

**To: Procurement Sub Committee**

**On: 16 September 2015**

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**Report by: The Chief Executive and Director of Development and Housing Services**

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**Contract Authorisation Report for**

**Clyde Waterfront and Renfrew Riverside Lead Consultancy Commission – Multi  
Disciplinary Services, Roads and Bridges  
(Reference: RC1505\_3788(ITT\_2093))**

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**1. Summary**

- 1.1 The purpose of this report is to obtain authorisation from the Procurement Sub Committee to award a services contract for Clyde Waterfront and Renfrew Riverside Lead Consultancy – Multi Disciplinary Services, Roads and Bridges which forms part of the City Deal project.
  - 1.2 The strategic business case for the Clyde Waterfront and Renfrew Riverside project was approved at the Council's Leadership Board at their meeting on the 3 June 2015.
  - 1.3 A contract strategy for professional technical services for the City Deal, including the lead consultancy commission for the Clyde Waterfront and Renfrew Riverside project, was approved by the Procurement Manager and the City Deal Project Director.
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**2. Recommendations**

- 2.1 It is recommended that the Procurement Sub Committee:
  - a) Authorise the Head of Corporate Governance to award the Contract for Clyde Waterfront and Renfrew Riverside Lead Consultancy Commission – Multi Disciplinary, Bridges and Roads (Reference: RC1505\_3788(ITT\_2093)) to Grontmij Ltd;
  - b) Note that spend under this contract is anticipated to be in the region of £3.5 million. This estimated spend is based on the rates tendered and a

forecast of hours, technical disciplines and grades of staff required to undertake this commission;

- c) Note that an additional £1.1million may be spent on site supervision services during the construction phase. Site supervision services have been included as an optional element within the contract conditions and may be instructed in accordance with paragraph 3.13 of this report. If this optional element is to be taken up, a report to obtain authorisation shall be presented to the Procurement Sub Committee at that time.

- 2.2 The contract is anticipated to commence in October 2015. The current programme shows construction commencing in 2018 with completion in 2020.

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### **3. Background**

- 3.1 The City Deal is an agreement between the UK Government, Scottish Government and eight member local authorities across Glasgow and The Clyde Valley (including Renfrewshire Council). The overall aim of the City Deal is to support an increase in the economy within this area by delivery of key projects, three of which are within the Renfrewshire area (Clyde Waterfront and Renfrew Riverside (CWRR), Glasgow Airport Investment Area (GAIA) and Airport Access Project (AAP)).

- 3.2 This report relates only to the contract award for the lead consultancy for the CWRR Project. A separate tender process has been undertaken for the GAIA project with a recommendation to award a contract for lead consultancy for that project also being presented to the Procurement Sub Committee at this meeting. .

- 3.3 The major elements of the CWRR project will comprise:

- A new opening road bridge across the River Clyde in the vicinity of the location of the existing Renfrew to Yoker ferry;
- The new Renfrew Northern Development Road, linking the junction of King's Inch Road and Ferry Road, and the A8 Inchinnan Road in the vicinity of Argyll Avenue, including links to existing and new industrial, commercial and residential development sites;
- Public transport and active travel enhancements to the A8 Inchinnan Road between the new Renfrew Northern Development Road and the existing bascule bridge over the White Cart, linking to the complementary Glasgow Airport Investment Area project;
- Improvements to existing road infrastructure in and around Renfrew town centre, including junction improvements, bus priority measures and other improvements to enhance public transport services, including the potential future extension of Fastlink from its current termination point at New South Glasgow Hospital;
- Green Network enhancements complementing a strategic linear route linking Braehead, Renfrew and Paisley Town Centres, building on the existing greenspace network, providing more pedestrian and cycle friendly connections between strategic centres; and

- Environmental measures (including SUDS provision).

The exact scope of the project will be subject to further development and refinement to ensure that the infrastructure delivered through the project will deliver the maximum economic benefits for Renfrewshire within the available project budget.

- 3.4 This contract was tendered in accordance with the over EU Threshold Restricted Procedure (Services), Public Contracts (Scotland) Regulations 2012, as amended and the Council's Standing Orders Relating to Contracts.
- 3.5 A contract notice was published on the Public Contracts Scotland advertising portal and the Official Journal of the European Union (OJEU) on 15 May 2015 with all interested tenderers required to submit a pre-qualification questionnaire to be considered. Fifty one suppliers expressed an interest in the commission, with twelve suppliers submitting a pre qualification questionnaire by the deadline for submissions of 12 noon on 15 June 2015.
- 3.6 The twelve pre qualification questionnaire submissions were evaluated by representatives from Corporate Insurance, Health & Safety and Development & Housing Services City Deal team against pre-determined criteria which assessed competence, experience, capacity and customer focus.
- 3.7 The top seven scoring tenderers, that met the minimum requirements, were issued with the invitation to tender for this contract on 6 July 2015.
- 3.8 At the deadline for tender submissions, 12 noon on 10 August 2015, four tender submissions were received.
- 3.9 All four tenderers were evaluated against a set of award criteria which was based on a price / quality ratio of 40% / 60%. The scores relative to the award criteria of each tenderer are as follows:

