

WEST DUNBARTONSHIRE COUNCIL**Report by Chief Officer – Supply, Distribution and Property****Tendering Committee: 12 January 2022**

Subject: Contract Authorisation Report – Construction of Clydebank Canal New Activity Centre**1. Purpose**

- 1.1** The purpose of this report is to seek the approval of the Tendering Committee to authorise the Chief Officer - Regulatory and Regeneration to conclude the award of the contract for Construction of Clydebank Canal New Activity Centre.

2. Recommendations

- 2.1** It is recommended that the Tendering Committee:
- a) Authorise the Chief Officer - Regulatory and Regeneration to conclude on behalf of West Dunbartonshire Council (the Council), the award of the contract for Construction of Clydebank Canal New Activity Centre to Kier Construction Ltd.
 - b) Note that the contract shall be for a period of 10 months at an estimated value of £982,000 ex VAT. The estimated commencement date of the contract is 31 January 2022

3. Background

- 3.1** The project was developed in response to the recommendation from the Clydebank Charrettes to bring more activity into the town centre and make better use of the Canal. The Centre will be designed to harmonise with its surroundings, resulting in an attractive new design feature in Clydebank town centre.
- 3.2** The requirement is to provide a quality bespoke transportable modular building activities and services that will be offered at the Centre which will focus on health and fun, and may include bike hire and repair, club meetings, facilities for kayak clubs and community classes.
- 3.3** The overall budget Construction of Clydebank Canal New Activity Centre was approved at the IRED Committee on 15 September 2021. The period of budget is for 10 months. The budget amounts for this specific contract is £982,000, broken down as follows: £747,000 Regeneration Capital Fund awarded from the Scottish Government Fund (RCGF), £200,000 Local Economic Development budget and £35,000 Development Contributions paid to the Council by private developers.

- 3.4** This procurement exercise has been conducted in accordance with the Council's Standing Orders and Financial Regulations and the Public Procurement Regulations . A Contract Strategy document was also approved on 6 December 2021.
- 3.5** During the initial stages of the project a market research was undertaken in the form of a questionnaire listing the full requirements for a transportable modular building system with particular reference to, designing and integrating with professional design teams, designing and manufacturing modular transportable buildings where detailed sustainability criteria had been incorporated by the use of sustainable materials. From the market research there was six responses, with a number of the contractors featuring on two FA agreements (FA), Scottish Procurement Alliance (SPA) and Crown Commercial services (CCS). The use of the SCAPE Framework Agreement was also considered at this stage. However, during the review stage with the service area and key stakeholders, it was believed that the responses received from the FA contractors could only deliver a basic building and not the bespoke specification required.

4. Main Issues

- 4.1** Due to the unique design and requirements of this project it was agreed to take the project to the open market via an Open Tender, however, despite the market research response, the market could not satisfy the requirements or deliver the project within the timelines required and no bids were received.
- 4.1** Due to tight time constraints of complying with the Scottish Government funding conditions, an assessment was undertaken of the two contractors which were on the SCAPE FA. Both contractors submitted presentations providing an overview of their capability competence, experience in delivering similar projects as well as a detailed project plan for completion of the Centre. Both presentations were evaluated by representatives from Regulatory and Regeneration, Corporate Procurement Unit and Consultancy Services. A consensus meeting was held where it was recommended to direct award the project to Kier Construction Ltd based on the following factors, capacity to deliver the project within the project funding timelines, experience of delivering a modular building with the added complexity of movability and relocating, timescale and indicative cost estimate of Pound per cubic metre.
- 4.2** It is recommended that the contract is awarded to Kier Construction Ltd, of Campsie House, Buchanan Park, Stepps, Glasgow, G33 6HZ. The contract shall be for a period of 10 months at an estimated value of £982,000 ex VAT. The estimated commencement date of the contract is 31 January 2022.

4.3 Kier Construction has committed to paying all staff as a minimum the real Living Wage £9.50 per hour and promotes Fair Working Practices across their organisation. Further, Kier Construction Ltd has committed to delivery of social benefits that will be discussed at the implementation meeting and examples will be:

- Recruitment of members of staff from within the West Dunbartonshire geographical area;
- Use of West Dunbartonshire based organisations for sub-contracting opportunities;
- Measurable and committed support for local small and medium sized enterprises
- Measurable and committed support for local Supported Businesses
- Measurable and committed support for local community benefits
- Donation of hours of labour to support a local community project;
- Providing hours of volunteers to support a local community project;
- Donation of support a local community project;
- Community operated transport which helps reduce CO2 emissions or carbon footprint; and
- Supporting the reduction of non-recyclable materials throughout the West Dunbartonshire area.

5. People Implications

5.1 There are no people implications.

6. Financial and Procurement Implications

6.1 Financial costs in respect of this contract will be met from the approved Capital budget of Regulatory and Regeneration.

6.2 The final outturn cost of the design and build will not be known until completion and sign off of the building design, however it will be within the level of funding advised in 3.3.

6.3 This procurement exercise was conducted in accordance with the agreed Contract Strategy produced by the Corporate Procurement Unit in close consultation with Regeneration officers and the provisions of Contract Standing Orders, the Financial Regulations and relevant Public Procurement Regulation.

7. Risk Analysis

7.1 Kier Construction Ltd has no known links to Serious and Organised Crime which would have significant political and reputational ramifications for the Council.

7.2 Should the Tendering Committee decide not to proceed as recommended the project will likely be terminated as a condition of the funding is to have a contract awarded for the Centre construction by 31 January 2022.

8. Equalities Impact Assessment (EIA)

8.1 An equalities impact screening was undertaken and identified a range of positive impacts for equality groups. There are also likely to be positive impacts in terms of health and social economic impact.

9. Consultation

9.1 Regulatory and Regeneration, Finance Services and Legal Services have been consulted on the contents of this report.

10. Strategic Assessment

10.1 The Construction of Clydebank Canal New Activity Centre will contribute to the delivery of the Council's strategic priorities:

- A Strong local economy and improved employment opportunities;
- Meaningful community engagement with active empowered and informed citizens who feel safe and engaged; and
- Open, accountable and accessible local government

Name: Angela Wilson

Designation: Chief Officer – Supply, Distribution and Property

Date: December 2021

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Appendices: None

Background Papers: Contract Strategy
Equalities Impact Assessment

Wards Affected: Clydebank Central / Clydebank Waterfront