0%	3.0%	1.5%	3.0%
e-Procurement	1 %	0.9%	0.6%	1.0%	0.7%	0.6%	0.9%
Fair Working Practices	1 %	0.7%	0.5%	0.7%	1.0%	0.7%	0.7%
Total Quality	<b>(100%)</b>	<b>71.2%</b>	<b>78.5%</b>	<b>94.8%</b>	<b>76.4%</b>	<b>75.6%</b>	<b>74.3 %</b>
Total Quality	<b>(40%)</b>	<b>28.5%</b>	<b>31.4%</b>	<b>37.9%</b>	<b>30.6</b>	<b>30.2%</b>	<b>29.7%</b>
<b>Price (60%)</b>							
Price Sub Total £	-	£77,180.00	£234,865.00	£117,598.37	£124,834.00	£100,025.00	£100,209.95
Price Sub Total %	<b>(60%)</b>	<b>60.0%</b>	<b>19.7%</b>	<b>39.4%</b>	<b>37.1%</b>	<b>46.3%</b>	<b>38.5%</b>
Total Score	<b>100%</b>	<b>88.5%</b>	<b>51.17%</b>	<b>77.3%</b>	<b>67.7%</b>	<b>76.5%</b>	<b>68.2%</b>

- 4.4** It is recommended that the contract is awarded to Envirocure Limited of Bellshill, who has provided the most economically advantageous tender. The contract shall be for a period of 3 years at a value of £231,540, ex VAT, with the option to extend for a further 2 up to 12 month periods. The value of the contract is below the value approved by the IRED Committee.
- 4.5** Envirocure Limited has committed to follow Fair Working Practices and exceeds the Scottish Living Wage across all staff contracts.
- 4.6** Envirocure Limited have committed to delivery of the following social benefits as a result of delivery of this contract:
- Recruit member of staff from within the West Dunbartonshire geographical area;
  - Use of West Dunbartonshire based organisations for sub-contracting opportunities;
  - Facilitate quarterly local work experience opportunities covering a range of work based skills;
  - Measured and committed support for local Supported Businesses as part of this contract;
  - Donation of goods to local food-share scheme;
  - Sponsoring a local charity that promotes physical or mental health or wellbeing;
  - Donation of labour to support a local community project;
  - Providing volunteers to support a local community project;
  - Supporting environmental educational projects in local schools such as tree or woodland planting or educational packs;
  - Supplying free litter bins for local public spaces where plastic bottles can be recycled; and
  - Supporting the reduction of non-recyclable materials throughout the West Dunbartonshire area.

Delivery of the above social benefits will be discussed and firmed up as part of the implementation meeting.

## **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 Revenue budget of Energy and Compliance. As advised to IRED Committee on 15 May 2019, the budget held for this service requirement is £100,000 per year. The winning bid will therefore generate a saving of £22,820 per annum, dependent on works requested.

**6.2** This procurement exercise was conducted in accordance with the agreed Contract Strategy produced by the Corporate Procurement Unit in close consultation with Energy Management 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.

**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 to determine if there is an equalities impact. The results were that there is no equalities impact.

## **9. Consultation**

**9.1** Energy Management 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 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 Director of Transformation and Public Service Reform

**Date:** 15 August 2019

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**Appendix:** None

**Background Papers:** Contract Strategy

EIA Screening

**Wards Affected:**

All