

To: Finance, Resources and Customer Services Policy Board

On: 14 November 2018

Report by: The Chief Executive and the Head of Regeneration

Heading: Contract Award: Paisley Museum Re-imagined – Enabling & Strip Out Works (RC-CPU-18-004)

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 the Paisley Museum Re-imagined – Enabling & Strip Out Works (RC-CPU-18-004) to Interserve Construction Limited.
 - 1.2 The recommendation to award the Contract follows a two-stage procurement process undertaken in accordance with the Restricted Procedure under the Council's Standing Orders Relating to Contracts.
 - 1.3 A Contract Strategy was approved by the Head of Regeneration and the Strategic and Commercial Category Manager on 02 May 2018.
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2. **Recommendations**

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

- (a) authorise the Head of Corporate Governance to award a Contract for the Paisley Museum Re-imagined – Enabling & Strip Out Works (RC-CPU-18-004) to Interserve Construction Limited.
 - (b) authorise the award of the Contract in the Sum of £557,341.54 excluding VAT;
 - (c) note that the total contract period is anticipated to be 20 weeks with the Date of Commencement of the Works scheduled to be on 04 February 2019 with the estimated Date of Completion being 28 June 2019. Timescales and dates will be confirmed with Interserve Construction Limited within a Letter of before formally entering into a Contract.
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3. **Background**

- 3.1 The Paisley Museum is a Category A listed building and currently houses the Paisley Central Library in addition to the main museum space. The Council has an ongoing project to refurbish and extend the Paisley Museum.

As part of this project, an enabling and strip out contractor is required to be appointed to undertake required demolition works, strip out of existing fixtures, fittings, mechanical and electrical apparatus and the removal of heavy plant which shall leave Paisley Museum in a vacant condition ready for further investigation and design leading to further re-construction.

- 3.2 The Contract is a below Regulated and EU threshold contract for works and was competitively tendered as a two stage (Stage 1 – Invitation to Participate and Stage 2 – Invitation to Tender) procurement process in accordance with the Restricted Procedure under the Council's Standing Orders Relating to Contracts.
- 3.3 A contract notice for this Contract was dispatched via the Public Contracts Scotland advertising portal on 03 May 2018. The Invitation to Participate documentation (ITP) was made available to organisations

expressing an interest in the Contract for downloading via the Public Contract Scotland – Tender platform from the date of publication of the contract notice.

- 3.4 During the Invitation to Participate stage (Stage 1) of the procurement process, twenty-four (24) organisations expressed an interest in the Contract. By the closing date set at 12 noon on 01 June 2018, seven (7) Candidates had submitted a Request to Participate (RTP).
- 3.5 RTP Submissions received were assessed by the Council's Corporate Procurement Unit against a pre-determined set of criteria in the form of the European Single Procurement Document (ESPD) in accordance with Standing Order relating to Contracts 11.5. During this stage of the assessment, four (4) RTP Submissions failed to meet the Council's minimum requirements within the ESPD selection criteria and were excluded from the procurement process leaving only three (3) suitable Candidates.
- 3.6 Following completion of the assessment processes of criteria within the ESPD and to further enable the Council to reduce the number of otherwise qualified candidates, Candidates were required to provide a response to three (3) questions which would assess previous experience and application in delivering similar works to that required within the Contract.
- 3.7 Following review and scoring by an evaluation panel consisting of two (2) members of the Paisley Museum Re-imagined project team and a representative of the externally appointed project management consultant Currie and Brown UK Limited to the responses of the three (3) questions from each of the remaining three (3) Candidates, all three (3) remaining Candidates were selected for Stage 2 (Invitation to Tender) of the procurement process. The selection score for each of the remaining three (3) Candidates within the Stage 1 is noted below:

		Selection (100%)
1	Interserve Construction Limited	88.00%
2	Kier Construction Limited	85.00%
3	Clark Contracts Limited	63.00%

3.8 Invitation to Tender documentation (Stage 2) was made available for downloading by the three (3) Candidates via the Public Contracts Scotland – Tender platform on 14 August 2018. By the Tender Return Deadline of 14 September 2018 at 12 noon, all three (3) Candidates (then known as “Tenderers”) each submitted a Tender Submission.

3.9 Tender Submissions received were evaluated against the published award criteria based on an overall weighting of 60% Quality with the 40% Price. The emphasis was placed upon the quality element of the Award Criteria to ensure that the Council's aspirations would be met by a contractor of proven capability in delivering similar enabling and strip out works within a historic listed building.

