

# Agenda



## Tendering Committee

**Date:** Wednesday, 19 September 2018

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**Time:** 09:15

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**Venue:** Civic Space,  
Council Offices, 16 Church Street, Dumbarton

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**Contact:** Scott Kelly, Committee Officer  
Tel: 01389 737220 [scott.kelly@west-dunbarton.gov.uk](mailto:scott.kelly@west-dunbarton.gov.uk)

Dear Member

Please attend a meeting of the **Tendering Committee** as detailed above. The business is shown on the attached agenda.

Yours faithfully

**JOYCE WHITE**

Chief Executive

**Distribution:**

Councillor J. Finn (Chair)  
Councillor G. Casey  
Councillor I. Dickson (Vice Chair)  
Councillor D. Docherty  
Provost W. Hendrie  
Councillor M. McNair  
Councillor L. O'Neill  
Councillor B. Walker

All other Councillors for information

Strategic Director - Transformation & Public Service Reform  
Strategic Lead - Regulatory

Date of Issue: 6 September 2018

## **TENDERING COMMITTEE**

**WEDNESDAY, 19 SEPTEMBER 2018**

### **AGENDA**

**1 APOLOGIES**

**2 DECLARATIONS OF INTEREST**

Members are invited to declare if they have an interest in any of the items of business on this agenda and the reasons for such declarations.

**3 MINUTES OF PREVIOUS MEETING 5 – 8**

Submit, for approval as a correct record, the Minutes of Meeting of the Tendering Committee held on 29 August 2018.

**4 OPEN FORUM**

The Committee is asked to note that no open forum questions have been submitted by members of the public.

**5 CONTRACT AUTHORISATION REPORT: CONSTRUCTION OF DALMONACH COMMUNITY CENTRE & EARLY LEARNING CENTRE 9 – 12**

Submit report by the Strategic Lead - Resources seeking approval to authorise the Strategic Lead - Regulatory to conclude the award of the contract for the Construction of Dalmonach Community Centre & Early Learning Centre.



### TENDERING COMMITTEE

At a Meeting of the Tendering Committee held in the Council Chamber, Clydebank Town Hall, Dumbarton Road, Clydebank on Wednesday, 29 August 2018 at 9.15 a.m.

**Present:** Provost William Hendrie and Councillors Gail Casey, Ian Dickson, Diane Docherty, Jim Finn, Marie McNair, Lawrence O'Neill and Brian Walker.

**Attending:** Stephen West, Strategic Lead - Resources; Peter Barry, Strategic Lead - Housing & Employability; John Kerr, Housing Development & Homelessness Manager; Annabel Travers, Procurement Manager; David Aitken and Alison Wood, Business Partners - Strategic Procurement; Angus Cameron and Christina Fraser, Senior Procurement Officers; Aileen Toland, Procurement Officer; and Scott Kelly, Committee Officer.

**Councillor Jim Finn in the Chair**

### DECLARATIONS OF INTEREST

It was noted that there were no declarations of interest in any of the items of business on the agenda.

### MINUTES OF PREVIOUS MEETING

The Minutes of Meeting of the Tendering Committee held on 27 June 2018 were submitted and approved as a correct record.

### OPEN FORUM

The Committee noted that no open forum questions had been submitted by members of the public.

### CONTRACT AUTHORISATION REPORT: FRESH MEATS, COOKED MEATS AND FRESH FISH – CALL-OFF FROM SCOTLAND EXCEL FRAMEWORK AGREEMENT (01/18)

A report was submitted by the Strategic Lead - Resources seeking approval to authorise the Strategic Lead - Regulatory to conclude the award of three contracts for the Supply and Distribution of Fresh Meats, Cooked Meats and Fresh Fish.

After discussion and having heard Ms Wood, Business Partner - Strategic Procurement and the Procurement Manager in further explanation of the report and in answer to Members' questions, the Committee agreed:-

- (1) to authorise the Strategic Lead - Regulatory to conclude, on behalf of West Dunbartonshire Council, the award of contracts under the Scotland Excel Framework Agreement (FA) (01/18) for the Supply and Distribution of Fresh Meats, Cooked Meats and Fresh Fish to McLays Ltd for Lot 1 (Fresh Meats), Brake Bros Ltd for Lot 2 (Cooked Meats) and McLays Ltd for Lot 3 (Fresh Fish);
- (2) to note that the contracts shall be for a period of three years from 1 October 2018 with the option to extend for up to a potential twelve month period until 30 September 2022; and
- (3) to note that the overall estimated value of the three contracts, including the twelve months extension, would be £1,095,000, excluding VAT.