<b>Tenderer</b>	<b>Price (40%)</b>	<b>Quality (60%)</b>	<b>Total</b>
Fairhurst	29.41%	25.80%	55.21%
Grontmij Ltd	36.23%	49.35%	85.58%
Jacobs UK Ltd	27.96%	40.28%	68.24%
Ove Arup & Partners Scotland Ltd	34.80%	47.36%	82.16%

- 3.10 It is recommended that the contract is awarded to Grontmij Ltd, who based on this evaluation, have provided the most economically advantageous tender.

- 3.11 The estimated cost for this contract can be accommodated within the approved City Deal budget.
- 3.12 The estimated cost is based on the tendered rates for key staff categories and a forecast of the number of hours, technical disciplines and grades of staff required to deliver this commission. The estimated cost allows for a varying degree of consultation and technical investigation work that will be required to develop and deliver the project.
- 3.13 Site supervision during the construction phase has been included as an optional element within the contract, and can be taken up at the Council's discretion. Rates were obtained within the tender for site supervision staff during the construction phase; based on a forecast of hours, technical disciplines and grades required to undertake all aspects of site supervision. If the Council decided to take up the option in full, it is expected this would cost up to £1.1M. However, prior to the start of the construction phase, the Council will consider all options available to undertake site supervision of the works, including the utilisation of internal resources if available. The solution which provides the Council with the most effective outcome at that time will be progressed.
- 3.14 Payments under the contract will be made on a time charge basis. The staff rates tendered are fixed, with price variation applications being permissible on the annual anniversary of the contract in line with the year on year percentage increase of the Consumer Price Index.
- 3.15 Grontmij Ltd have committed to delivery of the following community benefits as a result of delivery of this contract:

Description	Quantity
Modern Apprenticeship	1
Graduate	1
Work Experience Placement (16 + years of age)	1
Work Experience Placement (14 – 16 years of age)	1
Industry Awareness Day	1
Career Event	1
Workplace Visit	1
School Mentoring	1
Supply Chain Briefings with SMEs	1
Business Mentoring for SME's	1
Mentoring Third Sector Organisation	1
Financial Support for a Community Project	1
Non financial support for a Community Project	1

In addition, the contract requires Grontmij Ltd to advertise any sub contracting opportunities that may become available using Public Contracts Scotland portal to encourage wider SME participation.

If the option to deliver site supervision for the construction phase is taken up within this contract, negotiations will take place at that time to identify any additional community benefits which could be delivered. This will be reported within the relevant report to the Procurement Sub Committee at that time.

## **Implications of the Report**

### **1. Financial**

The financial stability of Grontmij Ltd has been assessed as part of the evaluation procedure and met with the Council's minimum requirements for this contract.

Grontmij Ltd's financial stability will be monitored over the period of the contract.

### **2. HR & Organisational Development**

N/A

### **3. Community Planning**

Grontmij Ltd has a commitment to deliver a number of Community benefits under this contract as detailed in section 3.15 of this report.

The contract conditions require Grontmij Ltd to advertise any sub contracting opportunity on Public Contracts Scotland portal, which will encourage SME engagement.

### **4. Legal**

The tendering procedures for the establishment of this contract were in accordance with Renfrewshire Council's Standing Orders Relating to Contracts for over EU Threshold Services contracts and the Public Contracts (Scotland) Regulations 2012, as amended.

### **5. Property Assets**

N/A

### **6. Information Technology**

N/A

### **7. Equality & Human Rights**

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. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website.

### **8. Health & Safety**

Grontmij Ltd's health and safety submission was evaluated by Corporate Health and Safety as part of the assessment of pre qualification questionnaires and met the Council's minimum requirements regarding health and safety for this contract.

### **9. Procurement**

The Procurement procedures outlined within this report ensure that the Council meets its statutory requirements in respect of procurement procedures, efficiency and modern Government. The procurement procedures adopted are also aligned with the City Deal Procurement Strategy.

### **10. Risk**

Grontmij Ltd insurances have been assessed and evaluated to confirm that they have met the minimum requirements regarding risk.

### **11. Privacy Impact**

N/A

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## **List of background papers**

(1) None

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