

North Lanarkshire Council Report

Communities and Housing Committee

approval noting

Ref HOPM 18108 BL/KF/SS **Date** 11/09/19

Contract Approval – Measured Term Contract for Asbestos Removal and Encapsulation Services for Domestic and Non Domestic Property 2019 - 2023

From Brian Lafferty, Head of Business (Housing Property and Projects)

Email FraserK@northlan.gov.uk **Telephone** Kenny Fraser
Contract Strategy Manager
01698 520 729

Executive Summary

This report is to seek the approval of the Committee to award the Measured Term Contract for Asbestos Removal and Encapsulation Services for Domestic & Non Domestic Property 2019 – 2023 (the 'Contract').

The duration of the Contract will be three years plus a potential 12 months extensions from award of the Contract.

The overall value of work to be spent through the contract is noted below (including the possible extension period):

Lot 1: Non Domestic Property - £1,100,000

Lot 2: Domestic Property - £2,000,000.

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.

Recommendations

It is recommended that the Communities and Housing Committee:

1. Approve the content of this report and the accompanying appendix.

The Plan for North Lanarkshire

Priority Improve the health and wellbeing of our communities

Ambition statement (14) Ensure the highest standards of public protection

1. Background

- 1.1 This procurement is for the provision of a Measured Term Contract for Asbestos Removal and Encapsulation Services.
- 1.2 This procurement exercise is being carried out as two lots consisting of Lot 1: Non-Domestic Property and Lot 2: Domestic Property

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 on previous practices and historical information. To ensure continued flexibility, the Contract shall be let for a period of three years plus a potential twelve months extensions from award of the Contract.
- 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 Tenderers were 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 Tenderers who submitted the most economically advantageous tender along with the outcome of further due diligence.
- 2.6 The tenders submitted by Rhodar Limited for both Lot 1 and Lot 2 have 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.

3. Equality and Diversity

3.1 Fairer Scotland Duty

These contracts will work towards improving outcomes for people and communities by assisting the Council to reduce inequalities of outcomes 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.

4. Implications

4.1 Financial Impact

To ensure flexibility and allow for any contingencies which may arise, the Contract was advertised up to an estimated overall value of £1,100,000 for Lot 1 and £2,000,000 for Lot 2.

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

4.2 HR/Policy/Legislative Impact

The Tenderer recommended for contract award has demonstrated commitment to delivering community benefits including, engagement local SMEs, supporting work experience initiatives, provide apprenticeships based on contract spend, primary school engagement, community workshops, work placements, engagement and opportunities for the local community.

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.

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.

6. Supporting documents

- 6.1 Appendix 1 Summary of Evaluation Process – Lot 1
- Appendix 2 Summary of Procurement Process – Lot 1
- Appendix 3 Summary of Evaluation Process – Lot 2
- Appendix 4 Summary of Procurement Process – Lot 2

A handwritten signature in cursive script, reading "Brian Lafferty", enclosed in a thin black rectangular border.

Brian Lafferty
Head of Business (Housing Property and Projects)

APPENDIX 1 – Summary of Evaluation Process

Stage 1 Lot 1 – Award Stage Evaluation Outcome

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

TABLE 1 – Lot 1

Tenderer Name	Total Tender Score	Rank
Rhodar Limited	92.45	1
Erith Contractors Ltd	90.60	2
Chamic Industrial Services Limited	23.81	3
Enviraz (Scotland) Limited	1.35	4
Aspect Contracts LTD	-13.19	5
Reactive Integrated Services	-56.69	6
Greenair Environmental Limited	-436.36	7
Carymar Construction Services Ltd	-1679.74	8

Stage 2 - Lot 1 Selection Stage Evaluation Outcome

Tenderer Name	Part 3 A, B, C &D	Part 4 A & B	Part 4 C	Selection Requirements Met? (Yes/No)
	Selection Criteria	Selection Criteria	Selection Criteria	
	Pass/Fail	Pass/Fail	Score	
Rhodar Limited	Pass	Pass	3	Yes

APPENDIX 2 Lot 1– Summary of Procurement Process

Contract title	Measured Term Contract for Asbestos Removal and Encapsulation Services for Domestic & Non Domestic Property 2019 – 2023 – Lot 1
Estimated contract start date	November 2019
Initial contract period adopted by the Council (months)	36
Contract period extension option (Months)	12
Estimated total value of contract	£1,100,000
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	29
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	8
Number of non-compliant tenders	0
Number of compliant tenders	8
Number of recommended providers	1
Basis of contract award	Most economically advantageous tender Price 60% and Quality 40%
Evaluation team	Staff from Housing Property and Projects

APPENDIX 3 Lot 2 – Summary of Evaluation Process

Stage 1 Lot 2 – Award Stage Evaluation Outcome

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

TABLE 1 – Lot 2

Tenderer Name	Total Tender Score	Rank
Rhodar Limited	95.16	1
Carymar Construction Services Ltd	76.40	2
Aspect Contracts LTD	58.19	3
Reactive Integrated Services	57.86	4
Enviraz (Scotland) Limited	57.85	5
Chamic Industrial Services Limited	45.15	6
Erith Contractors Ltd	44.00	7
Greenair Environmental Limited	4.94	8
Damada (Asbestos Removals) Ltd	-28.30	9

Stage 2 - Lot 2 Selection Stage Evaluation Outcome

Tenderer Name	Part 3 A, B, C &D	Part 4 A & B	Part 4 C	Selection Requirements Met? (Yes/No)
	Selection Criteria	Selection Criteria	Selection Criteria	
	Pass/Fail	Pass/Fail	Score	
Rhodar Limited	Pass	Pass	3	Yes

APPENDIX 4 Lot 2 – Summary of Procurement Process

Contract title	Measured Term Contract for Asbestos Removal and Encapsulation Services for Domestic & Non Domestic Property 2019 – 2023 – Lot 2
Estimated contract start date	November 2019
Initial contract period adopted by the Council (months)	36
Contract period extension option (Months)	12
Estimated total value of contract	£2,000,000
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	29
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	9
Number of non-compliant tenders	0
Number of compliant tenders	9
Number of recommended providers	1
Basis of contract award	Most economically advantageous tender Price 60% and Quality 40%
Evaluation team	Staff from Housing Property and Projects