

**Minute of the Estates and New Campus
Development Committee Meeting
held in Kilmarnock Campus
on Thursday 31 October 2013 at 5.00 pm**



Present: Dr Waiyin Hatton (Chair)
Heather Dunk
Tom Wallace
Nicki Beveridge
Willie Mackie
Sharon Rennie
Steven Fegan
Ian Craig
Kathryn Cole (Board of Management Observer)
Barbara Graham (Board of Management Observer)

In attendance: Michael Breen
Jane McKie
Jackie Galbraith
Duncan Baird
Eileen Mackin
Andrew Baillie
Stephen Vere (Price Waterhouse Cooper)
Colin Campbell (Aecom)
Kevin Bradley (Aecom)
Rhona Harper (Shepherd and Wedderburn)
Stephen Maughan (Shepherd and Wedderburn)
Lynn Marie Thom (Scottish Futures Trust)
Eleanor O'nions (Minutes)

1 Welcome and Declarations of Interest

W Hatton welcomed committee members, board of management members who are in attendance as observers and the Project Team to what she described as a milestone meeting of the Estates and New Campus Development Committee of Ayrshire College. There were no declarations of interest.

2 Apologies

Apologies were received from Alan Walker.

3 Minutes of the Meeting held on 17 September 2013

The minutes of the meeting held on 17 September 2013 were approved.

4 Matters Arising

W Hatton noted that all actions relating to amendments to the Estates and New Campus Terms of Reference had been completed.

5 New Campus Development – Appointment of a Preferred Bidder

M Breen explained that this was the final stage of the Competitive Dialogue process. All members of the Project Team including external advisors were present this evening and the meeting would be conducted in a structured manner to take members through the agenda. The presentation which had been sent to committee members prior to the meeting would be used as the basis.

5.1 Background

The Estates and New Campus Development Committee had been provided with a paper and an accompanying presentation. The presentation described the NPD procurement process and the current position of the new campus project in relation to the overall procurement timeline.

Committee members were provided with some key facts and outcomes of the Competitive Dialogue Phase and a detailed summary of the evaluation process once again accompanied by key facts. A number of questions were asked and answered.

5.2 ISFT Evaluation and Key Facts

M Breen stated that he wished to give Committee members comfort by noting the robustness of the process to date which included the following:

- 17 competitive dialogue meetings
- 12 specialist workshops
- 3 all bidder events
- 9 workshops with key external stakeholders
- 5 review and feedback sessions
- Student feedback
- 8 staff engagement cross campus events
- 101 responses to bidder clarifications
- 132 dialogue period bulletins and updates issued

Tender Evaluations included the following:

- 3 compliant tenders submitted
- 21 technical clarifications issued
- 14 financial clarifications issued
- 3 commercial clarifications issued
- 9 review meetings held
- 5 project scrutiny meetings
- 1 specialist review

5.3 Contract Award Criteria

M Breen noted that the contract award criteria was based on 60% price and 40% quality which was Scottish Futures Trust approved methodology.

M Breen explained that the contract would be awarded to the Bidder who, after close of dialogue, submits the Compliant Final Tender with the Highest Overall Score being the most economically advantageous Bid.

H Dunk noted that the Project Board had met approximately every 6 weeks and had included the Colleges 'critical friend' Euan Couperwhite. The Project Team throughout the process have had support from a number of specialist advisors. H Dunk was also keen to note that at no time did she, or any member of her senior team know the identity of the Bidders. Maintaining this anonymity ensured that no relationship was perceived to have developed between her as Principal and the Bidders. This had been a really important part of the project. At each stage of the design the Principal and Senior Team had been able to review and comment on elements of each Bid which was then given as feedback to the Bidders through the dialogue process. H Dunk was keen to reassure members of the Committee that a robust process had been followed.

5.4 Final Tender Submission to Preferred Bidder Appointment

M Breen explained the NPD Procurement Process is a structured process with a number of gateway approval points. Having reached approval to issue the Invitation to Submit Final Tenders in August 2013, Bidders then finalised their tender submissions and Final Bids were received in September 2013. Thereafter a very robust evaluation process was undertaken which resulted in a recommendation from the Project Team and its Advisors on the appointment of Preferred Bidder.

5.5 Final Evaluation Overview

- Financial Overview (PWC)

Steven Vere from Price Waterhouse Cooper (PWC) presented an overview of the financial evaluation which consider both a quantitative and qualitative evaluation. The overall costs in terms of the price was evaluated and an analysis of the funding and the commercial structures of the Consortia was carried out forming the qualitative evaluation score.

