



RHONDDA CYNON TAF

RECORD OF DELEGATED OFFICER DECISION

SUBJECT: AWARD OF FRAMEWORK CONTRACTS ON BEHALF OF THE SOUTH AND MID WALES LOCAL AUTHORITIES FOR THE SELECTION AND APPOINTMENT OF CONTRACTORS FOR WORKS FOR CONSTRUCTION OF AND REFURBISHMENT OF SCHOOLS AND PUBLIC BUILDINGS(SEWSCAP2)

PURPOSE OF REPORT:

This report considers the outcomes of the tender process lead by Rhondda Cynon Taff CBC on behalf of 12 (including West Wales authorities) South and Mid Wales Authorities (and other public sector organisations and Church Organisations) for Schools and Public Buildings Works contracts

DELEGATED DECISION (Date): April 2015

To agree and approve the award of the frameworks on behalf of the participating South East and Mid Wales Authorities for use by them and the wider public sector if required as set out in the accompanying report and appendix

Chief Officer Signature:

Print Name:

STEVE MERRITT

Date:

13th April 2015

The decision is taken in accordance with Section 15 of the Local Government Act, 2000 (Executive Functions) and in the terms set out in Section 5 of Part 3 of the Council's Constitution

M. Webber

CONSULTEE CABINET MEMBER SIGNATURE

13/4/2015

DATE

V. Hanly

OFFICER CONSULTEE SIGNATURE

13/4/2015

DATE

Directorate:	Corporate Services
Contact Name:	Mr. Vince Hanly
Designation:	Service Director, Procurement
Tel.No.	01443-680538

RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

Municipal Year 2014-15

EXECUTIVE DECISION

10th April 2015

**Author: Vince Hanly,
Service Director of Procurement**

SOUTH AND MID WALES FRAMEWORK FOR THE SELECTION AND APPOINTMENT OF CONTRACTORS FOR WORKS FOR CONSTRUCTION OF AND REFURBISHMENT OF SCHOOLS AND PUBLIC BUILDINGS(SEWSCAP)	

1. PURPOSE OF THE REPORT

This report considers the outcomes of the tender process lead by Rhondda Cynon Taff CBC on behalf of **12 (including West Wales authorities)** South and Mid Wales Authorities (and other public sector organisations and Church Organisations) for Schools and Public Buildings Works contracts

2. RECOMMENDATIONS

It is recommended that:

- 2.1 Note the procurement and associated works carried out by the Corporate Procurement Unit to develop the new SEWSCAP 2 framework
- 2.2 To approve the appointment of contractors as at Appendix 1 at the earliest possible commencement and to immediately forward standstill letters to all tenderers as soon as practicable
- 2.3 To fully adopt the framework for all Rhondda Cynon Taf CBC requirements for building works contracts over the value of £1.5m

3. BACKGROUND

- 3.1 Rhondda Cynon Taf Officers(Corporate Procurement and Estates) have been working with officers of **12** South East and Mid Wales Authorities as part of a continued collaborative working group set up for the purpose to share best practice and to operate the existing SEWSCAP framework
- 3.2 As a consequence of the development of the 21st Century Schools, the original SEWSCAP framework was let in April 2011 and was extremely successful with over £350m spent by the 10 authorities over a 4 year period as well as other organisation such as the fire service and further education organisations utilising the benefit of the

framework. SEWSCAP 2 has expanded its coverage to 12 authorities but is also open to be used by wider authorities and organisations if required and with enhanced flexibility for the authorities.

3.3 The framework would support a joint approach to best practice for school build and public building works between designers, clients and contractors and across Local Authority boundaries. It will also further develop better Value for Money in contract delivery by working with contractors and sharing information best practice and procurements with our partner local authorities. It will further develop the opportunities for efficiency in building works contract such as the standardisation of products between authorities, 2nd tier contracting, modern methods of construction, whole of life costing, low or zero carbon building, early contractor involvement and reducing construction waste as per the commitment made by Welsh Assembly Government. The framework has incorporated Fair Payment Practices for subcontractors and suppliers as well as options for utilising 'Project Bank Accounts' where by suppliers can obtain swifter payment as soon as clients approve payments to main contractors.

3.3 Rhondda Cynon Taf were asked to renew this framework having had experience of developing SEWSCAP 1, with Legal and technical support from our appointed partners, Blake Morgan and Chandler KBS and funded by participant local authorities through a contract rebate agreed for the previous framework

3.4 Because the framework was to be utilised largely for major works it was decided to include only those works over and above the value of £1.5m but extending to a total value of £100m. The framework was also held open for other public sector organisation to use and the Church Schools were also interested in participating and included in the OJEU notice.

