

To: Procurement Sub Committee

On: 17 February 2016

Report by:

**Joint Report
by**

The Chief Executive and the Director of Development and Housing Services

**Contract Authorisation Report: Design and Build- Racking and Shelving
Contract at New Museum Store**

1. Summary

- 1.1 The purpose of this report is to seek the approval of the Procurement Sub Committee to enter into a Standard Building Contract Design and Build for use in Scotland (SBC/DB/Scot (2011 edition)) for Design and Build- Racking and Shelving Contract at New Museum Store RC/OC/112/16 which forms part of the work detailed in the Paisley Heritage Asset Strategy.
 - 1.2 The Contract was tendered in accordance with the below EU Threshold Open Procedure for Works and the Council's Standing Orders Relating to Contracts.
 - 1.3 A Contract Strategy was prepared by the Corporate Procurement Unit and approved by the Development and Housing Services Category Manager and the Policy and Regeneration Manager on 1st December 2015.
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2. Recommendations

- 2.1. It is recommended that the Procurement Sub Committee authorise:
 - 2.1.1 The Head of Corporate Governance to award the contract RC/OC/112/16 for the Design and Build- Racking and Shelving Contract at New Museum Store to Rackline Limited.
 - 2.1.2 The estimated contract value is £380,906.00 excluding VAT.
 - 2.1.3 The contract is anticipated to commence on or around the 9th March 2016 or from the date stated on the Letter of Acceptance subject to the conclusion of the lease and will be for a total term of 66 weeks (breakdown detailed in 3.10 below).
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3. Background

- 3.1 Paisley and its town centre are vital to the economic and social performance of all of Renfrewshire. The Paisley Heritage Asset Strategy which was approved in January 2014 sets out an ambitious vision for Paisley including the development of a signature museum project of national status, developing opportunities to improve the visitor offer and rebrand Paisley as a visitor destination, providing employment and regeneration opportunities. The Strategy highlights the potential to significantly improve the performance of Paisley's tourism economy, creating around 800 new jobs in the town.
- 3.2 The Paisley Museum redevelopment is the flagship project of the regeneration strategy, contributing 238 new jobs to the overall target. Branching from the Paisley Museum redevelopment is the Paisley Museum Store project. The purpose of this project is to relocate the Council's museum collections storage facility from Whitehaugh Barracks into the lower ground floor of the former Littlewoods store on Paisley High Street. Conditions at the Barracks are not fit for purpose for the storage of the collections and provide no opportunity for those collections not on display at the museum to be viewed by the public. The project will make them available for controlled public access, with the opportunity of using vacant town centre space for this purpose, therefore contributing to increased footfall in the town centre.
- 3.3 The vacant space is owned by Associated British Foods (ABF). A lease to occupy the premises is currently in the progress of being agreed with the owner to allow the Council's design team access to develop the refurbishment proposals. A design consultancy team has been appointed, led by Collective Architecture Ltd. The works under this contract will be subject to the conclusion of the lease.
- 3.4 The project programme for delivery of the new stores is a critical dependency for the museum refurbishment works. It is currently anticipated that the Store is required to be available for decant of the Museum by September 2017.

- 3.5 As a result in order to meet the programme it was agreed that the delivery of the new Museum Store should be delivered under two separate contracts; a contract for the design and installation of racking and shelving that will safely house the invaluable collection and a fit out contractor to construct a suitable space within the new Museum Store location. The focus of this report is the first contract for Design and Build- Racking and Shelving Contract at New Museum Store.
- 3.6 This tender opportunity followed the open procurement procedure for a below EU threshold contract for works in accordance with the Council's Standing Orders Relating to Contracts. A contract notice advertising the opportunity was sent to the Public Contracts Scotland portal on the 2nd December 2015. Tender documentation was available for immediate download through the online e-tender system.
- 3.7 Sixteen (16) suppliers noted an interest of which two (2) tender submissions were received by the closing date for the receipt of tender submissions at noon, on 8th January 2016.
- 3.8 Tender submissions were evaluated using a two stage process of Bid Selection and Award criteria published in the tender. The tender submissions were first evaluated by representatives from the Corporate Procurement Unit, Finance and Resources, Health & Safety and Corporate Risk against pre-determined Bid Selection criteria which assessed their capacity, experience & track record and their technical and financial capabilities. Both tender submissions met the minimum requirements moving on to stage 2.
- 3.9 Both tenderers met the minimum requirements as outlined above and were then evaluated against a set of Award Criteria, based on a price / quality matrix of 55% price / 45% quality. The outcome of this evaluation determined the total score achieved by each tenderer.

