

## **Subway Modernisation Station Refurbishments: Shields Road & Bridge Street Stations - award of contract**

**Date of meeting** 23 June 2017

**Date of report** 1 June 2017

### **Report by Senior Director**

#### **1. Object of report**

To recommend the Partnership approve the award of contract for Shields Rd and Bridge St Station refurbishment works to Graham Construction.

#### **2. Background**

The Subway Modernisation Programme incorporates the refurbishment of all 15 stations. SPT has completed eight stations to date and the works at Kelvinbridge are due for completion this summer. This will mark the successful refurbishment of 9 stations, including the flagship stations at Govan and St Enoch. The designs for the next two stations at Shields Road and Bridge street stations have been completed and this report details the tender process for the recommendation to appoint a contractor to undertaken the refurbishment works at these two stations.

#### **3. Outline of proposals**

##### **3.1 Scope of works**

The works at Shields Rd & Bridge St will follow the same high quality approach used at the previous stations to provide clean, efficient and modern passenger friendly environment. The scope includes the replacement of materials to floors, walls and ceilings throughout the station. Wayfinding, information and general signage for passengers will be improved by rationalising signage in line with current branding, upgrading of passenger facilities and equipment, with more efficient LED lighting and a wide range of enhancements under the Equalities Act will be included.

At Shields Road the station will generally retain its current layout. The ticket office will remain in the same location. The staff welfare facilities will be reduced in size to accommodate an additional switch room for new rolling-stock signalling equipment.

At Bridge Street the station will generally retain its current layout with the ticket office remaining in the same location; however it will be reduced in size. This will free up space within the ticket office to create new welfare facilities for staff. The existing welfare facilities will be converted into a switch room.

##### **3.2 Tender assessment process**

The station tenders were issued as lots via Public Contracts Scotland (PCS) and this was a two stage open tender. Stage One required the completion of the European Single Procurement Document (ESPD) which facilitates the shortlisting of candidates being invited to submit a tender (Stage Two). Eight contractors submitted a response to the ESPD which were evaluated and five organisations, as detailed below were invited to submit a tender.

Clancy Docwra Ltd	Clark Contracts Ltd	Henry Brothers (Magherafelt) Ltd	Balfour Beatty plc	John Graham construction Ltd
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Of the five contractors; Balfour Beatty and Henry Brothers subsequently declined to submit a tender.

The tenders were assessed on the basis of a 60:40 Quality:Cost split, with the quality criteria of 'Safety', 'Quality', 'Management' and 'Methodology'. Quality was given the greater proportion of the score against cost as this was an open tender for construction activity being undertaken in a live operational environment.

The tenders were assessed by 3 members of SPT Projects staff with an overview by Subway Operations, this was supported by a separate review of costs by an independent cost consultant. The quality assessment scores and the cost results are summarised in tables within section 3.3 below.

### 3.3 Tender assessment results

Three contractors submitted compliant tenders on 24 May 2017. The scores are detailed below:

<b>Lot 1: Bridge Street</b>				
<b>Tenderers</b>	<b>Tender Price</b>	<b>Weighted Quality Score (out of 60)</b>	<b>Weighted Cost Score (out of 40)</b>	<b>Overall Score</b>
<b>Graham Construction</b>	<b>£1,829,255.39</b>	<b>60</b>	<b>31</b>	<b>91</b>
<b>Clark Contracts</b>	<b>£1,599,275.06</b>	<b>43</b>	<b>35</b>	<b>78</b>
<b>Clancy Docwra</b>	<b>£1,403,926.35</b>	<b>32</b>	<b>40</b>	<b>72</b>

<b>Lot 2: Shields Road</b>				
<b>Tenderers</b>	<b>Tender Price</b>	<b>Weighted Quality Score (out of 60)</b>	<b>Weighted Cost Score (out of 40)</b>	<b>Overall Score</b>
<b>Graham Construction</b>	<b>£1,914,290.08</b>	<b>60</b>	<b>31</b>	<b>91</b>
<b>Clark Contracts</b>	<b>£1,764,478.46</b>	<b>42</b>	<b>34</b>	<b>76</b>
<b>Clancy Docwra</b>	<b>£1,491,284.21</b>	<b>32</b>	<b>40</b>	<b>72</b>

Based on the combined quality and commercial evaluation, Graham Construction's submission is the most economically advantageous tender submission for each station.