**CONTRACT AUTHORISATION REPORT: APPOINTMENT OF A STRATEGIC HOUSING PARTNER TO UNDERTAKE THE DELIVERY INCLUDING CONSTRUCTION OF THE COUNCIL'S STRATEGIC HOUSING INVESTMENT PLAN (SHIP)**

A report was submitted by the Strategic Lead - Resources seeking approval to authorise the Strategic Lead - Regulatory to conclude the award of the contract for a strategic delivery partner to deliver the Council's affordable housing supply programme as set out within the Council's Strategic Housing Investment Plan (SHIP).

After discussion and having heard relevant officers in further explanation of the report and in answer to Members' questions, the Committee agreed:-

- (1) to authorise the Strategic Lead - Regulatory to conclude the award of the call-off contract under the Scottish Procurement Alliance Framework Agreement 'Off-Site Construction of New Homes (NH1), Lot M1 - Southern Scotland' for the delivery including construction of the Council's SHIP to CCG (Scotland), who are based in Glasgow, subject to the company providing a SHIP delivery programme by no later than 14 September 2018 demonstrating that they can deliver the project by 31 March 2021; and
- (2) to note that the contract will include gateway reviews at each site at an estimated maximum value of £89.872m, excluding VAT, and that the budgeted resources factored into the investment programme were inclusive of a projected minimum £19.693m of Scottish Government Grant Funding through the Affordable Housing Supply Programme and that there was therefore a net capital cost to the Council's Housing Revenue Account of £52.145m.

## **CONTRACT AUTHORISATION REPORT: MANAGED WORK FOR HOUSING BENEFIT AND COUNCIL TAX REDUCTION CLAIMS**

A report was submitted by the Strategic Lead - Resources seeking approval to authorise the Strategic Lead - Regulatory to conclude the award of the contract for Managed Work for Housing Benefit (HB) and Council Tax Reduction (CTR) Claims.

After discussion and having heard the Procurement Officer in further explanation of the report and in answer to Members' questions, the Committee agreed:-

- (1) to authorise the Strategic Lead - Regulatory to conclude, on behalf of West Dunbartonshire Council, the award of the contract for Managed Work for HB and CTR Claims to Northgate Public Services (UK) Limited for a period of two years, with an option to extend for a further 12 months; and
- (2) to note that the two-year estimated value of the contract was £150,000 with the three-year estimated value of the contract being £225,000 (both values excluding VAT).

## **CONTRACT AUTHORISATION REPORT: CYCLE TO WORK SCHEME**

A report was submitted by the Strategic Lead - Resources seeking approval to authorise the Strategic Lead - Regulatory to conclude the award of the contract for the Provision of a Cycle to Work Scheme.

After discussion and having heard Ms Wood, Business Partner - Strategic Procurement and the Strategic Lead - Resources in further explanation of the report and in answer to Members' questions, the Committee agreed:-

- (1) to note the decision taken by the Corporate Services Committee on 22 August 2018 to continue to offer a Cycle to Work Scheme and to authorise the Strategic Lead - Regulatory to conclude on behalf of West Dunbartonshire Council the award of a contract under the Eastern Shires Purchasing Organisation Framework Agreement (FA) (319\_25) for 'Staff Benefits, Lot 1 Cycle to Work' for the Provision of a Cycle to Work Scheme to Halfords Ltd;
- (2) to note that the contract shall be for a period of two years with the option to extend on an annual basis, up to a further two years until 30 September 2022, with the overall estimated value of the contract to the supplier including the extension periods of £262,400, excluding VAT, but that the actual value of the contract was dependent on participation in the scheme; and
- (3) to note that a 12.5% rebate via cashback for any bicycles purchased directly from Halfords was secured as part of this contract, that the potential rebate was estimated at £28,700 over the contract period including extensions but that the actual rebate amount was dependent on participation in the scheme.

