

ANGUS COUNCIL

RESOURCES AND CENTRAL SERVICES COMMITTEE
EDUCATION COMMITTEE
ENVIRONMENTAL AND LEISURE SERVICES COMMITTEE

3 May 2005
26 May 2005
7 June 2005

JOINT REPORT BY THE DIRECTOR OF PROPERTY SERVICES,
THE DIRECTOR OF EDUCATION AND
THE DIRECTOR OF LEISURE SERVICES

No 555/05

EXTENSION TO SPORTS COMPLEX CHANGING FACILITIES, MONIFIETH HIGH SCHOOL - TENDER REPORT

Abstract

Report on tenders received and recommendation of acceptance.

RECOMMENDATIONS

The Committees for their respective interests are recommended to:

1. approve the acceptance of the lowest tender for the several works, that of R S Hill, Forfar modified by savings, in the amount of £289,959.07, subject to:
 - (a) final approval by Big Lottery Fund for the expenditure of their funding contribution of £150,000 towards this project;
2. approve the estimated total cost of £333,673 (at out-turn prices);
3. note that an allowance of £290,000 has been made for this project in the Education department's section of the Provisional Financial Plan 2004/2008. The additional cost amounting to £43,673 will be met from the Educational improvements 2005/06 budget line in the Education department's budget section of the provisional financial plan 2004/08 in the amount of £18,437 and from the Leisure Services departments revenue budget (to be confirmed) in the amount of £25,236;
4. note the revenue implications arising from this project (first full year 2006/2007) as contained in this report.

1 BACKGROUND

Reference is made to Report 1197/02 which was approved by the Education Committee at its meeting on 26 November 2002. The report outlined a number of projects (including Monifieth High School Changing) for which grant support was being sought from New Opportunities Fund (NOF), now known as the Big Lottery Fund, as part of the New Opportunities for PE and Sport Initiative.

Reference is also made to Report 558/03 approved by the Education Committee on 29 May 2003, which outlined the successful outcome of the application and in the case of facilities programme the requirement to submit a Stage 2 application to NOF.

At the request of NOF, Stage 2 applications were to be phased and accordingly an application in respect of Monifieth High School was submitted on 11 March 2004. The application was subsequently approved.

2 DESCRIPTION OF WORKS

The works comprise a new extension to the North elevation of the existing Sports Complex, which forms part of the school, to provide new entrance area with reception desk, two additional changing areas with shower and toilet facilities, disabled toilet and changing area, small store/cleaner's cupboard and related circulation space. The overall floor area of the new extension will be approximately 180m². External works to the extension are to include concrete slab paths, steps, ramps and railings to meet the requirements of the Disability Discrimination Act as far as are practicably possible.

3 TENDERS RECEIVED

Tender documents were issued to six contractors detailed in Report No 1059/04 approved by the Resources and Central Services Committee on 09 September 2004.

The offers are on a fixed price basis.

The tenders received, after checking the three lowest offers, are as follows:

Contractor	Tender amount	Corrected amount
R S Hill, Forfar	£311,961.20	£312,079.01
Forman Construction Ltd, Dundee	£320,314.51	£319,655.66
Thomson & Douglas Ltd, Forfar	£324,570.88	£331,539.46
W H Brown Construction Ltd, Dundee	£405,917.56	Not checked
Torith Ltd, Dundee	Returned unpriced	
Derek McNulty Joiners, Arbroath	No offer received	

An examination of the tender documents received from the three lowest tenderers revealed a number of areas where they had not fully complied with the requirements of the tender documentation. In accordance with standard procedures the lowest tenderer was contacted initially and has now provided the required information in compliance with the requirements of the tender documents.

The estimated total cost below of £333,673 shows an increase of £43,673 over the original estimated overall total cost, for the project, of £290,000 included in the Education department's section of the Provisional Financial Plan 2004/2008. The increase over the original budget allowance is mainly attributable to:

Cost increase of 2.7% calculated from the BCIS tender price indices and based on a start date revised from October 2004 to August 2005.	£7,800
General increases in Electrical Installation costs after development of the specification including works to extend fire alarm system and installation of a £3,600 CCTV system.	£10,000
Preliminaries in lowest tender priced at 7% against original allowance of 4%.	£12,000
Original allowance for fittings of £12,000. Lockers and reception desk have been added to the scheme. These items were not part of the original cost and when included as part of the system for benching, amount to approximately £21,456. Other items not contained in the original cost include hair dryers and hand driers at £1,750. In addition the cost of the final specification for the toilet cubicles/shower cubicles and vanity units amounted to £21,200.	£32,400
Increase in fees to cover additional works required to incorporate client requests, savings exercise and changes required by the Big Lottery Fund/Sportscotland.	£10,900

The total of the individual additional costs noted above amount to £73,100 compared to an increase in the overall estimated cost of £43,673. This is due to the effect of the savings exercise on the above items together with tender costs for other items being lower than the allowance in the original estimated cost.