Tenderer	Quality Score (%)	Price Score (%)	Total Score (%)
Rackline Limited	33.80	45.02	78.82
Whittan Industrial t/a Link 51(Shelving and Storage)	20.97	55.00	75.97

- 3.10 Based on the evaluation carried out the tender from Rackline Limited represents the best value and the most economically advantageous tender. The contract will be for a total period of 66 weeks which is broken down as follows:
- Estimated contract award is 9th March 2016.
 - Design Period of 7 weeks with likely completion 27th April 2016.

- Manufacture and Installation period of 59 weeks. Installation will be phased through the separate alteration and fit out contract with completion by 16th June 2017.

Upon completion of the installation the defects period will run for 12 months following practical completion.

3.11 The cost of this project is funded from the capital budget within the Regeneration Fund.

3.12 As part of this tender Rackline Limited have committed to the delivery of the following community benefits during the delivery of this contract:

Description	Quantity
Jobs (Unemployed)	1
Industry Awareness Days	1
School Mentoring	1

Implications of the Report

1. **Financial** – The financial status of Rackline Limited has been assessed as part of the evaluation process and met with the Council’s minimum requirements for this contract.

2. **HR & Organisational Development** - None

3. **Community Planning/ Council Plan Implications** – Rackline Limited has a commitment to deliver a number of community benefits under this contract as detailed in section 3.12 of this report. The work under this contract will also contribute to the benefits under the Paisley Heritage Asset Strategy:

Community Care, Health & Well-being - The delivery of actions within the Heritage Asset strategy have the potential to positively impact on physical, emotional and mental health and wellbeing.

Jobs and the Economy – The strategy will contribute to meeting all of the outcomes of the Plan, for Renfrewshire to –

- Be one of the best locations in Scotland to invest, in terms of its people, businesses and local communities.

- Have a growing local economy creating employment for a well trained, qualified and motivated workforce — where unemployment is reduced and employment opportunities are growing.

- Be the best connected local economy in Scotland, internationally, nationally and regionally.

•Have attractive environments and successful town centres created through successful area regeneration that contribute positively to local community and economic growth

Safer and Stronger - Implementing the strategy will assist Renfrewshire citizens to have a positive attitude to their community.

4. **Legal** – The tendering procedures for the establishment of a contract were conducted in accordance with the requirements of the Public Contracts (Scotland) Regulations 2012, as amended, and Renfrewshire Council's Standing Orders Relating to Contracts for below EU Threshold Works Contracts.
5. **Property Assets** – The works resulting from this contract are part of the Heritage Asset Strategy.
6. **Information Technology** – Dialogue has been commenced with IT Business Relationship Officers re provision of ICT infrastructure to the Museum Store to ensure appropriate consideration during technical design.
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** – Rackline Limited health and safety submission was evaluated by Renfrewshire Council's Health and Safety section and met the minimum requirements regarding health & safety for this contract.
9. **Procurement** – The procurement procedures outlined within this report shall ensure that the Council meets its statutory requirements in respect of procurement procedures.
10. **Risk** – Rackline Limited insurances have been assessed and evaluated to confirm that they meet the minimum requirements regarding risk.
11. **Privacy Impact** – None

List of background papers

- (a) **Economy and Jobs Policy Board Paper 29th January 2014:**
Paisley Heritage Asset Strategy

- (b) **Economy and Jobs Policy Board Paper, 21st May 2014, 19th November 2014 and 20th May 2015:**

Paisley Heritage Asset Strategy Progress Reports

- (c) **Economy and Jobs Policy Board Paper, 18th November 2015:**

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