

WEST DUNBARTONSHIRE COUNCIL

Report by Executive Director of Housing, Environmental and Economic Development

Tendering Committee: 17 February 2010

Subject: Measured Term Contract for Maintenance of Wet Central Heating Systems, Ancillary Equipment and Gas appliances – 2010/2013

1. Purpose

- 1.1** To advise the Committee of tenders received for the proposed Measured Term Contract for Maintenance of Wet Central Heating Systems, Ancillary Equipment and Gas Appliances – 2010/2013 and to seek approval to accept the most economic and advantageous tender.

2. Background

- 2.1** In compliance with the current European Procurement Directive, a Contract Notice was placed in the Official Journal of the European Union on 31 August 2009.
- 2.2** In compliance with Council's Standing Orders a public notice was placed in the Herald newspaper on Thursday 10 September 2009.
- 2.3** Both notifications advised competent Contractor's to complete and submit a Pre-Qualification Questionnaire on or before 9 October 2009.
- 2.4** The existing contract with City Technical Services Ltd., expires on 31 May 2010.
- 2.5** The work comprises annual and breakdown repair maintenance of wet central heating systems to approximately 9,330 residential properties throughout West Dunbartonshire for a fixed period of three years to May 2013. There is an option to extend this period for up to two further years, subject to annual review.

3. Main Issues

- 3.1** In response to the contract notifications, Pre-Qualification Questionnaires were received from the following Contractor's:
- | | |
|-----------------------------|-----------------------------------|
| BRB Ltd | Integral UK Ltd |
| British Gas New Heating Ltd | James Frew Ltd |
| City Technical Services Ltd | Lorne Stewart plc |
| Eaga Scotland Ltd | Mears Ltd |
| Enterprise Managed Services | Saltire Facilities Management Ltd |
| Gas Call Services | William Smith Heating Ltd |

- 3.2 An Evaluation Panel was established to manage the Pre-Qualification Questionnaire section of the tender process. Panel members comprised personnel from the Department of Housing, Environmental and Economic Development with expertise in finance, personnel, health and safety, housing and contractual and operational issues.
- 3.3 Panel members considered such issues as Tenderers particulars, financial structure, contract management, equality and diversity, health and safety, and quality assurance. This was to evaluate the general competence of the proposed Tenderer to deliver an efficient service over the life of the contract. Submissions were distributed to each Tender Evaluation Panel member in accordance with their area of professional expertise.
- 3.4 After the application of a robust and structured scoring system only three Pre-Qualification Questionnaires submitted contained the full requested information and also considered by the Evaluation Panel to be fully competent to carry out this work.
- 3.5 On 9 November 2009 tender documents were issued to City Technical Services Ltd, Integral UK Ltd and Mears Ltd., and tenders returned on 18 December 2009.
- 3.6 Another Tender Evaluation Panel was formed from Officers within Housing, Environmental and Economic Development to assess the Quality and Technical section of the Tender. Panel members considered operational quality issues and information technology relevant to the project. This was to assess robustness of the Tenderer to deliver the specified service to the required standards and within the stated timescales. At this stage, marks were awarded against responses received and the presentation and interview which two Tenderer's attended, was used to clarify any issues arising.

4. Personnel Issues

- 4.1 This contract will be managed by the Property Management Section of Housing, Environmental and Economic Development.

5. Financial Implications

- 5.1 Tendered prices were checked arithmetically and in turn converted to points in accordance with a predefined formula. The scoring methodology and process used throughout was based on the Scottish Public Procurement Toolkit, Tender Evaluation Template, Version 1.0.

5.2 The tender received from City Technical Services Ltd of £1,631,184.65 was incorrect due to an error in carrying over figures within their tender and this was corrected to £3,831,493.95. Mears Ltd corrected a genuine error in pricing and amended their tender in accordance with the Code of Procedure for Single Stage Selective Tendering. Integral UK Ltd, withdrew their tender before the commencement of the Quality and Technical evaluation.

5.3 After completion of the evaluation process, the results are as follows:

Tenderer	Tendered Amount	Points		
		Price	Q&T	Total
1 City Technical Services Ltd	£3,831,493.95	32.49	34.01	66.50
2 Mears Ltd	£3,830,635.50	32.51	32.22	64.73
3 Integral UK Ltd	£6,133,807.53	Withdrew Tender		

5.4 The Tender Evaluation Panel has scrutinised all offers received and has established by structured analysis, that the offer submitted by City Technical Services Ltd is the most economically advantageous tender. Their offer represents good value for money and meets the specification in relation to resourcing, personnel, quality control and health and safety matters.

5.5 Finance for this project is contained within the Housing Revenue Account.

6. Risk Analysis

6.1 Failure to carry out this work will result in the Council being in contravention of the Health & Safety Gas Safety (Installation and Use) Regulations: 1998.

7. Conclusions and Officer Recommendations

7.1 The works included in this contract will provide tenants with safe, warm and efficient central heating systems and as a consequence, will assist in achieving the Council's priority of promoting health and well-being.

7.2 The Committee is invited to approve the awarding of the 3 year contract to City Technical Services Ltd in the amount of £3,831,493.95

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Date: 17 February 2010

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Appendices: Form ST/1 - Statements of Tenders Received

Background Papers: None

Ward Affected: All