

# North Lanarkshire Council

## Report

### Finance and Resources Committee

approval  noting

Ref

Date 27/11/19

### Contract Award for Metal Doors and Blacksmith Works – Service and Maintenance 2020-2024

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#### Executive Summary

Committee is asked to approve the award of a Contract for Metal Doors and Blacksmith Works – Service and Maintenance 2020-2024 (the 'Contract') to; City Gate Construction (Scotland) Ltd.

The Contract is for an initial period of two years from the date of award of the Contract. The Council reserves the right to extend the Contract for additional periods up to a maximum of a further 24 months.

The value of the Contract is up to Three Million and Eighty Thousand Pounds (£3,080,000).

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#### Recommendations

It is recommended that the Committee approves the award of the Contract for Metal Doors and Blacksmith Works – Service and Maintenance 2020-2024 to City Gate Construction (Scotland) Ltd to a maximum value of £3,080,000.

This recommendation follows the completion of a contract award procedure, 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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#### The Plan for North Lanarkshire

Priority Improve North Lanarkshire's resource base

Ambition statement (21) Continue to identify and access opportunities to leverage additional resources to support our ambitions

## **1. Background**

- 1.1 The Contract makes provision for the servicing, maintenance, repair and replacement of metal doors and associated blacksmith works across the Councils corporate property portfolio and for the provision of similar works within properties operated by North Lanarkshire Properties and Culture NL.

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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 value of the Contract dictated that the contract award procedure be undertaken in accordance with the Public Contracts (Scotland) Regulations 2015. The contract opportunity was published in the OJEU and on the Public Contracts Scotland website. The Open procurement procedure was adopted.
- 2.3 Based on the criteria and scoring methodology set out in the procurement documents, an evaluation of the tender responses was completed by members of the UIG. Selection stage responses were evaluated first, tenderers who satisfied the selection stage criteria progressed to the award stage evaluation.
- 2.4 The contract award recommendation is made on the basis of the Tenderer who submitted the most economically advantageous tender.
- 2.5 The tender submitted by City Gate Construction (Scotland) Ltd has been evaluated as representing the most economically advantageous tender for this Contract.
- 2.6 Appendix 1 provides a summary of the evaluation process, Appendix 2 provides a summary of the procurement process and Appendix 3 details the SME status and location of Tenderers.
- 2.7 Officers from Enterprise and Communities 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 Duty**  
The report is not about a key strategic decision and not subject to the Fairer Scotland Duty.
- 3.2 **Equality Impact Assessment**  
An Equality Impact Assessment is not required.
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## **4. Implications**

### **4.1 Financial Impact**

The value of the Contract is up to £3,080,000 including the options to extend the Contract.

The costs associated with contract delivery will be contained within existing budgets across the Service.

#### Savings

Considerable effort has been made to update the Specification and Schedule of Rates for this Contract, to ensure it is fit for purpose and delivers best value for the Council. Given the updates that have been made to the Specification and Schedule of Rates, it is not possible to complete a full cost comparison exercise in order to identify savings against current contract rates. Of the Schedule of Rates items that can be compared, the new Contract indicates a saving of circa 50% has been achieved.

#### Price Stability

Contract pricing is fixed for the first year of the Contract. Thereafter the Contract makes provision for pricing to be adjusted by the application of the Building Calculation Information Service (BCIS) price index as provided by the Royal Institution of Chartered Surveyors.

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

#### Community Benefits

The Council is committed to maximising the delivery of community benefits. The procurement included a community benefit requirement, this approach is designed to deliver local community benefits where possible. The successful Tenderer has committed to delivering a range of community benefits, these include;

- Targeted Recruitment and Training
- Supply Chain Initiatives
- Social Enterprise
- Young Person Engagement

The community benefits that will be delivered do not include the creation of jobs or apprenticeships.

#### Fair Work Practices

The successful Tenderer has also demonstrated commitment to Fair Work practices including payment of the real Living Wage to staff employed in the delivery of the Contract.

#### Equalities

The contract award procedure excludes any Tenderer where a complaint had been upheld after investigation by the Equality and Human Rights commission or its predecessors and a failure to take remedial action.

### **4.3 Environmental Impact**

There is no environmental impact arising from this report.

### **4.4 Risk Impact**

There are no significant risk implications arising from this report.

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## **5. Measures of success**

The Contract will deliver the following outcomes;

- 5.1 the appointment of a Service Provider who has the experience and capability to deliver an innovative, high quality and responsive service;
- 5.2 the contract award procedure is compliant with the procurement legislation and internal procedures;
- 5.3 that best value is both demonstrable and achieved;
- 5.4 that the Contract secures a range of community benefits;
- 5.5 that the Contract supports payment of the living wage to staff employed in the delivery of the Contract;
- 5.6 that the Contract performance is proactively managed against a number of Key Performance Indicators; and
- 5.7 a collaborative approach to the procurement of the requirement, minimising the burden on internal resource and leveraging the economies of scale.

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## **6. Supporting documents**

<b>The plan for North Lanarkshire</b>	Improve economic opportunities and outcomes, and to improve North Lanarkshire's resource base
<b>Appendix 1</b>	Summary of Evaluation Process
<b>Appendix 2</b>	Summary of Procurement Process
<b>Appendix 3</b>	SME status and location of all Tenderers

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**James McKinstry**  
**Head of Asset & Procurement Solutions**

## Appendix 1 – Summary of Evaluation Process

<b>Tenderer Name</b>	<b>Final Tender Score</b>	<b>Final Rank</b>	<b>Recommended for Contract Award (Yes/No)</b>
City Gate Construction (Scotland) Ltd	96.13%	1	Yes
Taymore Ltd	68.06%	2	No
Welding Engineers Ltd	64.24%	3	No
Ascot Doors Ltd	Failed to satisfy selection stage criteria		

## Appendix 2 – Summary of Procurement Process

Contract Title	Metal Doors and Blacksmith Works – Service and Maintenance 2020-2024
Contract takes effect from	1 December 2019
Total contract period that can be adopted by the Council (months)	48 months
Estimated total contract value including extension option	£3,080,000
Governing UK Regulation	Public Contracts (Scotland) Regulations 2015
Procurement procedure adopted	Open Procedure
Interest List – number of organisations that downloaded the procurement documents from the procurement portal	10
Number of tenders received	4
Number of non-compliant tenders	0
Number of compliant tenders	4
Number of providers recommended for contract award	1
Basis of contract award	Most economically advantageous tender  30.00% Quality 70.00% Price
Evaluation Team	Staff from Enterprise and Communities

### Appendix 3 – SME status and location of all Tenderers

Name of Tenderer	Size of Tendering Organisation (Micro, Small, Medium or Large)	Location (Local Authority/Council Area)
City Gate Construction (Scotland) Ltd	Medium	Renfrewshire Council
Taymore Ltd	Small	South Lanarkshire Council
Welding Engineers Ltd	Small	South Lanarkshire Council
Ascot Doors Ltd	Medium	North Lanarkshire Council