

**To: The Finance, Resources and Customer Services Policy Board**

**On: 8 November 2017**

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

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**Heading: Contract Authorisation Report: Redevelopment of Paisley Town Hall, Stage 0, Stage 1 and Design Development Stage of Stage 2**

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**1. Summary**

- 1.1 One of the key ambitions of the Paisley Town Centre Asset Strategy and Action Plan is the external and internal refurbishment of Paisley Town Hall. This Category A listed building provides an important venue for a broad range of social, cultural and business related functions in the heart of Paisley. Due to the importance of the Town Hall as an asset for the people of Renfrewshire, the programme for redevelopment is tight with a scheduled completion date of August 2020. This report sets out the recommendation to proceed with Hub West Scotland for initial design, appointment of design team and assessment of affordability to allow early progression of the Town Hall Redevelopment within the scheduled timescale.
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**2. Recommendations**

- 2.1 The Finance, Resources and Customer Services Policy Board are asked to approve the request to appoint Hub West Scotland to deliver Stages 0 and 1, and the Design Development stage of Stage 2 of their

proposal dated 1 October 2017, “Renfrewshire Council – Paisley Town Hall, Project Delivery Approach.”

- 2.2 The Finance, Resources and Customer Services Policy Board are asked to note the approximate cost for the project up to completion of Stage 1 which will be in the region of £800,000 excluding VAT.

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3. **Background**

- 3.1 Paisley Town Hall is one of Paisley’s most striking buildings. The Town Hall, which is owned by the Council and operated by Renfrewshire Leisure Limited, is an important cultural and civic asset for the town and the people of Renfrewshire.
- 3.2 Comprehensive surveys have identified a need for significant repairs to the external and internal fabric of the building, to include asbestos removal, renovation, upgrading of the existing services and improvements to internal spaces.
- 3.3 The works may be phased to minimise disruption to the public, however even with phasing the Town Hall may be closed from late summer 2018 to August 2020. As the Town Hall is a key cultural Hub, it is essential that the works are managed as efficiently as possible and that all potential delays are mitigated.
- 3.4 Corporate Procurement prepared a Contract Strategy for the Town Hall project which considered potential routes to market, this strategy considered the relative risks and benefits associated with each approach and following consideration, recommended the appointment of Hub West Scotland as the preferred delivery mechanism for the project.
- 3.5 Utilisation of Hub West Scotland will provide a range of benefits including:
- Access to development expertise;
  - Rapid availability of competent resources;
  - Minimal time to market utilising Hub West Scotland’s established and pre-qualified supply chain;
  - Early engagement and involvement of the contractor will provide access to main contractor input on working methods, buildability and sequencing of works, which will be essential in a refurbishment project of this nature to inform the design at an early stage and reduce construction risk;

- The Hub West Scotland commercial model offers an affordability cap which limits the council's financial risk during the construction period.
- 3.6 The Council will appoint a dedicated Project Manager from Property Services who will be responsible for the daily management of the project. The project manager will have a direct input into and influence on the procurement of the Design Team and the procurement of a main contractor.
- 3.7 The Corporate Procurement Unit will work closely with Hub to ensure that the Council's Community Benefits approach is followed and appropriate Community Benefits are sought.
- 3.8 This initial recommendation relates to Stage 0 and Stage 1 of the project, up to completion of a finalised brief, concept design and detailed cost plan.
- 3.9 The costs for Stage 0 – Stage 1 will include the following:
- Hub West Scotland (HWS) to competitively tender for design team and main contractor;
  - HWS to undertake all remaining surveys to inform scope, cost and programme;
  - Completion of RIBA Stage 2 concept design by the appointed Design Team based on confirmation from the Council of the preferred option;
  - Validation by the appointed main contractor of the Quantity Surveyor's cost plan and Affordability Cap for the project to ensure full team buy-in to the Stage 1 report to the Council;
  - Issue of Stage 1 report to the Council, to include finalised brief, concept design, project affordability and programme.
- 3.10 Costs can be broken down approximately as follows:
- Design Team Fees: £500,000
  - Survey cost: £200,000
  - Hub West Scotland (fee 1.53% + 0.75% of total project cost, to be paid in stages throughout the life of the contract)
- 3.11 The initial stages are anticipated to take up to six months from date of approval to proceed.
- 3.12 On completion of stages 0 and 1 a further Contract Authorisation Report will be submitted to the appropriate Board, requesting approval to proceed with the remainder of Stage 2 of the project.
- 3.13 The total affordability cap for the whole project from inception to completion is £22 million.

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## Implications of the Report

1. **Financial** – The Council approved the investment in Paisley Town Hall on 27 September 2017, at which time it was agreed that the project would proceed to procurement.
2. **HR & Organisational Development** - None.
3. **Community Planning** –  
  
Relevant community benefits will be sought in accordance with the Council's own Community Benefits at appropriate stages throughout the contract.
4. **Legal** – The procurement exercise to establish the hubco and the ability of the Council to enter into contract with hubco has been conducted in accordance with the EU Procurement Regulations.
5. **Property/Assets** – The redevelopment of Paisley Town Hall is a key project within the Heritage Asset Strategy and will improve the quality and fabric of the building, preserving the Town Hall for future generations.
6. **Information Technology** – None
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
8. **Health & Safety** - None
9. **Procurement:** Hub West Scotland is a joint-venture organisation which is owned by both the public and private sectors. The procurement process to establish the hubco for the hub West Territory was conducted in accordance with the above EU Threshold Competitive Dialogue Procedure for Services. On 5 March 2012 the Finance and Policy Board agreed that Renfrewshire Council could

participate in the Hub West Territory Partnering Agreements. This means that when developing the procurement strategy for infrastructure projects which encompass an element of design and build, partnership with Hub West can be considered as an option if it satisfies the requirement to achieve Value for Money, including adding social value through the project.

- 10. **Risk** – *None*
- 11. **Privacy Impact** - *None*
- 12. **Cosla Policy Position** – *None*

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### List of Background Papers

None

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