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**To: The Finance, Resources and Customer Services Policy Board**

**On: 27 March 2019**

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**Report by: The Chief Executive and the Head of Regeneration**

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**Heading: Contract Authorisation Report: Redevelopment of Paisley Town Hall - hub West Scotland New Project Request and Advance Works Contract**

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**1. Summary**

- 1.1 A key ambition of the Paisley Town Centre Asset Strategy and Action Plan is the external and internal refurbishment of Paisley Town Hall.
  - 1.2 On 8 November 2017 the Finance, Resources and Customer Services Policy Board approved the request to appoint hub West Scotland to deliver Stages 0, I and the design development stage of Stage II of the hub West Scotland proposals contained in their 'Renfrewshire Council - Paisley Town Hall Project Delivery Approach' document.
  - 1.3 The work outlined in paragraph 1.2 above is complete to the design development phase of hub West Scotland Stage II, and further approvals are required to progress the project through the remainder of this Stage.
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## **2. Recommendations**

It is recommended that the Finance, Resources and Customer Services Policy Board:

- 2.1 Approve hub West Scotland as the preferred procurement route to progress the project;
  - 2.2 Approve the issue of a New Project Request to hub West Scotland for the project which will commence hub West Scotland Stage II, which includes further development of the design through the detailed technical design stage, and accurately pricing the project in advance of entering into advance works and main works contracts;
  - 2.3 Note that a further report will be brought to this Board on 5 June 2019 to seek approval of the award of an advance works contract; and
  - 2.4 Note that a further report will be brought to this Board in November 2019 to seek approval of the award of the main works contract.
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## **3. Background**

- 3.1 Paisley Town Hall is one of Paisley's most striking buildings. The Town Hall, which is owned by the Council and operated by Renfrewshire Leisure, is an important cultural and civic asset for the town and the people of Renfrewshire.
- 3.2 Comprehensive surveys identified a need for significant repairs to the external and internal fabric of the building, to include asbestos removal, renovation, upgrading of the existing services and improvements to internal spaces.
- 3.3 In October 2017 a Contract Strategy was agreed with the Head of Regeneration and the Head of Policy and Commissioning for the refurbishment of Paisley Town Hall. This strategy considered procurement options taking into account a number of key factors including project risk, route to market, resources and best value.
- 3.4 The strategy recommended that hub West Scotland be appointed as the preferred delivery partner for the project.
- 3.5 hub West Scotland was established in April 2012 by the Scottish Futures Trust to provide a mechanism for delivering public sector infrastructure through a single public – private development partner.

- 3.6 Utilisation of hub West Scotland will provide a range of benefits, including:
- Reduced time to market: hub West Scotland were appointed following a full procurement exercise regulated by the Public Contracts (Scotland) Regulations, carried out by the Scottish Futures Trust. hub West Scotland in turn carry out their own tender process every 5 years to appoint their supply chain which minimises time to market for the Council;
  - Early contractor engagement: this project will benefit from early contractor involvement in terms of advice on working methods, buildability and sequencing of works, which are essential in a refurbishment project of this nature to inform the design at an early stage and reduce construction risk;
  - Community Benefits: hub West Scotland have appointed a dedicated Community Benefits Officer who is working closely with the Council's Cultural Infrastructure Team to ensure a broad range of training, employment and supplier development community benefits are offered in Renfrewshire by the consultants appointed at design stage and by the main contractor once appointed.
- 3.7 On 8 November 2017 a report was taken to the Finance, Resources and Customer Services Policy Board recommending that hub West Scotland be appointed to deliver stage 0 and I and the Design Development Stage of Stage II of their proposal dated 1 October 2017 'Renfrewshire Council – Paisley Town Hall Project Delivery Approach'. This was approved.
- 3.8 The work outlined in paragraph 3.7 above is complete to the design development phase of hub West Scotland Stage II and further approvals are required from the Finance, Resources and Customer Services Policy Board to allow the project to progress to the next stage.
- 3.9 Within the 8 November 2017 report, we advised that a further Contract Authorisation Report would be brought to the appropriate Board requesting approval to proceed with the remainder of hub West Scotland's Stage II of the Project.
- 3.10 The next stage of the project includes:
- approving hub West Scotland as the procurement route for this project; and
  - approving the issue of a New Project Request to hub West Scotland to allow them to proceed through hub West Scotland Stage II which includes further developing the design through the detailed technical design stage, and to accurately price the project

in advance of entering into advance works and main works contracts.

3.11 The project is being undertaken in two phases: (1) Advance Works contract; and (2) Main Works contract.

3.11.1 The Advance Works contract will encompass: stone repairs, lead and roof drainage repairs, above ground drainage repairs within the building, rot eradication, removal of asbestos, window repairs and improvements, removal of exposed non-essential mechanical, electrical and plumbing services, fall arrest systems on the roof as required, down takings of general items in the building, and scaffolding and access equipment to support the works. This work will assist in de-risking the project (time and cost risks).