3.5 The framework was divided into value lots and the number of places limited according to the likely number of projects expected to be undertaken during the lifetime of the framework and to ensure further project specific competition at each local authority level.
These are:

Lot 1	£1.5m to £5m	5 Contractors
Lot 2	£1.5m to £3m	10 Contractors
Lot 3	£3m to £5m	5 Contractors
Lot 4	£5m to £10m	5 Contractors
Lot 5	£10m to £25m	5 Contractors
Lot 6	£25m to £100m	5 Contractors

3.6 It was intended that by separating the lots in this way that it would improve the opportunities and access of these contracts to small to medium construction companies who would generally be more attracted to the lower lots whilst conversely larger companies being

attracted to the higher value lots.

- 3.7 Each local authority or organisation using the framework would be required to run a further mini-competition for any project they would like undertaken in accordance with the rules set out in the framework before awarding any contract to any of the chosen contractors. The contract would then exist between the specific local authority and the contractor and Rhondda Cynon Taf would not have involvement in this process other than for our own projects
- 3.8 Participating Local authorities have been fully involved throughout the process including assisting in the development of specification requirements, evaluation of tenders and interviews and development of the procurement strategy
- 3.9 The contracts have a requirement to ensure that contractors deliver sustainable benefits within their contracts including halving waste, community benefits, use and prompt /fair payment of local subcontractors, local employment and low/zero carbon buildings.
- 3.10 Following well attended contractors consultation events held in September 2014 in Bridgend an OJEU contract notice was placed in October 2014 for the framework.

4 Tender Process

- 4.1 Over 120 companies expressed interest for the contract and were required to complete the Welsh Assembly developed supplier qualification information database questionnaire(SQUID) in order to qualify
- 4.2 After full assessment of the submitted documents and in accordance with the published criteria 26No. companies were invited to tender on 12th January 2015 for their preferred lots. Companies could bid for multiple lots to a maximum of 5 out of the 6 lots. To comply with EU Procurement directives regulations and with legal advice received full evaluation criteria was published within the tender documentation.
- 4.3 21 tenders were returned on 26th February 2015. Following receipt of the tender documentation full evaluations were carried out over 3 weeks. The tenders were assessed on a mix of quality and price.
- 4.4 Participating local authorities were fully and collectively involved in the evaluation and therefore clearly demonstrated a firm commitment to collaboration and the framework's development

Framework Development

- 5.1 Some participating local authorities are intending to use the framework as soon as it is available and it will be important to ensure

ongoing management of the framework in order to maximise the opportunities it presents. It is intended that Rhondda Cynon Taf would provide a resource for this ongoing managements with technical support when required and a financial recovery mechanism has been built in to the framework to allow for this cost. Any over recovery will be utilised by the framework to develop specific efficiency and improvement activities or else returned to the user authorities at the end of the financial year.

5 CONCLUSION

- 5.1 The SEWSCAP framework procurement process has been carried out rigorously and in accordance with published criteria
- 5.2 Some Small to medium and indigenous Welsh construction companies have been successful in appointment onto Lot 1 and 2 as was intended
- 5.3 The framework will go some way to meeting our obligations for collaboration as part of any Strategic Outline Programme Bid for new schools(and other funding) as well as providing a platform for collaboration with contractors and designers for their efficient construction and further delivering other policy objectives such a lower carbon, community benefits and employment local sourcing and the minimisation of waste to landfill

SEWSCAP 2 - SELECTED CONTRACTORS

APPENDIX 1

Lot 1 - £1.5m to £5m - Powys and Ceredigion	
Supplier	Ranking
Kier Construction	1
Knox & Wells	2
Dawnus Construction	3
Welsh Local Consortium	4
Andrew Scott Ltd	5
WRW Construction	Reserve 1
J Harper & Sons	Reserve 2

Lot 2 - £1.5m to £3m	
Supplier	Ranking
Knox & Wells	1
Welsh Local Consortium	2
ISG	3
Andrew Scott Ltd	4
WRW Construction	5
Centre Great	6
Encon	7
Bect	8
J Harper & Sons	9
Keepmoat	10
Paveway	Reserve 1

Lot 3 - £3m to £5m	
Supplier	Ranking
Willmott Dixon	1
Kier Construction	2
Morgan Sindall	3
BAM	4
Interserve	5
ISG	Reserve 1
Knox and Wells	Reserve 2

Lot 4 - £5m to £10m	
Supplier	Ranking
Kier Construction	1
Willmott Dixon	2
Morgan Sindall	3
BAM	4
Interserve	5
ISG	Reserve 1
Dawnus Construction	Reserve 2

Lot 5 - £10m to £25m	
Supplier	Ranking
Kier Construction	1
Willmott Dixon	2
BAM	3
Morgan Sindall	4
Interserve	5
ISG	Reserve 1
Dawnus Construction	Reserve 2

Lot 6 - £25m to £100m	
Supplier	Ranking
Kier Construction	1
Willmott Dixon	2
BAM	3
Morgan Sindall	4
Laing	5
Interserve	Reserve 1
Bouygues	Reserve 2

