

# North Lanarkshire Council Report

## Enterprise and Growth Committee

approval  noting

Ref SL/DG

Date 09/05/2019

## Ravenscraig Greenspace: Contracts for Noting

**From** Pamela Humphries, Head of Planning and Regeneration  
**Email** greerd@northlan.gov.uk **Telephone** David Greer, Growth Programme Manager  
01236 632856

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### Executive Summary

The purpose of this report is to notify Committee regarding the award of contracts for groundworks & remediation to VHE Construction PLC and for main works to Idverde Ltd, for the creation of a new public park at Ravenscraig. The award of contracts has been made following a two-stage, Restricted-style procedure. This has been approved by the Executive Director of Enterprise & Communities, between committee cycles in accordance with the Council's General Contract Standing Orders (Sep 2018), in order to achieve the programme requirements of funding from the Scottish Government.

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### Recommendations

It is recommended that the Committee notes the action taken to award the contracts for the creation of the Ravenscraig Park to:

1. VHE Construction PLC for Groundworks and Remediation at a cost of £958,456; and to
  2. Idverde Ltd for Main Works at a cost of £2,760,223.45.
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### Supporting Documents

**The Plan for North Lanarkshire** **Ambition Statement 15:** Encourage the health and wellbeing of people through a range of social, cultural and leisure activities.

**Ambition Statement 16:** Transform our natural environment to support wellbeing and inward investment and enhance it for current and future generations

**Appendix 1** Summary of Selection Stage and Award Stage Evaluation

**Appendix 2** Summary of Procurement and Evaluation process

## **1 Background**

- 1.1 The procurement of contractors has followed approval by the Enterprise and Housing Committee on 5<sup>th</sup> September 2018 and 14<sup>th</sup> November 2018 to: commence procurement, note the anticipated project costs, and agree the approach to funding the project.
  - 1.2 Prior to the award of contracts for works, the Council carried out detailed Site Investigation works, developed detailed designs informed by pre-planning public consultation throughout October and November 2018, and subsequently secured planning permission in February 2019.
  - 1.3 Following granting of planning permission, the Council has entered into a lease of the site for 60 years, with an option to acquire for £1, from Ravenscraig Limited.
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## **2 Report**

- 2.1 In line with the Council's General Contract Standing Orders, a Route 2B regulated process has been followed for the procurement of works between £2m and the EU Threshold.
  - 2.2 A two-stage Restricted-style process was undertaken following initial market testing through the issue of a Prior Information Notice and the determination and approval of a Sourcing Methodology. The works have been procured in two lots: Lot 1 - Groundworks and Remediation; and Lot 2 - Main Works.
  - 2.3 The contract award has been made on the basis of the Contractor who submitted the most economically advantageous tender for each Lot.
  - 2.4 A summary of the outcome of each of the two stages of the Restricted-style process is provided at Appendix 1, and further details of the procurement process is provided at Appendix 2.
  - 2.5 The programme requirements of the Vacant & Derelict Land Fund ("VDLF") through which the project is substantially funded, necessitated the award of contracts by the end of 2018/19. In order to achieve this it has been necessary to award the contracts between Committee cycles. The award has been approved by the Executive Director of Enterprise & Communities, on the 19<sup>th</sup> March 2019 in accordance with the Council's General Contract Standing Orders 14<sup>th</sup> Edition, September 2018.
  - 2.6 The Contracts will be overseen by the designated Project Manager within Enterprise and Communities and administered by the external appointed Contract Manager, which will be undertaken in accordance with the Council's agreed approach to Contract and Supplier Management.
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## **3 Equality and Diversity**

### **3.1 Fairer Scotland**

- 3.1.1 The new Park will contribute to the health and wellbeing of residents of Ravenscraig and the surrounding communities. It will be accessible to all.

## **3.2 Equality Impact Assessment**

- 3.2.1 An Assessment has been carried out as part of the project to develop the Park. The design team has consulted specifically with the North Lanarkshire Disability Access Panel during the development of the design.
  - 3.2.2 Beyond good practice of accessibility, we have consulted with a number of advisory groups including the Disability Access Panel; a local parent/child autistic support group and local residents with experience of living with dementia.
  - 3.2.3 The detailed design and specification of elements of the Park will continue beyond planning with members of these groups engaged in the review of the contractors' proposals.
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## **4 Implications**

### **4.1 Financial Impact**

- 4.1.1 The award of the works contracts to VHE Construction PLC and Idverde Ltd is considered to represent the best value for money to the Council. The cost of the project excluding land is £4 million during 2018/19, 2019/20 and 2020/21. Of this, £2.7million is supported through the approved VDLF programme, and it is anticipated the remainder will be met through the Green Infrastructure Fund, subject to approval of funding application which will be confirmed in June 2019.
- 4.1.2 In the event that the application to the Green Infrastructure Fund is unsuccessful, provision has been made within the VDLF Local Delivery Plan submission to the Scottish Government for 2019/20.

### **4.2 HR/Policy/Legislative Impact**

- 4.2.1 The VDLF is regulated through a formal block grant agreement with statutory terms and conditions. In all cases, the Council maintains responsibility for monitoring compliance with this agreement and retaining all financial records for each project across the full clawback period of this grant (6 years following the completion of project grant spend).
- 4.2.2 The Green Infrastructure Fund is a part of the European Regional Development Fund and will require the Council to enter a project specific funding agreement.