Quality responses received were evaluated by an evaluation panel consisting of two (2) members of the Paisley Museum Re-imagined project team, a representative of the externally appointed project management consultant Currie and Brown UK Limited and two representatives of the externally appointed multi-disciplinary design team (Amanda Levet Architects Limited and Giles Quarme & Associates). Price responses received were assessed by a representative of the Council's externally appointed quantity surveyor Gardiner & Theobald LLP.

3.10 The total scores relative to the award criteria for each Tenderer is noted below:

		Quality (60%)	Price (40%)	Total (100%)
1	Interserve Construction Limited	56.88%	40.00%	96.88%
2	Kier Construction Limited	48.75%	30.52%	79.27%
3	Clark Contracts Limited	33.00%	39.13%	72.13%

- 3.11 The evaluation of Tender Submissions received identified that the Tender Submission by Interserve Construction Limited was the most economically advantageous Tenderer and should be recommended for contract award.
- 3.12 A capital budget of £1,000,000 was made available by the Council to enable the undertaking of the required enabling and strip out works within this procurement process. Based on the Contract Sum stated at 2.1 (b) above, this represents a non-cashable saving of £442,658 against the allocated budget.
- 3.13 Community Benefits were requested as part of the procurement process and Interserve Construction Limited advised within their Tender Submission that the following Community Benefits would be made available to the Council for this Contract:

Community Benefit Description	No of People / Activity
New Entrant	1
Further Education Visits	2
School Visits	2
Financial Support for a Community Project	1
Non-financial support for a Community Project	1

Implications of the Report

1. **Financial** – The financial status of Interserve Construction Limited was assessed by undertaking a Dun and Bradstreet evaluation and it confirmed that the company satisfied the Council's requirements in relation to financial stability.

The costs attributed to this Contract will be met by Chief Executive's Services – Regeneration

2. **HR & Organisational Development** – No TUPE implications have arisen or are anticipated.

3. **Community/Council Planning**

- Our Renfrewshire is fair – Tenderers were assessed within Stage 2 of the procurement process in regards to their approach to ensuring fair working practices throughout their organisation and supply chain i.e. payment of the living wage, training and development opportunities etc.
- Reshaping our place, our economy and our future – As the signature project of Paisley's regeneration, the strategic aims and outcomes of the Paisley Museum Reimagined Project are to deliver a visitor experience of international quality which promotes cultural tourism, restores civic pride and re-establishes Paisley's profile as a creative, innovative and radical place with the Museum at its heart.
- Creating a sustainable Renfrewshire for all to enjoy – Interserve Construction Limited has committed to deliver a number of Community Benefits as detailed within section 3.13 of this report.

4. **Legal** – The procurement of this Contract was conducted in accordance with the Council's Standing Orders Relating to Contracts for a below EU / non-regulated threshold Works Contract.

5. **Property/Assets** –The contract award will be fundamental to the full renovation and restoration of the existing Grade-A Paisley Museum and Library building, the Coats Observatory, Transit House, the Grade C-listed Observatory House, Philosophical Society Buildings together with the provision of a new-build extension and landscaped garden.

The resulting works throughout the project will revitalise the Museum and associated buildings by repairing the building external and internal fabric, stitching together the campus and presenting the whole experience as a more considered, coherent and welcoming attraction.

6. **Information Technology** – No Information Technology implications have arisen or are anticipated.
 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 because for example it is for noting only. 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** – Interserve Construction Limited's health and safety credentials were evaluated by Corporate Health and Safety and met the Council's minimum requirements regarding health and safety.
 9. **Procurement** –The procurement processes outlined within this report shall ensure that the Council meets its statutory requirements in respect of procurement procedures, governance, efficiency and modern government.
 10. **Risk** – Interserve Construction Limited's insurance provision have been assessed and evaluated to confirm that they have met the Councils minimum requirements regarding insurable risk.
 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

- (a) *Report to Economy and Jobs Policy Board, 11 November 2015, Regeneration of Paisley Town Centre - Paisley Museum.*
 - (b) *Report to Leadership Board, 8 June 2016, The Regeneration of Paisley Town Centre – Paisley Museum Project.*
 - (c) *The Paisley Museum: Vision and Masterplan, and Outline Business Case prepared by Metaphor and BOP Consulting.*
 - (d) *Report to Leadership Board, 30 November 2016, The Regeneration of Paisley Town Centre – Paisley Museum Project*
 - (e) *Report Leadership Board, 20 June 2017, The Regeneration of Paisley Town Centre – Paisley Museum Project*
 - (f) *Report to Council, 28 September 2017, Paisley Museum Project*
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