A number of questions were asked on this section which were answered.

- Technical Overview (Aecom)

Colin Campbell from Aecom presented an overview of the technical evaluation which spans a number of disciplines including architecture, mechanical and electrical, civil and structural, ICT, interiors and FF & E, deliverability and facilities management.

A number of questions were asked by Member in relation to the Technical overview and this covered points in each of the 3 Bidders design solutions

- Legal Overview (Shepherd and Wedderburn)

R Harper from Shepherd and Wedderburn gave an overview of the commercial evaluation. The Standard Form Project Agreement is a standard document and Bidders were encouraged not to deviate significantly from this. All three Bidders had made some amendments which had been considered and were of low risk. No Bidder amendment materially change the risk allocation of the Standard Form.

- Community Benefits (Ayrshire College)

E Mackin presented an overview of the community benefits evaluation and highlighted that all three Bidders had met and exceeded all targets set both by the Project team and those set nationally. E Mackin highlighted some key proposals from each Bidder's submission.

5.6 SFT/SFC Approvals

LM Thom gave an overview of the Scottish Futures Trust (SFT) role within the process, providing support and advice at a local project level and to Government at a portfolio level. The presentation gave the Committee a summary of the approvals process required by the Government in order that the project proceeds through the stages of the NPD Procurement Route.

5.7 Preferred Bidder Appointment

M Breen explained that having completed the evaluation process final scores were awarded against each evaluation criteria, for each Bidder and the Bidder with the highest score is the Preferred Bidder. Bidder Mull is therefore recommended to the Committee as the Bidder to be taken forward to the next stage of the process i.e. Financial Close.

5.8 Key Affordability Parameters

M Breen and E Mackin summarised the evaluation scores and gave further detail on the highest ranking consortium including key Affordability parameters, Annual Service Payment, Lifecycle and FM costs. A number of questions were asked and answered.

5.9 Community Benefits (Preferred Bidder)

E Mackin explained that Community Benefits is high on the agenda at all levels and was a section within the Bid where each Bidder met and exceeded targets set, a summary of all Bidders Community Benefits proposals was given. This section was one where Bidders were challenged to tailor their individual proposals to their overall bids. Bidders were given headings such as Student and Community Focused Benefits, Targeted Recruitment and Training, Supply Chain Development and General Community Benefits and all Bidders responded well.

Each Bidder evidenced good engagement with the Community, particularly the local businesses and each provided different, but exciting, opportunities for the students.

5.10 Design and Technical (Preferred Bidder)

M Breen presented a summary of some added value aspects of Bidder Mull's proposal. These included a significant increase on the briefed requirement of Educational space due to good design opportunities being realised, an enhanced renewable commitment within the design and the provision of outdoor Wellbeing and Fitness space.

5.11 Preferred Bidder Letter

The Committee Members were given details on the next stage which is the Preferred Bidder letter. This is an important part of the process which formally concludes this stage and sets out the conditions, if relevant, that the Preferred Bidder must satisfy or commit to in order that their appointment be ratified.

5.12 Bidder Feedback

The Project Team will offer feedback sessions to the unsuccessful Bid teams recognising that there has been a significant investment in time and resources committed by all teams. The feedback will be constructive and fair and hopefully of benefit to the teams.

The Committee were then asked to approve the appointment of Bidder Mull as the Preferred Bidder to take forward to the final stage i.e. Financial Close. The Committee were also requested to recommend to the Board of Management at the meeting to immediately follow on 31 October 2013, the appointment of Bidder Mull as the Preferred Bidder to take forward to Financial Close.

The Committee unanimously approved Bidder Mull as the Preferred Bidder with the following recommendations.

The Estates and New Campus Development Committee approves the appointment of Bidder Mull (Anonymised) as the Preferred Bidder to take forward to the final stage of the New Campus procurement process i.e. Financial Close

The Estates and New Campus Development Committee recommends to the Board of Management at their meeting on the 31 October 2013 the appointment of Bidder Mull (Anonymised) as the Preferred Bidder to take forward to the final stage of the New Campus procurement process i.e. Financial Close. At this point it was confirmed that C3 were the Preferred Bidder.

The meeting was concluded with a visual 'fly through' of the new campus design by C3.

6 Date of Next Meeting

The next meeting will take place on Tuesday 25 February 2014 at 5.30 pm in the Ayr Campus.

Signed by the Chair _____

Date: 25.02.14