

Supplementary Agenda



Tendering Committee

Date: Wednesday, 29 August 2018

Time: 09:15

Venue: Council Chamber, Clydebank Town Hall,
Dumbarton Road, Clydebank

Contact: Scott Kelly, Committee Officer
Tel: 01389 737220 scott.kelly@west-dunbarton.gov.uk

Dear Member

ITEM TO FOLLOW

I refer to the agenda for the above Meeting of the Tendering Committee which was issued on 16 May 2018 and now enclose a copy of the undernoted report which was not available for issue at that time.

Yours faithfully

JOYCE WHITE

Chief Executive

Note referred to:-

10 CONTRACT AUTHORISATION REPORT: INSTALLATION OF EXTERNAL WALL INSULATION AND RENEWAL OF ROOFS TO COUNCIL HOUSING STOCK 61 – 65

Submit report 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.

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: 23 August 2018

WEST DUNBARTONSHIRE COUNCIL

Report by Strategic Lead – Resources

Tendering Committee: 29 August 2018

Subject: Contract Authorisation Report – Installation of External Wall Insulation and Renewal of Roofs to Council Housing Stock

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 installation of External Wall Insulation and renewal of roofs to Council Housing Stock.

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 External Wall Insulation and Renewal of Roofs to Council Housing Stock to BCA Insulation Limited who are based in Shotts, North Lanarkshire.
- b)** Note that the anticipated start date is 10 September 2018 and shall be for a period of two years with the option to extend for a further two twelve month periods at a value of £3,180,698.00 ex VAT per annum.

3. Background

3.1 The purpose of the tender was to identify and appoint a suitably qualified and experienced contractor to install External Wall Insulation and renew roofs to existing Council Housing Stock throughout the Council's area.

3.2 The installation of External Wall Insulation and the renewal of roofs to existing housing stock will support the delivery of the Council's housing stock towards the achievement of the energy efficiency standard for social housing by 2020.

3.3 The budget for External Wall Insulation and Renewal of Roofs to Council Housing Stock is included in the HRA Capital Programme 2018-23 which was approved by Council on 5 March 2018.

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 2016 for Works. A Contract Strategy document was also approved by the Business Partner, Strategic Procurement - Place on 12 July 2018.

3.5 A Mini-Competition was run under the Scotland Excel framework agreement (FA) for “Energy Efficiency Contractors, Lot 2 – Building Fabric Measures – 2.1 External Wall Insulation” via the Public Contracts Scotland - Tender portal, on 13 July 2018. Nine contractors expressed an interest, with six contractors submitting a response by the deadline for the submissions of 12 noon on 27 July 2018.

4. Main Issues

4.1 No technical evaluations were required as the technical scores (40%) from the original Scotland Excel FA for External Wall Insulation and Renewal of Roofing were added to the commercial scores (60%) which was evaluated by the Council, to give a total tender score out of 100. The scores, relative to the award criteria of each tenderer, are as follows:

Tenderer Name	Quality Score (40%)	Price Score (60%)	Total Score (100%)
BCA Insulation Limited	35.08	60.00	95.08
A.C. Whyte and Co. Ltd	29.60	55.01	84.61
MP Rendering	31.00	47.40	78.40
Sustainable Building Services (UK) Ltd	31.60	41.80	73.40
Everwarm Limited	36.00	36.02	72.02
GMG Contractors Ltd	16.60	48.81	65.41

4.2 It is recommended that the contract is awarded to BCA Insulation Limited who has provided the most economically advantageous tender. The contract shall be for a period of two years with the option to extend for a further two twelve month periods commencing on 10 September 2018 at a value of £3,180,698.00 ex VAT per annum. The value of the contract is below the value approved by the Council within the HRA Capital Programme 2018-23. Please note: all values in the report are rounded to the nearest pound (GBP).

4.3 BCA Insulation Limited has committed to follow Fair Working Practices by paying the living wage. BCA Insulation Limited have committed to deliver the following community benefits as part of delivery of this contract:

- Employment & Training - BCA Insulation Limited will work closely with the Council and utilising The BCA Training Academy and BCA Network BCA Insulation Ltd would maximise opportunities to use local labour;
- Support Local Businesses – such as employment of local complimentary trades, employing local tradesman, hosting public information days; and
- Engagement with Schools - provide site visiting opportunities to local college, universities and schools and visiting educational premises to provide seminars/workshops’. BCA Insulation Limited have also

committed to providing older pupils(14/18 years) with mentoring, internships, masterclasses and work placements for the duration of this contract. During the summer holidays, suitable S5 & S6 pupils will be invited to take part in work placements to provide experience in a field of their choosing.

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 Capital budgets of Regeneration, Environmental and Growth, generating an estimated savings throughout the term of the contract based on allocated budgets Year on Year as follows:

Year	Budget Amount	DLO budget	Revised Budget	Contract Value	Est Savings
1	£5,150,000.00	£500,000.00	£4,650,000.00	£3,180,698.00	£1,969,302.00
2	£5,150,000.00	£500,000.00	£4,650,000.00	£3,180,698.00	£1,969,302.00
3	£4,912,000.00	£500,000.00	£4,412,000.00	£3,180,698.00	£1,731,302.00
4	£3,450,000.00	£500,000.00	£2,950,000.00	£3,180,698.00	£269,302.00
				Total Est Savings	£5,939,208.00

The budget spend will be divided with an estimated £500k per annum used by the Direct Labour Organisation for reactive maintenance works, whilst the rest being utilised by the targeted Energy Efficiency Standard for Social Housing (EESH) compliance works. The estimated saving figures are calculated from historic volumes. Any savings will be re-invested back into the EWI works programme. Budget amounts in the table above are not restrictive year on year and it is expected that spend will vary throughout the term of the contract.

6.2 The procurement procedures outlined within this report shall ensure that the Council meets its statutory requirements in respect of procurement.

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

6.4 The External Wall Insulation and Renewal of Roofs to Council Housing Stock contract will contribute to delivery of the Council strategic priorities 2018 – 2022.

7. Risk Analysis

7.1 The successful supplier 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 Building Services, Finance, Legal and Asset Management have been consulted in relation to the content of this report.

10. Strategic Assessment

10.1 This report contributes to the Council's Strategic Priorities and particular towards:

- Improve local housing and environmentally sustainable infrastructure
- Improve the well-being of communities and protect the welfare of vulnerable people.

10.2 Delivery of this contract is part of the wider Demolition and Regeneration Programme for the Council.

Name: Stephen West

Designation: Strategic Lead - Resources

Date: August 2018

Person to Contact: Angus Cameron, Senior Procurement Officer, Corporate Procurement Unit, Garshake Road, 01389 776952, angus.cameron@west-dunbarton.gov.uk

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Appendices: None

Background Papers: The Contract Strategy
EIA Screening

Report to 5 March 2018, Housing and Communities
Committee titled "Housing Asset Management Plan
(Surplus Stock And Demolitions)"

Wards Affected: All