3.12.2 The Main Works contract will encompass the redevelopment and transformation of the Town Hall, including complete renewal of mechanical, electrical and plumbing systems, re-development of the Main Hall into a modern venue, provision of full catering kitchen, network bar, digital lounge and dance studio with all front of house spaces and rooms upgraded with new interior design. Acoustics will be improved, accessibility will be provided to all, except for the second floor, and fire integrity and escape from the building will be improved.

3.12.3 The estimated cost of the works, which will be under hub West Scotland's management (which hub West Scotland term "Affordability Cap") is:

Advance Works	£1,241,100.00
Main Works	£18,159,561.00
<b>Total</b>	<b>£19,400,661.00</b>

3.12.4 Renfrewshire Council will manage other costs:

Advance Works	£164,050.00
Main Works	£2,435,289.00
<b>Total</b>	<b>£2,599,339.00</b>

For the Advance Works, the cost managed by Renfrewshire Council is for Client Contingency.

For the Main Works, the amount retained by Renfrewshire Council includes Client Contingency, utilities connections costs, statutory authorities costs, surveys carried out directly, loose furniture, fittings and equipment, decant of the building after closure, security and maintenance during the building shutdown period, ICT connection costs, external CCTV costs, technical services fees and a provision for future design team consultant variations.

- 3.13 Should the Board approve the recommendations, the following estimated key dates should be noted:

Planning Consent (latest date)	16/05/19
FRCSPB Board for approval of Advance Works Contract	05/06/19
Advance Works on site	24/06/19 – 06/11/19
FRCSPB Board for approval of Main Works Contract	13/11/19
Main Works on site	15/01/20 – 17/09/21

- 3.14 The Project remains within the £22million budget.
- 3.15 The Council has appointed a dedicated Project Manager from Property Services to manage the project. This overview will continue following the issue of the New Project Request, through the detailed technical design stage and throughout construction, but hub West Scotland will lead the design team.
- 3.16 The Corporate Procurement Unit will continue to work with hub West Scotland to ensure the Council's community benefits approach is followed and appropriate community benefits are delivered throughout the Project.

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## Implications of the Report

1. **Financial** – the Council approved the investment in Paisley Town Hall on 27 September 2017. The project remains within the £22million budget funded from existing approved resources.
2. **HR & Organisational Development** – none

3. **Community/Council Planning –**

- Reshaping our place, our economy and our future - The contract will deliver the refurbishment of Paisley Town Hall, establishing the facility as a high-profile venue contributing to the regeneration of Paisley and associated economic benefits for Renfrewshire.
- Tackling inequality, ensuring opportunities for all - The contract will deliver a broad range of Community Benefits including employment opportunities for individuals currently in receipt of employability support, employment for graduates, work placements, support with careers events and a range of business and mentoring support opportunities. Accessibility within the facility will be significantly improved.
- Creating a sustainable Renfrewshire for all to enjoy – the contract will deliver refurbishment of a Grade A listed building, situated in the centre of Paisley creating an attractive and functional space for building users and improving the environment for all. Sustainability Key Performance Indicators will be tracked through the project.
- Working together to improve outcomes – consultation with key stakeholders and user groups is ongoing to ensure that the building achieves the ambition of the town.

4. **Legal** – the procurement exercise to establish hub West Scotland and the ability of the Council to enter into Contract with hub West Scotland has been conducted in accordance with the EU Procurement Regulations.

5. **Property/Assets** – the redevelopment of Paisley Town Hall is a key project within Renfrewshire Council's Heritage Asset Strategy and will improve the quality and fabric of the building, preserving the Town Hall for future generations.

6. **Information Technology** – business and associated ICT requirements are under development and will support the function of the Town Hall.

7. **Equality & Human Rights**

- (a) The Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report.

8. **Health & Safety** - Where survey work has been instructed, the Council has asked for, and received, Risk Assessments and Method Statements. Once the Contractor is appointed to carry out any construction work appropriate Health and Safety documentation will be gathered and assessed.
9. **Procurement** – hub West Scotland is a joint-venture organisation which is owned by both the public and private sectors. The procurement process to establish the hubco for the hub West Territory was conducted in accordance with the above EU Threshold Competitive Dialogue Procedure for Services. On 5 March 2012 the Finance and Policy Board agreed that Renfrewshire Council could participate in the hub West Territory Partnering Agreements. This means that when developing the procurement strategy for infrastructure projects which encompass an element of design and build, partnership with hub West can be considered as an option if it satisfies the requirement to achieve Value for Money, including adding social value through the project
10. **Risk** - A Risk Register has been produced for the project and will be managed and maintained throughout the project lifetime
11. **Privacy Impact** - No Privacy Impact implications have been identified or are anticipated
12. **Cosla Policy Position** – No Cosla Policy Position implications have arisen or are anticipated.

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### List of Background Papers

8 November 2017 - Finance, Resources and Customer Services Policy Board - Contract Authorisation Report: Redevelopment of Paisley Town Hall, Stage 0, Stage 1 and Design Development Stage of Stage 2

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