The Graham Construction tender was able to offer the best operational solution to allow the station to remain open with the least disruption to customers and staff. Graham Construction presented well thought out solutions to the temporary ticket office arrangements, offering the least disruption to the operation of the station. They proposed a logical and well-considered programme, which puts forward realistic timescales for the works to be undertaken and were in line with our experience and data from all previous stations.

The Graham Construction programme shows that the work at the stations will be staggered by 5 weeks, the duration of each station refurbishment will be 29 weeks on site, which aligns with SPT's experience based on our refurbished stations of a similar size. Graham Construction presented a strong team structure with management covering day and night works as well as comprehensive M&E coordinator, which recognises the M&E activities are a significant proportion of the works. In addition their submission and management approach took account of the risks relating to this work, which if not planned and executed properly have the potential for major disruption to station operations, customers and revenue.

The overall quality submission from Graham Construction was of a standard that provides SPT with confidence that they have fully understood the scope and complexity of the works and the costs reflect our independently prepared pre-tender estimate.

The Clancy Docwra and Clarks submissions both had various areas where details were unclear in relation to how the works would be undertaken and phased in the operational environment, particularly the temporary ticket office works and welfare facilities. The overall duration of their programme was of concern, most notably the very short timeline of the Clancy Docwra programme, which in our experience could not be achieved in the live operational environment. The allocation of management resource was also scored lower with both contractors in respect to the experience of nominated individuals and the manner in how day and night shift activities would be planned, co-ordinated and executed in the live operational environment. Both contractors quality scores reflected these aspects as part of the quality scoring criteria.

Both Clancy Docwra and Clarks cost submissions raised a number of concerns as to their completeness (e.g. Clarks had a number of qualifications and uneven distribution of costs) and their quantum. In particular Clancy Docwra costs were extremely low in comparison with the independently prepared pre-tender estimate and our experience and hence present a considerable risk to SPT.

#### **4. Conclusion**

The tender submissions for Shields Rd and Bridge St Stations by Graham Construction were assessed as being the most economically advantageous tenders, taking account of both quality and cost as outlined in the tendering criteria, therefore, they are recommended to be the preferred bidder for both stations.

If approved, then Clancy Docwra and Clarks will both be provided with specific and detailed de-briefing on their tenders and particularly the points noted above in regard to their quality submissions.

## 5. Partnership action

The Partnership is recommended to approve the award of contract for Shields Rd Refurbishment Works to Graham Construction up to £1,914,290.08 excluding VAT and the award of contract for Bridge St Refurbishment Works to Graham Construction up to £1,829,255.39 excluding VAT.

## 6. Consequences

Policy consequences	<i>This is part of subway modernisation which meets the strategic priority of 'Revitalising the Subway Network'.</i>
Legal consequences	<i>Contract Notice is not required to be posted in OJEU and the award is not subject to the statutory standstill period as this was a regulated process, but unsuccessful bidders will be advised in the normal manner and offered debriefing meetings. Contract with Graham Construction will require to be formally executed.</i>
Financial consequences	<i>The tendered sum is proposed to be accommodated within the 2017/18 and 2018/19 Capital Programme Category 1 Project 10022 Station Improvements.</i>
Personnel consequences	<i>Existing internal project management resources to be used.</i>
Equalities consequences	<i>Works include improved access for all.</i>
Risk consequences	<i>Risks have been mitigated through lessons learned from previous station refurbishment projects, most notably the undertaking of additional survey works prior to the main works commencing. Residual risks will be managed by SPT and if required any unforeseen conditions will utilise the station improvements contingency.</i>

**Name** Charles Hoskins  
**Title** Senior Director

**Name** Gordon MacLennan  
**Title** Chief Executive

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