
Report to: Cabinet **Date of Meeting:** 5th December, 2013

Subject: The Atkinson – Procurement Proposals for the Fit Out of the Museum Galleries

Report of: Director of Built Environment

Wards Affected: All Southport Wards

Is this a Key Decision? No **Is it included in the Forward Plan?** Yes

Exempt / Confidential No

Purpose/Summary

To seek Cabinet approval for a procurement strategy for the appointment of a specialist museum gallery fit out company to design and manage the installation of the fit out of the galleries at The Atkinson. This was subject to a successful bid to the Heritage Lottery Fund (HLF).

Recommendation(s)

1. Authorises the Director of Built Environment to conduct an OJEU Open Procedure tender exercise to appoint a specialist consultant for the fitting out of the Museum Galleries at The Atkinson
2. Approves the basis of evaluation of tenders as set out in paragraphs 2.2 to 2.4 of the report
3. Authorises the Director of Built Environment to accept the Highest Scoring Tender in accordance with the approved basis of evaluation and to report on the outcome to the Cabinet Member for Children, Schools, Families and Leisure.
4. Authorises the Cabinet Member for Children, Schools, Families and Leisure to accept the Target Price for the Installation

How does the decision contribute to the Council's Corporate Objectives?

	<u>Corporate Objective</u>	<u>Positive Impact</u>	<u>Neutral Impact</u>	<u>Negative Impact</u>
1	Creating a Learning Community	✓		
2	Jobs and Prosperity	✓		
3	Environmental Sustainability	✓		
4	Health and Well-Being	✓		

5	Children and Young People	✓		
6	Creating Safe Communities		✓	
7	Creating Inclusive Communities	✓		
8	Improving the Quality of Council Services and Strengthening Local Democracy		✓	

Reasons for the Recommendation:

To enable the Procurement of the appropriate company to design and manage the installation in the Museum galleries. The tender exercise will be required to follow an OJEU Part A Open Procedure. As part of this process, approval will be needed for Chief Officer delegated authority to award the contract for the design and establishment of a target cost for the project and for Cabinet Member authority for the delivery of the installation.

What will it cost and how will it be financed?

The commission will cost £695,062 and be funded from the HLF grant and Council contribution, the details of which were reported within the Capital Allocation 13/14 Report to Cabinet on 07/11/13 and Council on 21/11/13.

Legal	
None	
Human Resources	
None	
Equality	
1. No Equality Implication	<input checked="" type="checkbox"/>
2. Equality Implications identified and mitigated	<input type="checkbox"/>
3. Equality Implication identified and risk remains	<input type="checkbox"/>

Impact on Service Delivery:

The Staffing regime for The Atkinson has been established on the basis that the Museum Galleries will be open from late 2014. The HLF bid included funding for a Full Time Lifelong Learning Office and a Development Officer to support the activity within the Galleries.

What consultations have taken place on the proposals and when?

The Head of Corporate Finance (FD2669) and Head of Corporate Legal Services (LD1975) have been consulted and any comments have been incorporated into the report. The strategy has been developed following discussions

Are there any other options available for consideration?

An alternative approach could be to engage a consultant to complete the detailed design. This would then be tendered and a separate contract awarded for the fit out and installation.

Whilst there is clearly some merit in this process, it would add to the timescale through the need for two separate tendering processes and necessary approvals. Also it's clear, from discussions with museum and gallery directors, that most specialist museum fit out contractor take responsibility for the design process and therefore it's unlikely that a separate tendering process would realise best value.

Implementation Date for the Decision

Following the expiry of the "call-in" period for the Minutes of the Cabinet Meeting.

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Background Papers:

None

1.0 Background

- 1.1 The Atkinson (Southport Cultural Centre) refurbishment project was developed using grant funding which was conditional on being expended before a certain date. In the early stages of the development of the project The Heritage Lottery Fund (HLF) indicated an interest in providing support. However, the application and approval process necessary to secure HLF grant meant that any financial support wouldn't be forthcoming within the timeframe of the refurbishment project. Furthermore HLF had indicated a preference for a stand alone Museum Fit Out project rather than making a contribution to a wider scheme. As such it was agreed to seek approval for the specialist fit out for the new museum galleries created as part of the refurbishment, along with associated restoration of museum pieces and staffing costs.
- 1.2 The principle aim of the project, as defined within the HLF bid, was to bring together for the first time, the museum and gallery collections and will enable the staff to illustrate the unique and diverse heritage of the Borough, ranging from the Bootle Docks in the south, along the coast to the seaside resort of Southport in the north. A further ideal was to have the ability to display the Borough's fascinating and internationally important Egyptology collection for the first time in forty years.
- 1.3 The Council received a formal offer, from the HLF, of a grant of £923,500 on 23/09/13. This was against a total project cost of £1,051,500. Cabinet on 07/11/13 agreed that the Capital element of the grant, totalling £707,812 should be accepted and brought into the Council's Capital Investment Plan.
- 1.4 The grant application determined how the funding would be allocated. The indicative budget headings included a revenue support totaling £343,688 of which £265,688 is from HLF grant funding and the remaining £78,000 from non-cash contributions of volunteer time. The total capital costs and professional fees for the Museum project are £707,812; this is met by £657,812 of HLF grant funding in addition to agreed Sefton MBC cash contribution of £50,000. This expenditure which should be delivered in the first year of the project, will be delivered as follows;

