

The Canning Factory midterm questions, answers, corrections & clarifications

Status: Non confidential

Caution: It is important that tenderers provide a bid based on the tender documents provided. Changing the terms of what has been specified will preclude a tender being considered. Tender evaluation will be based on the published documents and submission. Evaluation will not consider anything that is not contained within the tender. For example information missing from a tender cannot be considered by the evaluation nor can they add local information to fill any gaps. Where there is a need for tender clarification, all tenderers will be asked to clarify the same issue.

However, and in addition to the formal submission tenderers are at liberty to provide alternative proposals on the understanding that they are not part of the tender being sought.

Note: The same answer may be given to interested parties where the question asked is similar. For simplicity, where possible questions have been summarised without changing the meaning or intent of the question.

No	Question	Response
1.	Would SHG consider increasing the initial lease period from 8-years to 10-years?	The initial 8 year with a possible 8 year extension is designed to support the future development of Rupert's. While cognisant of the cautionary note above tenders could propose an alternative time frame.
2.	Is the review date (at 4-years) in-line with other properties/sites that are currently being leased to other commercial businesses?	Leases are crafted to meet specific business needs and in the case of this lease the 4 year review date is simply the midterm point of the 8 year lease.
3.	Can the building be changed; are there restrictions on the scope of renovating the existing building within its current boundary e.g. extending the existing floor space?	The expectation of the tender is that the building will be returned in the same or better condition at the end of the lease term as when it was handed over. How this will be achieved will be apparent in the business plan that will accompany tenders. Tenderers may plan to extend, demolish and build a larger building (subject to planning approval). Providing this is clear in the tender and leaves a building which is no worse than that leased at the start of the lease period this is likely to be acceptable. The tender documents detail the sensitive location in which this property is located and will need to ensure their plans meet any and all requirements.
4.	Clarify "best commercial offer". Does this mean that the highest monetary offer will be awarded the tender, or will the award be based on the current Vision and Strategy issued by Ministers in 2022?	CORRECTION cl 3.4 should read most economically advantageous submission and not best commercial offer. The tender seeks the most economically advantageous submission based on the evaluation model of 90:10 Technical/Quality: Price. The model has been designed to ensure everyone involved in the bid knows what is expected.

	Economical Advantageous Submission) Is this a contradiction of 3.4: Best Commercial Offer? To avoid all ambiguity, please can you explain and expand on how 3.4 correlates with 4.1	
5.	Business being Operational) Regarding the 52-week requirement for being operational. Is this currently a precedent set and applied to all businesses who rent or lease premises from SHG?	Being operational is a condition of this tender. Requirements may differ between tenders depending on the nature of the contract sought.
6.	Who are the fishermen that will be supplying the factory with product and will it be sufficient to keep the factory functioning over the period of years? Will the local fishermen be primary suppliers or will there be outsiders selling the fish to the factory that would concern any investors?	The tender does not have any pre conceived ideas as to what the old Canning Factory building can be used for. The future use of the building during this contract will be expected to support the development of Rupert's and the Island. How tenderers proposals will achieve this will be part of the tender assessment and apparent in their business case.
7.	Whilst it is in the best interest of every business to become operational in the shortest possible time there is currently a world-wide shortage and long back-orders for specialist equipment, plus logistical challenges for freighting, especially to St. Helena. These circumstances are beyond the reasonable control of a business owner. Therefore, what flexibility will be granted to 5.8 if the status of commencing operations do not meet the 52-week stipulation?	Unexpected events beyond the control of the business will be considered as Force Majeure and assessed against the business plan (which will include a 52 week mobilisation programme and assumptions made in compiling the programme. Reasonable unforeseeable circumstances, beyond the control of the business and prevent this element of the contract being performed would be viewed favourably and the time scale extended. For the sake of clarity a business planning to work on island could expect delivery by vessel Helena to be delayed for up to a month, this would be built into the mobilisation programme. If the vessel were delayed for more than a month AND it prevented critical path works from being carried out this time period could be extended.
8.	Can you confirm if the weighting complies with the current Vision and Strategy issued by Ministers in 2022?	The award criteria meets the supports the Government vision and the development of Rupert's.
9.	Confirm if the 10% / 90% Technical Quality vs Price split is proportionately linked and appropriate to similar tenders for the leasing of other sites / premises?	Similar to answer 5, above, the award criteria is appropriate for this contract.
10.	Given that the business will be required to undertake extensive refurbishment at a considerable cost, all of which will benefit SHG when the premises is eventually returned (as	See answer 3. Yes an alternate payment mechanism will be considered as an alternative proposal. See the Cautionary note at the preamble to these questions and answers.

	confirmed in 5.5). Will SHG accept a proposal for increasing annual lease payments as long as the expected total income is achieved?	
11.	Confirm if the suggested minimum annual lease charge of £15,000.00 is commensurate of the amounts charged for the leasing of other sites / premises and especially of those businesses that are intrinsically linked to the published Vision and Strategy document?	As previous answers. The specification and lease charges are specific to individual contracts.
12.	There is a reference made to “the sale”. Please can you clarify that this should indeed read “rental or leasing”?	The property is being offered as leasehold with an annual rental charge.
13.	Excluding matters relating to Building regulations and Health & Safety and future requirements for operational licensing, what other instructions, conditions or orders are likely to be imposed by SHG	There are no other restriction linked to the lease of this property. Tenderers are expected to undertake their own due diligence with regard to planning, ecology etc.
14.	Regarding a required payment of 10% of the accepted price, please can you clarify if this refers to 10% of the total rental/lease payments committed over the full term e.g.	The deposit is 10% of the total tendered price. The example given in the question is correct e.g. if the tendered price is £120,000 the payment required within 30-days is £12,000. This is refundable if the business is operational within 12 months or forfeited if not. Subject to earlier responses regarding Force Majeure.
15.	Regarding payment being required within 30-days, as with most tenders, there is a cooling-off period following an award that allows both parties to complete the final contractual discussions and negotiations, so therefore, please could you confirm if (1) there is such a period after the award and (2) whether or not the requirement for the deposit payment criteria commences after both parties are agreed on a position that is conducive to the signing of an official lease agreement.	There is no cooling off period. Tenders are expected to be submitted in good faith, are binding offers and form an agreement once accepted and binding contract once accepted. The provision of the deposit being 30 days from the letter of acceptance. If there is an obvious mistake or omission the tenderer can withdraw their tender at any time before the tender notifications are sent. It is unlikely that a tender can be modified once submitted. It is not anticipated that there will be negotiations over the contractual terms or conditions.
16.	Clause (5.10) Please can you explain in greater detail and by giving an example.	This is part of the Saint Helena Government due diligence carried out on all land transactions over £10,000 and will consider such areas as the source of funding, customer background etc.
17.	Appendix 1 / Land Parcels 2 & 3: Will SHG agree to include these at no additional cost to the overall winning bid?	No. These areas will be for discussion and negotiation with the successful tenderer if they are of interest to the bidder or intrinsic to their business plan.

18.	What is the anticipated timeframe for the award?	It is anticipated that an award can be made within 30 working days of the tender closing date.
19.	What is the process for appeal if it is felt that the award has not been assessed and judged in accordance with the tenders' beliefs e.g. if it is believed that the award does not comply or fit within the criteria for the islands published Vision and Strategy?	Any complaint should be made via the Saint Helena Government complaints procedure clearly specifying the nature of the complaint and, if upheld the remedy sought.