

21st Century Homes for Edinburgh – Appointment of Contractor for West Pilton Crescent

Finance and Resources Committee

25 September 2012

Purpose of report

- 1 To request that Committee delegates to the Director of Services for Communities, acting in consultation with the Acting Head of Legal, Risk and Compliance, authority to approve the award of a contract to build 34 new affordable homes at West Pilton Crescent.

Main report

- 2 At the 24 May 2011 meeting of the Health, Social Care and Housing Committee approval was granted to proceed with the commencement of the developer procurement process for the second phase of the 21st Century Homes for Edinburgh programme.
- 3 The 21st Century Homes for Edinburgh programme will see the delivery of up to 1,400 new homes for sale and rent across key regeneration sites in the city. The West Pilton Crescent site will provide 34 new homes. A map of the area is shown at Appendix 1.
- 4 The tender was undertaken in accordance with the requirements of the Public Contracts (Scotland) Regulations 2006 (the “Regulations”). In line with these requirements the contract was advertised in the Official Journal of the European Union on 26 January 2012. Originally 27 contractors expressed an interest in the project with 17 contractors submitting fully completed Pre Qualification Questionnaires (PQQs) for evaluation. These were assessed against pre-set selection criteria and five bidders were short-listed to be invited to submit tenders.
- 5 Tenders were returned on 20 July 2012. All five tenderers passed a pre-set quality threshold which was necessary to permit the price element of their tenders to be opened and considered. The costs were then examined and scored in accordance with pre-determined award criteria. David Adamson & Partners, the project cost consultants, undertook a separate analysis and arithmetical check of the commercial tenders. A summary of the tendering and evaluation process is provided in Appendix 2.
- 6 Following detailed analysis of the tender returns a preferred bidder has been identified. However, Council officers require to undertake further work to ensure

that the project is affordable and deliverable while meeting the design and regeneration requirements of the Council.

- 7 In order to achieve as early a site start as possible, Committee is requested to delegate to the Director of Services for Communities, acting in consultation with the acting Head of Legal, Risk and Compliance, authority to approve the award of the contract on completion of the above work.
- 8 A 10-day standstill period for any feedback and/or challenge by unsuccessful contractors will be observed before the contract is awarded. This will ensure that the Council is acting in accordance with the Regulations.

Financial Implications

- 9 The total value of the contract is estimated at between £3.5m and £4m. Funding for the project has been allocated as part of the 21st Century Homes capital budget within the Housing Revenue Account.
- 10 The contract price will also be subsidised by Scottish Government funding of £825,000 towards the cost of building the new homes for social rent.

Equalities Impact

- 11 There are no direct equalities impacts arising from this report.

Environmental Impact

- 12 This investment will result in the provision of much needed new quality affordable houses which will be energy efficient and comply with current building standards.

Recommendations

- 13 Committee is requested to Delegate to the Director of Services for Communities, acting in consultation with the acting Head of Legal, Risk and Compliance, authority to approve the award of a contract to build 34 affordable homes on the West Pilton Crescent development as part of the 21st Century Homes for Edinburgh Programme.

Mark Turley
Director, Services for Communities

Appendices Appendix 1 –Map of West Pilton Crescent
 Appendix 2 – Summary of Tender Evaluation Process

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Wards affected 4 – Forth

Single Outcome
Agreement

Single Outcome 4- Edinburgh's communities are safer and have improved physical and social fabric.