Museum Designer Professional fees	£ 60,878
Conservation and repair work	£ 12,750
Museum display construction and fit out	£634,184

- 1.5 This report relates specifically to the design and installation of the Museum fit out and instruction rather than the conservation works. The total commission is therefore likely to be of value £695,062.

2.0 Proposed Procurement Strategy

- 2.1 As many specialist Museum Fit Out Companies also complete the design process it was considered sensible to engage a specialist company to complete the

detailed design process and the installation. The Tender exercise will follow an OJEU Part A Open procedure and will be published through the Chest.

2.2 The tenders will then be evaluated on a price: quality: interview basis on the ratio of 30%: 60%: 10%. Tenderers will be given an indication of the installation cost and the indication of what they will be expected to deliver, based upon the HLF submission. On this basis will be invited to submit the following;

- Pre Contract Design Fee - fixed sum
- Pre Contract Management Fee – fixed sum
- Site Preliminary Costs – fixed sum
- Contract Management Fee - % of the Target cost of installation

2.3 The Standard Criteria and Quality Measures will include:

Standard criteria:

- Past experience / evidence of technical experience
- Financial viability
- Appropriate Insurance
- Equality submission
- Health and safety performance
- Evidence of professional conduct
- Assessment of References

Quality measures:

- Assessment of Past Experiences as set out in the commission
- Details of the Delivery Team
- Approach to Design
- Approach to the Management of the installation

2.4 A quality assessment panel will be established to determine the score against each of the criteria. The Panel will be made up of the following people;

- Director of the Atkinson
- The Atkinson Museum & Gallery Manager
- Project Manager Investment Programmes and Infrastructure
- Head of creative programs and exhibitions, the National Football Museum (invited guest assessor due to experience as project manager for major capital developments at The People's History Museum and National Football Museum)

Support and moderation will be undertaken by officers in Corporate Procurement. The officers involved will score each section against agreed criteria, with scores then being added into the overall bid scoring.

- 2.6 The highest scoring tenderer will be appointed subject to further approval Delegated to Chief Officer. The Council, at this stage will be liable to the Pre Contract Design Fee and Pre Contract Management Fee. As this is likely to be below the £60,878 figure identified in the HLF bid approval will be sought from the relevant Chief Officer.
- 2.7 The Contractor will be contracted to complete the design process based on the principles set out in the application to HLF. This will be developed in accordance with the Quality Assessment Panel and then be subject to a formal sign off. The Contractor will then fully cost the installation based on the design and formally report a cost to the Council. The cost will be assessed against the budget cost and the scope of works adjusted if necessary to ensure the Target Cost is within the budget. A contingency sum will also be retained by the Council to account for any variations.
- 2.8 The Target Cost for the installation will then be reported to Cabinet Member and, if approved, the Contractor will be contacted to complete the installation.
- 2.9 The installation will be carefully managed. The proposals considered within the agreed scope of works will be carefully considered and the costs validated prior to the Target Cost being established. All possible measures will be undertaken to remove any unknowns that any undercharged risks will be investigated and managed through the tender process. The full and final cost of the scheme will be established before works commence on site and that there will be a sizeable contingency to deal with all eventualities
- 2.10 The Heritage Lottery Fund, as key funder will be invited through their appointed mentor, to input into the design process and any further discussion over the scope of the works.

3.0 Timescale

- 3.1 The target for completion of the Museum Fit Out installation is 27th October 2014 as this represents the start of the Half Term Holiday. To achieve this, the following milestones have been set. To achieve this timescale it is imperative that an appointment to complete the design process is made in March 2014.

Cabinet Approval	-	December 2013
OJEU Notice Published	-	December 2013
Tenders Returned	-	January 2014
Approval of Tender Recommendation	-	March 2014
Contract awarded (design and costing)	-	March 2014
Scope and design signed off	-	May 2014
Target Cost established	-	June 2014
Cabinet Member Approval sought	-	June 2014
Installation Commenced	-	August 2014
Installation commissioned and completed.		October 2014

4.0 Financial Implications

- 4.1 The Head of Corporate Finance and ICT comments that the Financial Implications of the report for the Council are that Capital expenditure of £695,062 will be

incurred on design and instillation of The Atkinson Museum Fit Out and will be financed from the HLF grant awarded and a contribution from Sefton MBC currently included in the Capital Investment Plan.