

To: Finance, Resources and Customer Services Policy Board

On: 8 February 2024

Report by: The Chief Executive and Director of Finance and Resources

Heading: St James' Playing Field Modular Pavilions (RC-CPU-22-237)

1. Summary

- 1.1 The purpose of this report is to seek the approval of the Finance, Resources and Customer Services Policy Board to award a contract for St James' Playing Field Modular Pavilions to SKW Construction Ltd.
 - 1.2 The recommendation to award the Contract follows a procurement exercise conducted in accordance with the Public Contracts (Scotland) Regulations 2015 and the Council's Standing Orders relating to Contracts June 2023 for a supply contract above Threshold, utilising the Restricted Procedure.
 - 1.3 A Contract Strategy was approved by the Strategic Commercial and Procurement Manager and the Programme Director- City Deal and Infrastructure in May 2023.
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2. Recommendations

- 2.1 It is recommended that the Finance, Resources and Customer Services Policy Board authorises the Head of Corporate Governance to:
- a) Award the Contract for St James' Playing Field Modular Pavilions to SKW Construction Ltd;
 - b) Authorise the award of the Contract for the Contract Sum of £2,723,940.50 excluding VAT; and
 - c) Authorise the approved contract value up to £2,883,940.50 excluding VAT, which includes £160,000 for quantified risk and contingency.
- 2.2 It is anticipated that the Contract will commence on 18 March 2024 and be complete by 28 November 2024. Any changes to these dates will be confirmed in the Council's Letter of Acceptance.
- 2.3 Note the award of this Contract requires the provision of the Sub Consultant/Contractor Collateral Warranty as indicated within the tender documentation.

3. Background

- 3.1 The purpose of the tender was to seek to contract with a suitably qualified and experienced contractor to supply and erect two separate prefabricated modular buildings for use as changing pavilions on the existing St James' site. Civil works, including carparking and landscaping, are also included as part of the contract.
- 3.2 As part of the Council's cultural infrastructure programme, one of the key projects is to deliver sufficiently robust and fit for purpose infrastructure at the St James playing fields in Paisley. This Contract will enhance attractiveness of the St James playing fields facilities.
- 3.3 The Contract was tendered using the restricted procedure for a supply contract above Threshold in accordance with the Public Contracts (Scotland) Regulations 2015 and the Council's Standing Orders relating to Contracts June 2023.

- 3.4 The restricted procedure that was adopted was mapped by the following stages:
- Stage 1 (Invitation to Participate)
 - Stage 2 (Invitation to Tender)
- 3.5 Stage 1 of this process was open to all interested bidders who met the minimum selection criteria. A Contract Notice for this Contract was dispatched to Find a Tender Service via Public Contract Scotland advertising portal on 9 May 2023. The Stage 1 Invitation to Participate documentation (ITP) was available for downloading from the Public Contracts Scotland Tender portal on the same date.
- 3.6 During Stage 1, there were 11 expressions of interest in the Contract. By the closing date set for submission, 12 noon on 16 June 2023, 4 Candidates had submitted a request to participate (RTP).
- 3.7 The 4 RTPs were evaluated against a pre-determined set of criteria in the form of the Single Procurement Document (SPD (Scotland)) by representatives from the Council's Corporate Procurement Unit and Property Services. All 4 Candidates satisfied the Council's minimum requirements within the SPD (Scotland) selection criteria.
- 3.8 As part of the selection process, and as permitted under Regulation 66 of the Public Contracts (Scotland) Regulations 2015, as amended to reduce the number of otherwise qualified Candidates, Candidates had to respond to questions relating to previous experience, technical capacity and capability with projects similar in nature, scope and scale to the Contract.
- 3.9 The ITP information and instructions set out that the Council would reduce the number of qualified Candidates invited to Stage 2 – Invitation to Tender to 5 but reserved the right to proceed with fewer than 5 Candidates' where less than 5 compliant RTPs were received. The selection score for each Candidate within Stage 1 is noted below:

Candidate	Score (100%)	Ranking
McAvoy Modular Offsite Limited	79.50%	1
Healthmatic Limited	78.50%	2
Wernick Buildings Limited	59.00%	3
SKW Construction Ltd	55.90%	4

3.10 The Stage 2 (Invitation to Tender) was made available for downloading by all 4 shortlisted Candidates via the Public Contracts Scotland- Tender portal on 26 July 2023. By the closing date and time of 12 noon on 20 September 2023, 3 Candidates (then Tenderer) had submitted a tender. One Tenderer declined to respond due to changes within their business.