Background
Papers

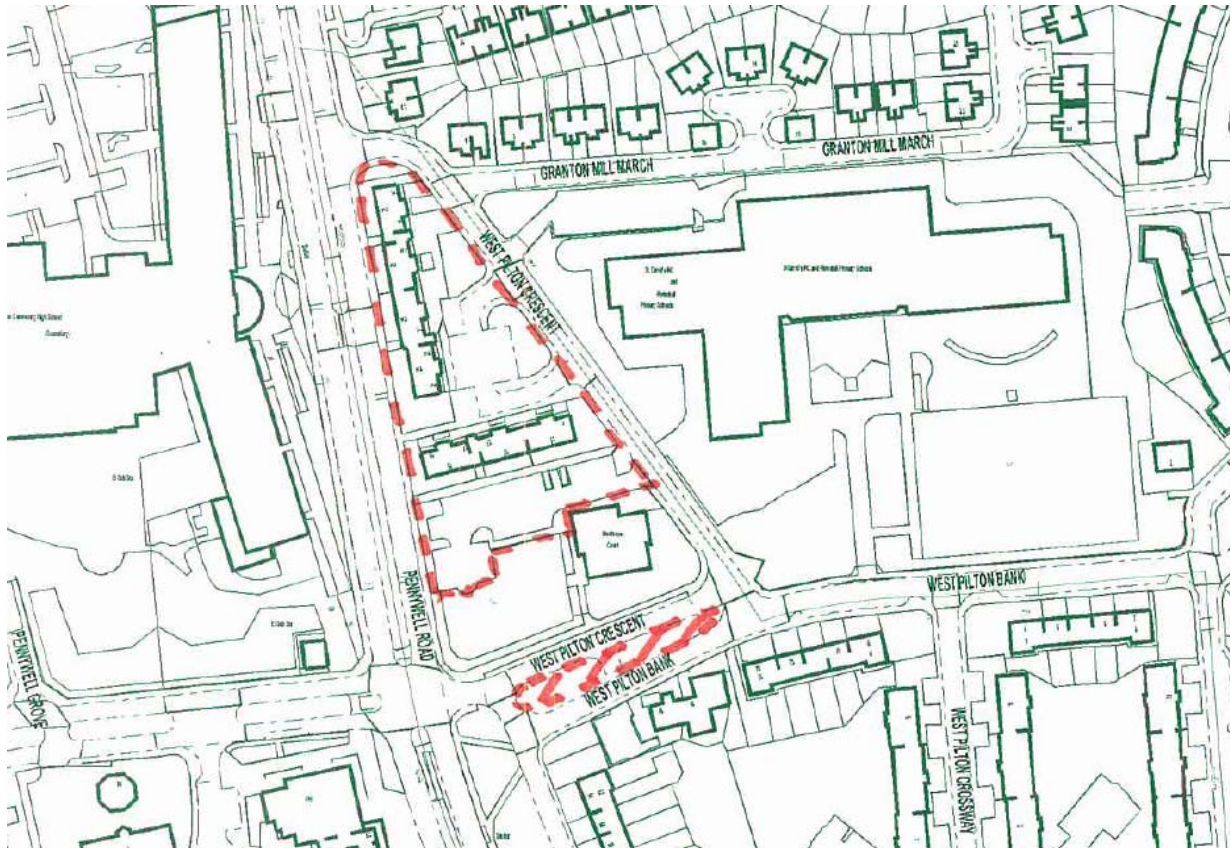
21st Century Homes for Edinburgh Business Case, Health, Social Care and Housing Committee, 3 March 2009

21st Century Homes Business Case Update, Health, Social Care and Housing Committee, 24 May 2011

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Appendix 1 – Map of West Pilton Crescent

Key	
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Appendix 2- Summary of Tendering and Tender Evaluation Process

Contract	21 st Century Homes for Edinburgh– Appointment of Contractor for West Pilton Crescent
Contract period	Period: October 2012 to contract end. Subject to compliance with contract standards.
Estimated contract value	£3.5 to £4.5m
Standing Orders observed	76(3) more than four tenders invited 78(2) Finance and Resources Committee responsible for choosing the successful tender
EC Procedure chosen	Restricted
Invitations to tender issued	5
Tenders returned	5
Evaluation criteria	Quality Price Ratio (60% Quality / 40% Price)
Evaluation Team	Simon Lievesley, Project Manager, Services for Communities (Evaluation Panel Member) Ross Young, Development Manager, Services for Communities (Evaluation Panel Member) Ryan Timpson, Building Surveyor, Services for Communities (Evaluation Panel Member) Kevin McKee, Senior Solicitor, Legal Services (Consensus Meeting Chair)
Procurement Adviser	Laurie Brickwood, Procurement Specialist, Corporate Procurement