## **REVISED CONTRACT AUTHORISATION REPORT: PROVISION OF VENDING MACHINES – FULLY MANAGED SERVICES**

With reference to the Minutes of Meeting of the Tendering Committee meeting held on 27 June 2018, a report was submitted by the Strategic Lead - Resources providing an update on the outcome of a previous decision relating to the award of the contract for the provision of fully managed vending services and seeking approval to authorise the Strategic Lead - Regulatory to conclude the award of the contract.

Having heard Ms Fraser, Senior Procurement Officer, in further explanation of the report and in answer to a Member's question, the Committee agreed:-

- (1) to authorise the Strategic Lead - Regulatory to conclude, on behalf of West Dunbartonshire Council and West Dunbartonshire Leisure Trust (WDLT), the award of the contract for the Provision of Fully Managed Services to Selecta UK Ltd; and
- (2) to note that the contract shall be for a period of three years with the option to extend for up to an additional two 12 month periods until 3 September 2023 and the potential income to the supplier of around £109,052 per year (potential overall value of around £545,260) and potential commission to the Council and WDLT of around £26,695 per year (potential overall commission of around £133,475, net of VAT).

## **CONTRACT AUTHORISATION REPORT: INSTALLATION OF EXTERNAL WALL INSULATION AND RENEWAL OF ROOFS TO COUNCIL HOUSING STOCK**

A report was submitted by the Strategic Lead - Resources seeking approval to authorise the Strategic Lead - Regulatory to conclude the award of the contract for the installation of External Wall Insulation and Renewal of Roofs to Council Housing Stock.

After discussion and having heard Mr Cameron, Senior Procurement Officer, in further explanation of the report and in answer to a Member's question, the Committee agreed:-

- (1) to authorise the Strategic Lead - Regulatory to conclude, on behalf of West Dunbartonshire Council, the award of the contract for External Wall Insulation and Renewal of Roofs to Council Housing Stock to BCA Insulation Limited who are based in Shotts, North Lanarkshire; and
- (2) to note that the anticipated start date was 10 September 2018 and shall be for a period of two years with the option to extend for a further two 12 month periods at a value of £3,180,698, excluding VAT, per annum.

The meeting closed at 9.40 a.m.



**WEST DUNBARTONSHIRE COUNCIL**

**Report by Strategic Lead – Resources**

**Tendering Committee: 19 September 2018**

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**Subject: Contract Authorisation Report – Construction of Dalmonach Community Centre & Early Learning Centre**

**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 Construction of Dalmonach Community Centre & Early Learning Centre.

**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 award of the contract for the Construction of Dalmonach Community Centre & Early Learning Centre to Project Management & Construction Ltd; and.
  - b) Note that the contract shall be for a period of 28 weeks and at a value of £1,622,457.62 ex VAT.

**3. Background**

- 3.1** The purpose of the tender was to appoint a suitably experienced and qualified contractor to build a new permanent community facility that incorporates both a community centre and an early learning centre.
- 3.2** The benefit of the award of this tender is the creation of an additional 60 nursery places, which assists in meeting the Scottish Governments requirements in respect of childcare provision by 2020 and improves independence of older people, the wellbeing of communities and protects the welfare of vulnerable people through social engagement and interaction.
- 3.3** The initial budget of £1,100,000 for the Construction of Dalmonach Community Centre & Early Learning Centre was approved at the West Dunbartonshire Council meeting on 27 April 2016. However, a meeting of West Dunbartonshire Council on the 27 June 2018, approved the additional further

spend of £522,457.62 to take the Dalmonach Community Centre & Early Learning Centre forward.

- 3.4** This procurement exercise has been conducted in accordance with the Council's Standing Orders and Financial Regulations and the Public Contracts (Scotland) Regulations 2015 for Works.
- 3.5** A contract notice was published on the Public Contracts Scotland advertising portal on 8 March 2018. Twenty five suppliers expressed an interest, with five suppliers submitting a response.

