

**REPORT TO:** Cabinet

**MEETING DATE:** 9 March 2010

**BY:** Executive Director of Community Services

**SUBJECT:** Proposed New Upper Primary School at Dunbar

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## **1. PURPOSE**

- 1.1 To note the decision to award the contract for the Proposed New Upper Primary School at Dunbar to Messrs McLaughlin & Harvey Ltd, Co Antrim.

## **2. RECOMMENDATIONS**

- 2.1 Cabinet is asked to note the decision of the Executive Director of Community Services (per the Head of Community Housing & Property Management) as appointed representative under Standing Order Rule 51 (ii) and delegation Appendix 2a (Tenders) thereto and after consultation with the Provost and the Executive Director of Corporate Services to accept Messrs McLaughlin & Harvey Ltd's tender amounting to £6,986,164.00 after checking for the Proposed New Upper Primary School at Dunbar and noting it is open for consideration until 24 January 2010.
- 2.2 Cabinet is asked to note that the Executive Director of Education & Children's Services has approved the award of this Contract.

## **3. BACKGROUND**

- 3.1 A new Primary School building is required in the Dunbar school catchment area to address the space requirements arising from the decision by East Lothian Council to provide a 'lower' P1 – P3 school with pre-school and an 'upper' P4 – P7 primary school for Dunbar. This new facility is required to provide accommodation for pupils currently in Dunbar and arising from housing land allocations already consented.
- 3.2 Tender documents were issued to the five undernoted Approved Contractors obtained in accordance with the EU Procurement Process in conjunction with the assistance of the Council's Senior Buyer. The Tendering Contractors' selection criteria placed a significant emphasis on capacity and capability for this contract as well as experience of similar projects of similar size and awareness of

environmental impact issues. The following offers were duly received, the lowest three being subjected to detailed checks resulting in the Tender Amounts indicated overleaf:

Ref	Contractor	Tender Amount Before Checking	Tender Amount After Checking	Lowest Checked Tender Amount
1	McLaughlin & Harvey Ltd Co Antrim	£6,986,164.00	£6,986,164.00	<u>£6,986,164.00</u>
2	Farrans (Construction) Ltd Belfast	£6,976,983.00	£6,990,070.63	
3	Graham Construction, Co Down	£7,158,291.00	£7,158,415.42	
4	Ogilvie Construction Ltd, Stirling	£7,578,295.59	Unchecked	
5	O'Hare & McGovern Ltd	£8,697,000.00	Unchecked	

3.3 As indicated at 3.2 Messrs McLaughlin & Harvey Ltd's tender amounting to £6,986,164.00 after detailed checking remains the lowest of the offers submitted and has been competitively priced throughout.

3.4 Messrs McLaughlin & Harvey Ltd have indicated that they propose to use the following Sub-Contractors:

Builder Work	-	Grant Builders Ltd, Musselburgh
Woodwork	-	Donaldson & McConnell Ltd, Bo'ness
Roofing Work	-	CLM Roofing, Glasgow
Structural Steel	-	BSB Structural Ltd, West Lothian
Metal Work	-	Intrad Ltd, Reading
Electrical Installation	-	Sturrock Power Ltd, Edinburgh
Mechanical Installation	-	Vaughn Engineering Ltd, Broxburn
Plumber Work	-	Vaughn Engineering Ltd, Broxburn
Floor Finishes	-	MacGregor Flooring Co Ltd, Hamilton
Decorating Work	-	Dumbreck Painting Contractor, Glasgow
Drainage Work	-	Ritchie Bros (Scotland) Ltd, Bathgate
External Works	-	Barr Ltd, Paisley
Lift Installation	-	Orano Ltd, Airdrie
Sprinkler Installation	-	Vaughn Engineering Ltd, Broxburn

3.5 The Contract has been prepared on a firm price basis in terms of the Scottish Building Contract Local Authorities Edition With Quantities Contractors Design Portion (May 1999 Edition – January 2004 Revision) and the Contractor has

undertaken to complete the works within 40 working weeks from the date of possession.

#### 4. POLICY IMPLICATIONS

4.1 None.

#### 5. EQUALITIES IMPACT ASSESSMENT

5.1 This report is not applicable to the well being of equalities groups and an Equalities Impact Assessment is not required.

#### 6. RESOURCE IMPLICATIONS

6.1 Financial – The total Capital expenditure, including the access road enabling works, will not exceed £9,827,780.40 and is broken down as follows:

Lowest checked tender		£6,986,164.00
Additional Works and Works omitted from the Enabling works / Highways contract: (mains water infrastructure upgrade, drainage to external PE areas, building warrant requirements, etc)		£780,000.00
Access Road and Footpaths (complete) -estimated final account		<u>£700,000.00</u>
Main construction and Infrastructure works	Sub-total	£8,466,164.00
Furniture and Fittings		£120,000.00
Curriculum Materials		£90,000.00
I.T Hardware		£54,000.00
<u>Professional Fees</u>		
ELC restricted design fees		£788,616.40
External Highways Engineer Consultant Costs and Expenses		£130,000.00
External Structural Engineer Consultant Costs and Expenses		£129,000.00
External CDMC Consultant Costs and Expenses		£15,000.00
Statutory Fees		<u>£35,000.00</u>
<b>Total Capital Expenditure</b>		<b>£9,827,780.40</b>

This expenditure will be contained within the budget allocated for Dunbar Primary School in the Council's approved Capital Investment Plan for 2009/2010 and following years and has been approved by the Head of Finance.

Work on the New Upper Primary School will commence on site in February 2010.

The profile of capital spend for the project is set out below and shows historic spend together with future costs. This will be refined with the Appointed Main Contractor who will develop a more detailed cash flow plan.

2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
£38,830.82	£276,748.28	£1,319,290.74	£5,604,984.92	£2,459,761.64	£128,164.00

6.2 Personnel – None.

6.3 Other – None.

## 7. BACKGROUND PAPERS

7.1 None.

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<b>DATE</b>	29 January 2010