3.11 The tender submissions received were assessed against the published Award Criteria with a weighting of 60% Quality and 40% Price by a suitably experienced evaluation panel which included members of the Property Services team, the Corporate Procurement Unit, Risk Management and Health and Safety.

3.12 The Tenderer’s scores relative to the Award Criteria for each of the 3 Tenderers are noted below:

Tenderer	Quality (60%)	Price (40%)	Total Score
SKW Construction Ltd	56.25%	40.00%	96.25%
McAvoy Modular Offsite Limited	45.50%	32.39%	77.89%
Healthmatic Limited	38.00%	36.19%	74.19%

3.13 The Council is satisfied that the tender submission by SKW Construction Ltd is the most economically advantageous tender.

3.14 The form of Contract is SBCC Design and Build Contract for use in Scotland, DB/Scot 2011 Edition form of contract as supplemented and amended by the Council’s “Employer’s Amendments”.

3.15 SKW Construction Ltd have committed to delivering the following community benefits through this contract:

Community Benefit Description	No of People/ Activities
Financial Support for a Social Enterprise within Renfrewshire	3
Financial Support for a Community Project/Group	5

Implications of the Report

1. **Financial** - The Financial and Economic Standing of the recommended bidder has been assessed as part of the tender selection criteria, which SKW Construction Ltd passed, relying on the financial and economic standing of their sub-contractor Kingston Modular Systems Limited. The total contract value of £2,723,940.50, excluding VAT, for these works will be met by the Capital General Services budget.
2. **HR & Organisational Development** – None arising directly from this report.
3. **Community/Council Planning** –
 - **Place** – *working together to enhance wellbeing across communities – St James’ Playing Fields is a community facility; the contract will enhance the attractiveness of the facilities by providing appropriate infrastructure to support the continued use of the grass pitches.*
 - **Economy** – *building an inclusive, green and resilient economy (matching people, skills and opportunities) - Community Benefits contribute to creating sustainable employment opportunities for people who live in Renfrewshire and encourage growth of businesses already operating ensuring that all people can benefit from the inclusive growth in Renfrewshire.*
 - **Fair** – *nurturing bright, happy and healthy futures for all - Working with a range of partners to support the improved health and wellbeing of our citizens and reducing inequalities in Renfrewshire, focusing on supporting our communities through the cost-of-living crisis with dignity and empowering people to live fulfilled lives. Tenderers were assessed within the procurement process regarding their approach to Fair Work First throughout their organisation and supply chain i.e. payment of the living*
 - **Green** - *leading Renfrewshire to Net Zero- Ensuring our journey to net zero is a just transition with climate justice and fairness at the heart, finding opportunities to challenge inequalities in new green ways as we tackle the climate crisis*
 - **Living our values** – *making a difference together* – SKW Construction Ltd has committed to deliver Community Benefits as set out within 3.15 of this report.
4. **Legal** – The Procurement of this Contract was conducted as a Restricted Procedure tender for a supply contract above Threshold in accordance with the Public Contracts (Scotland) Regulations 2015 and the Council’s Standing Orders relating to Contracts June 2023.

5. **Property/Assets** The modular pavilions will be added to the Council's Asset register.
6. **Information Technology** - None arising directly from this report.
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** - SKW Construction Ltd health and safety credentials were evaluated by Corporate Health and Safety and met the Council's requirements regarding health and safety.
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.
10. **Risk** - SKW Construction Ltd insurances have been evaluated by Corporate Risk and SKW Construction Ltd commit to obtain insurances which meet requirements regarding insurable risk prior to contract award.
11. **Privacy Impact** - None arising directly from this report.
12. **Cosla Policy Position** - None arising directly from this report.
13. **Climate Risk** – SKW Construction Ltd is committed to promoting sustainability, they have created a Sustainability Policy which they follow for all projects. They have also committed to implement a Waste Management Plan before any commencement of work, they will monitor and review waste minimisation and management throughout the project lifecycle.

List of Background Papers

- (a) None

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