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

- 4.1** The five tender submissions were evaluated and four tender submissions passed the selection criteria. These four were evaluated against a set of award criteria which was based on a Total Cost of Ownership (TCO) (procuring, operating, maintaining and managing including end of life) / quality ratio of 70% / 30%. The scores relative to the award criteria of each tenderer, are as follows:

	<b>Weighting</b>	<b>AKP Scotland Ltd</b>	<b>Project Management &amp; Constructions Ltd</b>	<b>Stewart &amp; Shields Ltd</b>	<b>W H Kirkwood Ltd</b>
<b>Quality (30%)</b>					
Service Delivery/ Methodology	<b>15%</b>	7.5%	8.8%	7.5%	8.8%
Contract Monitoring and Management	<b>9%</b>	5.1%	5.1%	3.4%	6.8%
Community Benefits	<b>3%</b>	2.3%	1.5%	1.5%	1.5%
Environmental and Sustainable Procurement	<b>1.5%</b>	0.8%	1.1%	0.4%	1.1%
Fair Working Practices	<b>1.5%</b>	1.1%	1.1%	0.8%	1.1%
<b>Quality Sub-Total %:</b>	<b>30%</b>	<b>16.8%</b>	<b>17.6%</b>	<b>13.6%</b>	<b>19.3%</b>
<b>TCO (70%)</b>					
<b>TCO Sub Total £</b>	<b>-</b>	£1,650,737.67	£1,622,457.62	£1,738,042.68	£1,674,694.94
<b>TCO Sub Total %</b>	<b>70%</b>	<b>68.8%</b>	<b>70%</b>	<b>65.3%</b>	<b>67.8%</b>
<b>Total Score</b>	<b>100%</b>	<b>85.6%</b>	<b>87.6%</b>	<b>78.9%</b>	<b>87.1%</b>

- 4.2** It is recommended that the contract is awarded to Project Management and Construction Ltd, of Glasgow, who have provided the most economically advantageous tender. The contract shall be for a period of 28 weeks at a value of £1,622,457.62, ex VAT. The extra funding of £522,457.62 will be provided by

the Education Early Years budget, as agreed at the meeting of West Dunbartonshire Council on the 27 June 2018.

- 4.3** Project Management and Construction Ltd has committed to follow Fair Working Practices and have provided examples of initiatives which enhance diversity, improve staff development and communication and avoid exploitative practices. Project Management and Construction Ltd are a Living Wage accredited employer and all staff are paid in excess of the living wage.
- 4.4** Project Management and Construction Ltd have committed to delivery of the following social benefits as a result of delivery of this contract and will engage with the Council to identify candidates from the local area for each of the opportunities:
- Employ at least one full time position throughout the duration of the contract;
  - At least four adult work experience opportunities throughout the duration of the project, these can be either site based or Head Office based;
  - At least two work experience opportunities for school pupils; and
  - Site visits for local schools/colleges.

## **5. People Implications**

- 5.1** There are no people implications.

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

- 6.1** Project Management and Construction Ltd are £522,467.62 over budget and financial costs will be met from the approved Capital budgets of Asset Management and the Education Early Years budget.
- 6.2** This procurement exercise was conducted in accordance with the agreed contract strategy produced by the Corporate Procurement Unit in close consultation with Asset Management and Consultancy Services officers and the provisions of Contract Standing Orders, the Financial Codes and relevant procurement legislation.

## **7. Risk Analysis**

- 7.1** There is a risk that the Authority will not meet the Scottish Governments requirements in respect of childcare provision by 2020 should the Committee decide not to proceed as recommended.
- 7.2** The successful supplier has no known links to Serious and Organised Crime which would have significant political and reputational ramifications for the Council.

**7.3** 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 and confirmed there is no equalities impact.

## **9. Consultation**

**9.1** Asset Management, Legal Services, Consultancy Services, Finance and Corporate Procurement have been consulted regarding the contents of this report.

## **10. Strategic Assessment**

**10.1** The construction of the new Dalmonach Community Centre and Early Learning Centre 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:** Stephen West

**Designation:** Strategic Lead - Resources

**Date:** 20 August 2018

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<b>Person to Contact:</b>	Claire McGlynn, Procurement Officer, Corporate Procurement Unit, 16 Church Street, Dumbarton, 01389 737830, <a href="mailto:Claire.mcglynn@west-dunbarton.gov.uk">Claire.mcglynn@west-dunbarton.gov.uk</a>  Michelle Lynn, Asset Co-ordinator, Bridge Street, Dumbarton, 01389 736992, <a href="mailto:michelle.lynn@west-dunbarton.gov.uk">michelle.lynn@west-dunbarton.gov.uk</a>
<b>Appendices:</b>	None
<b>Background Papers:</b>	The Contract Strategy EIA Screening West Dunbartonshire Council Meeting Minutes – 27 April 2016 West Dunbartonshire Council Meeting Minutes – 27 June 2018
<b>Wards Affected:</b>	Leven.