

REPORT TO: Cabinet

MEETING DATE: 8 March 2011

BY: Executive Director of Community Services

SUBJECT: Proposed Community Centre at George Street, Ormiston

1 PURPOSE

- 1.1 To note the decision to award the contract for the Proposed Community Centre at George Street, Ormiston, to Messrs Mansell, Glasgow.

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 50 (ii) and delegation Appendix 2a (Tenders) thereto and after consultation with the Provost and the Head of Finance to accept Messrs Mansell's revised tender amounting to £899,663.60 after checking, correction and negotiated savings and noting that it is open for consideration until 30 January 2011 for the Proposed Community Centre at George Street, Ormiston.
- 2.2 Cabinet is asked to note that the Executive Director of Community Services has approved the award of this contract.

3 BACKGROUND

- 3.1 Following extensive community consultation, a decision was taken to replace the existing poorly performing hall with a new facility to meet the needs of a wide range of user groups including young people and children.

The existing facility is in poor condition and does not lend itself to being re-configured or extended to suit the needs of the community. The proposed facility will provide flexible accommodation comprising a new badminton court sized hall, capable of being sub-divided for dual use, multi-purpose room and a crèche, a community kitchen and cafe.

- 3.2 Tender documents were issued to five Approved Contractors and the following offers were duly received, the three lowest 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	Mansell, Glasgow	£1,065,624.39	£1,061,971.16	<u>£1,061,971.16</u>
2	McLaughlin & Harvey Ltd Newtonabbey	£1,064,880.00	£1,064,879.71	
3	Hart Builders (Edinburgh) Ltd Macmerry	£1,085,520.32	£1,084,900.42	
4	Clark Contracts Ltd, Paisley	£1,121,596.21	Not Checked	
5	John A Smith & Son (Building Contractors) Ltd, Athelstaneford	£1,158,815.16	Not Checked	

3.3 As indicated at 3.2 Messrs Mansell's tender amounting to £1,061,971.16 after detailed checking and correction becomes the lowest of the offers submitted and has been competitively priced throughout.

3.4 The Contract is prepared on a firm price basis in terms of the Standard Building Contract with Quantities for use in Scotland 2005 (Revised October 2007) and the Contractor has undertaken to complete the works within 40 weeks from the date of possession of the site.

4 POLICY IMPLICATIONS

4.1 None.

5 EQUALITIES IMPACT ASSESSMENT

5.1 This Report is not applicable to the wellbeing of the equalities groups and an Equalities Impact Assessment is not required.

6 RESOURCE IMPLICATIONS

6.1 Financial – As a result of the lowest tender being in excess of the guideline cost, a full appraisal of the scope of works was undertaken and savings have been identified. The savings have been achieved by changing specifications of materials and the roof profile and will not impact on the quality of the project.

Based on the revised project costs, the total expenditure of the project has been assessed as follows:

Lowest Checked Tender submitted by Messrs Mansell	£ 1,061,971.16
<u>Deduct</u>	
Negotiated Savings on Amended Proposal	£ 126,978.47 Dt
Reduction in contingencies and provisional sums	£ <u>35,329.09 Dt</u>
Amount of Revised Tender	£ 899,663.60
<u>Add</u>	
Statutory Fees	£ 21,247.00
Amount of restricted ELC Professional Costs & Expenses & External Architect, Structural Engineer & CDM Co-ordinator Costs	£ <u>30,725.00</u>
 Total Project Expenditure	 <u>£ 951,635.60</u>

This revised tender expenditure, excluding Professional Costs & Expenses, will be contained within the revised budget allocated for Ormiston Community Centre in the Council's approved Capital Investment Plan for 2010/2011 and following years and has been approved by the Head of Finance.

The works will commence on site in February 2011 and the cash flow forecast for the Total Project Expenditure as detailed above is as follows:

<u>2010/2011</u>	<u>2011/2012</u>	<u>2012/2013</u>
£81,247.00	£856,893.60	£13,495.00

6.2 Personnel - None.

6.3 Other – None.

7 BACKGROUND PAPERS

7.1 None.

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