

To: Finance, Resources and Customer Services Policy Board

On: 5 March 2021

Report by: The Chief Executive

Heading: Contract Award: Paisley Town Hall Re-development – Main Works
(RC-CPU-19-286)

1. **Summary**

- 1.1 The purpose of this report is to seek approval of the Finance, Resources and Customer Services Policy Board to award a contract for the Paisley Town Hall Re-development - Main Works to Galliford Try Construction Limited, T/A Morrison Construction.
 - 1.2 The procurement exercise was conducted in accordance with the Public Contracts (Scotland) Regulations 2015 and Renfrewshire Council's Standing Orders Relating to Contract.
 - 1.3 A Contract Strategy addendum was approved by the Procurement Manager and the Head of Regeneration on 1st September 2020, this was to amend and update an earlier iteration of an approved Contract Strategy for this requirement.
 - 1.4 The tender was given approval to be released to the market in October 2020 by the Contract Oversight Board, with approval to proceed to award recommendation stage given in February 2021.
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2. Recommendations

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

- 2.1 Authorise the Head of Corporate Governance to award a contract for the Paisley Town Hall Re-development – Main Works (RC-CPU-19-286) to Galliford Try Construction Limited, T/A Morrison Construction;
- 2.2 Authorise the award of this contract for the Contract Sum of £16,042,852 excluding VAT, with an additional 10% contingency spend;
- 2.3 Note the anticipated Date of Possession of the site is 30 March 2021 and anticipated completion Date for Completion of the works is 11 November 2022. This will be confirmed in the Council's Letter of Acceptance and formal contract to be issued.
- 2.4 Note the award of this Contract is subject to the provision of a Performance Bond and Collateral Warranties as indicated within the tender documentation.

3. Background

- 3.1 Following approval from the Finance, Resources and Customer Services Policy Board on 13 November 2019, it was agreed that the construction phase of the re-development of Paisley Town Hall should be delivered as 3 main packages of work:

- Asbestos Works;
- Advance Works; and
- Main Works

Both the Asbestos Works and Advance Works have been completed as scheduled.

- 3.2 This Report relates to the tender for the Main Works, in which the purpose of the works is to implement the design, upgrade and modernisation of the category A listed Paisley Town Hall as part of the longer-term regeneration of Paisley Town Centre. The vision for the upgraded Paisley Town Hall is “To create a flagship venue for Paisley, Renfrewshire and West Central Scotland, enriching contemporary civic and cultural life”.

- 3.3 The upgrading of Paisley Town Hall is identified as a key element of the longer-term regeneration of Paisley Town Centre. The lifecycle maintenance upgrade with additional facilities will provide a modern facility that is fit for purpose within an important historic building, supporting and developing the regeneration of Paisley town centre.
- 3.4 The form of contract for the works is SBCC Standard Building Contract with Quantities for Use in Scotland, SBC/Q/Scot 2011 Edition as supplemented and amended by the Council specific “Employer's Amendments”.
- 3.5 Originally the Main Works package was released to the market late November 2019 as a two-stage Restricted Procedure in accordance with both the Public Contract (Scotland) Regulations 2015 and the Council’s Standing Orders Relating to Contracts. However, this procurement exercise had to be cancelled in April 2020 after stage one due to the impact and risks associated with the COVID19 pandemic.
- 3.6 After approval to go to tender again was received from the Contract Oversight Board in October 2020, the main works package was re-tendered, but this time it was using a Competitive Procedure with Negotiation (CPN), in accordance with both the Public Contract (Scotland) Regulations 2015 and the Council’s Standing Orders Relating to Contracts. Although this procurement route differs from that of the recommendation that was reported to the Finance, Resources and Customer Service Board in November 2019 and from the original procedure that was adopted (a Restricted procedure), it was deemed the most appropriate route to market given the continuation of the ongoing pandemic and the unprecedented times that the market was facing. All associated risks had been carefully considered prior to approaching the market and mitigation of these directly informed the conditions of contract to reduce the council’s exposure of any implications that could result from the pandemic.
- 3.7 The CPN process that was adopted was mapped by the following stages;
- Stage 1 (Invitation to Participate);
 - Stage 2 (Invitation to Tender – Initial);
 - Stage 3 (Negotiation);
 - Stage 4 (Final Tender).
- The Council reserved the right to award at the end of Stage 2 if a fully compliant offer was received, which would mean that it was not necessary to proceed to stages 3 and 4.
- 3.8 Stage 1 of this process was open to all interested bidders, who met the minimum criteria set. The contract notice was published in the Official

Journal of the European Union on 4 September 2020 with the Invitation to Participate documents available for download from the Public Contracts Scotland – Tender portal on the same date. Note, this procurement and tender was started prior to the United Kingdom exiting the European Union and followed the procedure for procurement exercises required prior to that exit

3.9 Eighteen (18) bidders noted interest in the project with five (5) bidders submitting a Request to Participate by the deadline date of 30 September 2020.