### **4.3 Environmental Impact**

- 4.3.1 The formation of a new green space, as a central part of the wider green network and linked to the active travel routes to and through Ravenscraig, has the potential to make a significantly positive impact on the site.

### **4.4 Risk Impact**

- 4.4.1 The agreed approach at Committee in November 2018 to seeking additional funding and securing support for the project mitigates risks associated with cost and budget. The award of these contracts between Committee cycles, and in accordance with the Council's General Contract Standing Orders, has enabled

the Council to meet the programme requirements of the existing VDLF allocation for the commitment of funds.

- 4.4.2 Risk will be managed by the Project Manager in accordance with the contract specification and in accordance with the Council's agreed approach to Contract and Supplier Management.

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**5 Measures of success**

- 5.1 Award of these contracts allows the development of the Park.
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**Pamela Humphries**  
**Head of Planning and Regeneration**

## **Appendix 1 – Summary of Evaluation Process**

### **Selection Stage Evaluation Outcome - Technical and Professional Ability Evaluation**

#### **Lot 1 - Ground Works and Remediation:**

<b>Candidate Name</b>	<b>Candidate Average Weighted Score</b>	<b>Rank</b>
Advance Construction (Scotland) Ltd	80.00%	2
Caley Construction Ltd	33.33%	10
Cleantech Civils Ltd	75.00%	3
I & H Brown Ltd	83.33%	1
Luddon Construction Ltd	41.67%	8
Mac Asphalt Ltd	35.00%	9
RJ McLeod (Contractors) Ltd	70.00%	5
Robertson Construction Group Civil Engineering	70.00%	5
VHE Construction PLC	73.33%	4
W. H. Malcolm Ltd	43.33%	7

#### **Lot 2 – Main Works:**

<b>Candidate Name</b>	<b>Candidate Average Weighted Score</b>	<b>Rank</b>
Advance Construction (Scotland) Ltd	55.00%	8
* Caley Construction Ltd	71.67%	4
I & H Brown Ltd	56.67%	7
Idverde Ltd	71.67%	4
Luddon Construction Ltd	61.67%	6
P1 Solutions Ltd	75.00%	2
RJ McLeod (Contractors) Ltd	86.67%	1
Robertson Construction Group Civil Engineering	75.00%	2
W. H. Malcolm Ltd	53.33%	9

\* Failed to meet Economic and Financial Standing therefore not taken through to invitation to tender stage.

## Award Stage Evaluation Outcome

### Lot 1 - Ground Works and Remediation:

<b>Price Weighting</b>	70%	<b>Quality Weighting</b>	30%
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<b>Tenderer Name</b>	<b>Weighted Price Score</b>	<b>Weighted Qualitative Score</b>	<b>Total Tender Score</b>	<b>Final Rank</b>	<b>Recommended for contract award (Yes/No)</b>
VHE Construction PLC	70.00%	24.75%	94.75%	1	Yes
RJ McLeod (Contractors) Ltd	50.67%	26.00%	76.67%	2	No

### Lot 2 – Main Works:

<b>Price Weighting</b>	45%	<b>Quality Weighting</b>	55%
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<b>Tenderer Name</b>	<b>Weighted Price Score</b>	<b>Weighted Qualitative Score pre-presentation</b>	<b>Tender Score pre-presentation*</b>	<b>Total Tender Score</b>	<b>Final Rank</b>
Idverde Ltd	45.00%	41.13%	86.13%	90.63%	1
Robertson Construction Group Civil Engineering	34.04%	44.50%	78.54%	78.54%	2
RJ McLeod (Contractors) Ltd	37.07%	35.13%	72.20%	72.20%	3

\* Note. Only those tenderers achieving a combined technical and commercial score within 5% of the highest placed bidder prior to assessment of the Presentations were invited to give a presentation to the Council and its project team.

## **Appendix 2 – Summary of Procurement and Evaluation Process**

Contract title	Ravenscraig Park: Lot 1 Groundworks and Remediation Lot 2 Main Works
Estimated contract start date	8 <sup>th</sup> April 2019
Initial contract period adopted by the Council (months)	Lot 1: 6 months Lot 2: 18 months (runs concurrently with Lot 1)
Contract period extension option (months)	6 Months
Estimated total contract value including extension option	£3,700,000.00
Governing UK Regulation	Procurement Reform (Scotland) Act 2014 The Procurement (Scotland) Regulations 2016
Procurement procedure adopted	Restricted-style procedure
Interest List – number of organisations that downloaded the procurement documents from the procurement portal	Lot 1: 32      Lot 2: 29
Number of selection documents received	Lot 1: 10      Lot 2: 9
Number of organisations invited to tender	Lot 1: 6      Lot 2: 4
Number of tenders received	Lot 1: 2      Lot 2: 3
Number of non compliant tenders	Lot 1: 0      Lot 2: 0
Number of compliant tenders	Lot 1: 2      Lot 2: 3
Number of recommender providers	Lot 1: 1      Lot 2: 1
Basis of contract award	Most economically advantageous tender Lot 1: Price 70% / Quality 30% Lot 2: Price 45% / Quality 55%
Evaluation Team	Lot 1: NLC Enterprise Projects and WSP (consultants)  Lot 2: NLC Enterprise Projects and Ironside Farrar (consultants)