

# North Lanarkshire Council

## Report

### Communities and Housing Committee

approval  noting

Ref HO TB/17 073/076

Date 13/02/2019

### Contract Award for Approval – Towers Overcladding and Ancillary Works to Blairgrove and Merryston Court (Lot 1) and Glen and Millbrae Court, Coatbridge (Lot 2)

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#### Executive Summary

This report is to seek the approval of the Committee to award the Towers Overcladding and Ancillary Works to Blairgrove and Merryston Court (Lot 1) and Glen and Millbrae Court, Coatbridge (Lot 2) (the 'Contract').

The duration of the Contract will be up to 104 weeks from award of the Contract.

The overall value of work to be spent through the Contract is estimated to be £18,605,359.10.

This recommendation follows the completion of a procurement exercise, where the tender recommended for award has been evaluated as providing the most economically advantageous tender in terms of cost and quality for the Council.

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#### Recommendations

It is recommended that the Committee approves the award of the Towers Overcladding and Ancillary Works to Blairgrove and Merryston Court (Lot 1) and Glen and Millbrae Court, Coatbridge (Lot 2);

Engie Regeneration Ltd.

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#### Supporting Documents

**Council business plan to 2020** This report reflects the action to improve the economic opportunities and outcomes by providing improved quality housing within the geographical boundaries of North Lanarkshire Council.

**Appendix 1** Summary of Evaluation Process

**Appendix 2** Summary of Procurement Process

## **1. Background**

- 1 This procurement is for the Overcladding and Ancillary Works to Blairgrove and Merryston Court (Lot 1) and Glen and Millbrae Court, Coatbridge (Lot 2).
  - 1.1 The works comprise of essential structural repairs to Lot 1 and the following works to Lots 1 and 2: new structural EWI cladding system, repairs and upgrading to the existing entrance canopy and surrounding area including roof drainage, repairs to existing main internal roof area, new windows, fire doors to flats and communal areas, upgrading communal lighting, installation of charging points for electric vehicles, new sprinkler installation and redecoration to communal areas throughout the tower blocks.
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## **2. Report**

- 2.1 A user intelligence group (the 'UIG') of technical and procurement representatives was formed to review technical specifications, discuss trading processes, market conditions and trends, ways to maximise community benefits and sustainability and to agree the procurement strategy that would deliver maximum benefit for the Council.
- 2.2 The forecast spend for the Contract is based a tendered scheme totalling £18,605,359.10.
- 2.3 The value of the Contract dictated that the procurement be undertaken in accordance with the Public Contracts (Scotland) Regulations 2015. The contract opportunity was published on the Public Contracts Scotland website. An Open style procedure was adopted.
- 2.4 Based on the criteria and scoring methodology set out in the procurement documents, an evaluation of the Tenders received was completed by members of the UIG. Award stage submissions were evaluated first, only the highest scoring compliant Tenderer was then checked to ensure that they met the Councils selection criteria.
- 2.5 The contract award recommendation is being made on the basis of the Tenderer who submitted the most economically advantageous tender along with the outcome of further due diligence.
- 2.6 The tender submitted by Engie Regeneration Ltd has been evaluated as representing the most economically advantageous tender.
- 2.7 Appendix 1 confirms the scoring achieved by each Tenderer, further details of the procurement process is provided in Appendix 2.
- 2.8 The designated Contract Manager within Housing Property and Projects will be responsible for managing the Contract which will be undertaken in accordance with the Councils agreed approach to Contract and Supplier Management.

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### **3. Equality and Diversity**

#### **3.1 Fairer Scotland**

The contract will work towards improving outcomes for people and communities by assisting the Council to reduce inequalities of outcome caused by socio-economic disadvantage.

#### **3.2 Equality Impact Assessment**

The Council will continue to carry out Equality impact assessments to determine if policies, practices, decisions, functions and strategies identify any negative impact on any particular group covered by the protected characteristics of the Equality Act 2010.

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### **4. Implications**

#### **4.1 Financial Impact**

4.1.1 The the Contract was advertised up to an estimated overall value of £18,000,000. The tender return was £18,605,359.10. A value engineering exercise will be undertaken in order to incorporate any areas where savings could be achieved.

4.1.2 The costs associated with contract delivery will be contained within the HRA budget.

#### **4.2 HR/Policy/Legislative Impact**

The Tenderer recommended for contract award has demonstrated commitment to delivering community benefits including, offering Employability and skills development for the community, engagement with North Lanarkshire's Working, Routes to Work, workplace visits, structured career events, engagement with Supported Businesses and Third Sector Organisations. A Community Benefit Fund is also detailed which will allow 0.12% of the Contract value invested back into Community Projects. In addition Engie also provide each employee with 2 paid days per year to support volunteering activities.

#### **4.3 Environmental Impact**

The Contract has the following environmental impacts; encourage sustainable and safe environment; promote health and wellbeing; safe removal and disposal of materials.

#### 4.4 Risk Impact

Risk will be minimised and managed by a designated Contract Manager in accordance with the works specification and in line with the Councils agreed approach to Contract and Supplier Management.

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#### 5. Measures of success

5.1 It is anticipated that the award of the Contract will deliver the following successful outcomes:

Provide safe, improved and sustainable properties within the boundaries of North Lanarkshire Council.

5.2 Ensure the properties within North Lanarkshire Council meet or exceed the current standards both now and for the life of the properties.

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**Brian Lafferty**  
**Head of Business (Housing Property and Projects)**

## **Appendix 1 – Summary of Evaluation Process**

### **Stage 1 – Award Stage Evaluation Outcome**

Tenderers' price scores were added to their quality scores to obtain their final tender scores. Details are contained in Tables 1 and 2 below:

**TABLE 1 - Lot 1**

<b>Tenderer Name</b>	<b>Total Tender Score</b>	<b>Rank</b>
Engie Regeneration Ltd	94.40	1
Mears Ltd	80.76	2

**TABLE 2 - Lot 2**

<b>Tenderer Name</b>	<b>Total Tender Score</b>	<b>Rank</b>
Engie Regeneration Ltd	94.40	1
Mears Ltd	72.60	2

### **Stage 2- Selection Stage Evaluation Outcome**

<b>Tenderer Name</b>	<b>Part 3 A, B, C &amp;D</b>	<b>Part 4 A &amp; B</b>	<b>Part 4 C</b>	<b>Selection Requirements Met? (Yes/No)</b>
	<b>Selection Criteria</b>	<b>Selection Criteria</b>	<b>Selection Criteria</b>	
	<b>Pass/Fail</b>	<b>Pass/Fail</b>	<b>Score</b>	
Engie Regeneration Ltd	Pass	Pass	9.33	Yes

## **APPENDIX 2 – Summary of Procurement Process**

Contract title	Towers Overcladding and Ancillary Works to Blairgrove and Merryston Court (Lot 1) and Glen and Millbrae Court, Coatbridge (Lot 2)
Estimated contract start date	May 2019
Initial contract period adopted by the Council (months)	Up to 104 weeks
Contract period extension option (Months)	N/A
Estimated total value of contract	£18,605,359.10
Governing UK Regulation	Regulated – PCSR 2015.
Procurement procedure adopted	Open style procedure
Interest List- number of organisations that downloaded the procurement documents from the national procurement portal	25
Number of selection documents received	Not applicable - Open Style Procedure
Number of organisations invited to tender	Not applicable - Open Style Procedure
Number of tenders received	2
Number of non-compliant tenders	0
Number of compliant tenders	2
Number of recommended providers	1
Basis of contract award	Most economically advantageous tender Price 70% and Quality 30%
Evaluation team	Staff from Housing Property and Projects