3.10 All five (5) bidders met the minimum requirements of the European Single Procurement Document (ESDP) and achieved the required pass mark (over 75%) for their technical capability and capacity based on their previous experience. This was assessed by an evaluation panel consisting of the Paisley Town Hall Re-development project team and Corporate Procurement Unit. The scoring of the technical assessment has been outlined below;

Bidder	Technical Score (100%)
BAM Construction Limited	89.50%
Galliford Try Construction Limited T/A Morrison Construction	89.00%
Kier Construction Limited	85.50%
John Graham Construction Limited	84.00%
Balfour Beatty Group Limited	78.50%

3.11 As all five (5) bidders passed Stage 1 they were all invited by invitation issued on 8 October 2020 to submit an initial tender for Stage 2. Three (3) of the five (5) bidders invited submitted a tender by the tender return date of 27 November 2020. These were assessed by an evaluation panel consisting of the Paisley Town Hall Re-development project team, Corporate Procurement Unit and the appointed consultants for the project;

3.12 During the evaluation, the Council issued clarifications to all three tenderers. Following review of the responses to clarifications received, two (2) of the three (3) tenderer tender submissions were deemed non-compliant as they did not adhere to the requirements of the Stage 2 Invitation to Tender and were therefore excluded from the tender process.

3.13 The one (1) tenderer in the process who was deemed to be compliant was then assessed against the pre-set Award Criteria for Stage 2; 40% Quality/ 60% Price;

		Price (60%)	Quality (40%)	Total (100%)
1	Galliford Try Construction Limited, T/A Morrison Construction	60.00%	35.30%	95.30%

- 3.14 The Council had an option with the Competitive Procedure with Negotiation to proceed to further stages (Stage 3 and Stage 4), it was agreed by the project team that it was not necessary to take up these options as tenders received were within budget. In the Stage 2 Invitation to Tender the Council had reserved the right not to utilise these stages.
- 3.15 The Council is satisfied that the remaining tender submission by Galliford Try Construction Limited, T/A Morrison Construction was the most economically advantageous tender submission.
- 3.16 Approval was sought from the Contract Oversight Board in February 2021 to proceed with taking the tender award recommendation to this Finance, Resources and Customer Service Board in March 2021.
- 3.17 Community Benefits were requested as part of this procurement process and Galliford Try Construction Limited, T/A Morrison Construction confirmed in their offer that the following Community Benefits would be made available to the Council for this Contract:

Community Benefit Description	No of People / Activity
Job for an unemployed individual from a Priority Group	1
Job for an unemployed individual	1
Job for a young person (age 16-24) - from the councils most deprived local datazones (SIMD 1 and 2)	1
Modern Apprenticeship	6
Graduate (refer to guidance on definition of Graduate)	1
Work Experience Placement for an individual 16+ years of age - from the councils most deprived local datazones (SIMD 1 and 2)	8
Work Experience Placement for an individual in full time education	2
Business advice/support to a local SME /Social Enterprise/ Voluntary organisation	4
Commitment to ensure that supply chain opportunities are prioritised for Renfrewshire based businesses	2
Event to promote supply chain opportunities	2

S/NVQ (or equivalent) for New Employee, Existing Employee or Supply Chain Employee	6
Industry Awareness Events	6
Industry Skill Transfer to Schools.	2
Financial Support for a Community Project	1
Non-financial support for a Community Project	1

Implications of the Report

1. **Financial** – No financial implications have arisen or are anticipated. Financial and Economic Standing have been assessed as part of the tender selection criteria – which Galliford Try Construction Limited, T/A Morrison Construction passed. The project will be funded from existing approved resources.
2. **HR & Organisational Development** – No HR & Organisational Development implications have arisen or are anticipated.
3. **Community/Council Planning** –
 - *Our Renfrewshire is fair* - Tenderers were assessed within Award Criteria regarding 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* - 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 of this works contract has been conducted in accordance with an above EU Threshold Competitive Procedure with Negotiation of the Public Contracts (Scotland) Regulations 2015 and the Council's Standing Orders Relating to Contracts.
5. **Property/Assets** – The purpose of this project is to implement the design, upgrade and modernisation of the category A listed Paisley Town Hall as part of the longer-term regeneration of Paisley Town Centre. The vision for the upgraded Paisley Town Hall is “To create a flagship venue for Paisley, Renfrewshire and West Central Scotland, enriching contemporary civic and cultural life”. The upgrading of Paisley Town Hall is identified as a key element of the longer-term regeneration of Paisley Town Centre. The lifecycle maintenance upgrade with additional facilities will provide a modern facility that is fit for purpose within an important historic building, supporting and developing the regeneration of Paisley town centre.
6. **Information Technology** – No IT 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** - Galliford Try Construction Limited, T/A Morrison Construction 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 procedures outlined within this report shall ensure that the Council meets its statutory requirements in

respect of procurement procedures, efficiency and modern Government.

10. **Risk** – Galliford Try Construction Limited, T/A Morrison Construction insurances have been assessed and evaluated and confirm that they will meet the 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.
13. **Climate Risk** – The level of impact associated with the works has been assessed using the Scottish Government Sustainability Test and is considered to be low risk.

List of Background Papers

- (a) Report to Finance, Resources and Customer Services Policy Board on 13 November 2019. Heading: Paisley Town Hall

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