Savings amounting to £22,119.94 were identified through discussions with the Leisure Services department, Education department and agreed with the lowest tenderer, R S Hill, Forfar, resulting in a modified tender amount of £289,959.07. These savings, principally in relation to replacing fascia panelling with blockwork and insulation, replacing new internal fire screen with plasterboard, replacing concealed cistern panelling system with exposed cisterns, replacing vanity units for wash hand basins with pedestals, delete internal rendering to existing brick walls and paint with suitable paint system, change manufacturer of wall tiles, delete new CCTV system (existing system to be extended), will not affect the overall design concept of the project.

With the incorporation of the agreed savings, the general level of pricing contained within the lowest offer is considered to be fair and reasonable having regard to the nature and extent of the work involved.

4 ESTIMATED TOTAL COST

The estimated total cost of this project, based on the lowest tender modified to account for the above noted savings, is as follows:

Works	£289,959
Allowance for professional fees and supervisory, travel and administrative expenses and statutory payments	£43,714
Estimated total cost (at out-turn prices)	£333,673

5 ALLOWANCE IN ESTIMATES

An allowance of £290,000 has been made for this project in the Education departments' section of the Provisional Financial Plan 2004/2008 including £139,000 from the Education departments' revenue budget and £150,000 from the New Opportunities Fund – PE & Sport allowance.

The additional cost amounting to £43,673 will be met from the Educational improvements 2005/06 budget line in the Education department's budget section of the provisional financial plan 2004/08 in the amount of £18,437 and from the Leisure Services departments' revenue budget (to be confirmed) in the amount of £25,236.

6 REVENUE IMPLICATIONS

There is no significant impact on recurring annual revenue costs relating to this project, as any additional revenue costs associated with the new build extension, including energy, maintenance, rates, cleaning, insurance, etc will be offset by income from charges for out-of-school-hours bookings and a reduction in expenditure on alternative facilities currently being used by the school. If any additional revenue running costs are incurred, these will be contained within the Education Departments Revenue budget and the Service Level Agreement between Education, Leisure Services and Contract Services.

7 ESTIMATED PHASING OF EXPENDITURE

The following table shows the predicted phasing of the estimated total cost (assuming a start on site in June 2005) and, for comparison, the phasing of expenditure in the Provisional Financial Plan 2004/2008 detailed in Report Nr 186/05 approved at the Special Budget Meeting on the 10 February 2005:

		to 31/03/04 £000	2004/05 £000	2005/06 £000	2006/07 £000	Total £000
Phasing of expenditure of estimated total cost at out-turn prices	Project cost	4	20	295	15	334
	Deduct (Revenue Funding – Education)		(20)	(120)		(140)
	(Revenue Funding – Leisure Services)			(25)		(25)
	(New Opportunities Fund – PE & Sport)	(4)		(131)	(15)	(150)
	Capital	0	0	19	0	19
Budget allowance contained in the Provisional Financial Plan 2004/2008	Project cost	4	20	250	16	290
	Deduct (Revenue Funding – Education)		(20)	(119)		(139)
	(New Opportunities Fund – PE & Sport)	(4)		(130)	(16)	(150)
		Capital	0	0	1	0

8 CONSULTATION

The Chief Executive, the Director of Law and Administration and the Director of Finance have been consulted in the preparation of this report.

9 HUMAN RIGHTS ACT IMPLICATIONS

There are no Human Rights Act implications specific to this report.

Any implication, as a consequence of discharging recommendations detailed in this report, will be managed in accordance with the standing procedures and processes established by the Property Services department.

10 CONCLUSION

The Committees for their respective interests are recommended to approve the acceptance of the lowest tender for the several works for Extension to Sports Complex Changing Facilities, Monifieth High School, that of R S Hill, Forfar modified by savings, in the amount of £289,959.07

REFERENCES

Committee	Date	Article	Subject
Education	26/11/02	1197/02	New Opportunities for PE and Sport – Grant Support Request
Education	29/5/03	558/03	New Opportunities for PE and Sport – Outcome of Grant Support Request
Resources and Central Services	9/9/04	1059/04	Extension to Sports Complex Changing Facilities, Monifieth High School – Tender List

Special Budget Meeting 10/02/05 186/05 Provisional Financial Plan 2004/2008

BACKGROUND PAPERS

No background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information), were relied on to any material extent in preparing the above report.

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