

REPLACEMENT OF CURTAIN WALLING AT ARBROATH ACADEMY, PHASE 2– REPORT ON OUTCOME OF CONTRACT NEGOTIATIONS

Abstract

This report outlines the further progress reached on the development of the above project and details the outcome of the contract negotiations.

RECOMMENDATION

The Resources and Central Services Executive Sub-Committee is recommended to:

1. approve the acceptance of the negotiated tender for the several works, with Muirfield (Contracts) Ltd, Dundee, in the amount of £701,031.00;
2. approve the estimated total cost of £753,608 (at out-turn prices);
3. note that an allowance of £800,000 has been made for this project comprising £700,000 from the Education departments' section of the Provisional Financial Plan 2004/2008 and £100,000 from the Education departments' 2005/2006 revenue budget for Accessibility in Angus Schools;
4. approve the exemption of the negotiation for the disabled accessibility works from the provisions of the Financial Regulations, in accordance with Clause 16.3.4. The basis for this exemption has been discussed and agreed in principle with the Exemption Co-ordinator;
5. note the revenue implications as contained in Section 6 of this report.

1 INTRODUCTION

The Education Committee, on 21 October 2004 (Report Nr 1311/04), approved the procurement of the Phase 2 Replacement of Curtain Walling at Arbroath Academy through a negotiated tender arrangement with Muirfield (Contracts) Ltd, Dundee. The negotiations are based on the tender costs received for the Phase 1 Replacement of Curtian Walling at Arbroath Academy. This contract was won by Muirfield (Contracts) Ltd, Dundee in competitive tender with three other contractors. The tenders were assessed on a price/quality 60/40% split, Muirfield (Contracts) Ltd submitted the lowest tender and were also deemed to provide the best overall value after assessment. The appointment of Muirfield (Contracts) Ltd, Dundee as the preferred contractor was approved by the Resources and Central Services Executive Sub-Committee on the 8 April 2004 (Report Nr 419/04). It was agreed that a further report would be brought to

Committee detailing the outcome of the negotiations to extend the contract arrangement. This report details the outcome of those negotiations.

2 DESCRIPTION OF WORKS

The works comprise the design and construction to block 'C' of a new curtain walling system to match the system installed as part of Phase 1 to block 'B'. Together with associated asbestos removal works, internal alteration works, structural improvements, internal re-decoration and repairs/re-decoration of roughcast panels. Disabled accessibility works are to be included, these incorporate new ramp, raised surface slabs at change in levels, handrails, new footpaths, car park spaces and formation of new main entrance vestibule.

3 TENDERS RECEIVED

After approval by Committee negotiations were entered into with Muirfield (Contracts) Ltd, Dundee, and a tender was lodged with the Director of Law and Administration on 6 May 2005, which remains open for acceptance until 4 August 2005.

The tender received, after checking the offer, is as follows:

Contractor	Tender amount	Corrected amount
Muirfield (Contracts) Ltd, Dundee	£701,031.00	£701,031.00

4 ESTIMATED TOTAL COST

The estimated total cost of the project, based on the negotiated tender from Muirfield (Contracts) Ltd, Dundee, is as follows:

Works	£701,031
Allowance for professional fees and supervisory, travel and administrative expenses	£52,577
Estimated total cost (at out-turn prices)	<u>£753,608</u>

The total estimated cost above includes a sum of £69,776 for disability access works as part of the current ongoing programme to ensure that schools comply, as far as is practically possible, with the requirements of the Disability Discrimination Act 1995. This programme was detailed in Report Nr 227/05 which was approved by the Education Committee on the 24 February 2005. The report included an allowance of £100,000 for disability access works to Arbroath Academy. As Muirfield (Contracts) Ltd will be installing curtain walling within the areas where ramps are to be formed and part of the works include forming a vestibule using the curtain walling system it is considered advantageous to incorporate the works with the proposed Curtain Walling Replacement contract. The basis for including these works with the negotiations for the Phase 2 Replacement Curtain Walling project have been discussed and agreed in principle with the Exemption Co-ordinator in accordance with Financial Regulations clause 16.3. Muirfield (Contracts) Ltd have submitted prices for the disability access works and these are considered to be fair and reasonable having regard to the nature and extent of the work involved.

The overall level of pricing contained within the only offer is considered to be fair and reasonable having regard to the nature and extent of the work involved.

5 ALLOWANCE IN ESTIMATES AND FUNDING

An allowance of £800,000 has been made for this project comprising £700,000 from the Education departments' section of the Provisional Financial Plan 2004/2008, which is fully funded from the Schools Fund Capital Grant issued by the Scottish Executive and £100,000 from the Education departments' 2005/2006 revenue budget for Accessibility in Angus Schools. The budget for the Accessibility in Angus Schools programme is detailed in Report Nr 227/05, which was approved by the Education Committee on the 24 February 2005.

6 REVENUE IMPLICATIONS

As a result of the replacement of the existing curtain walling system it is anticipated that a saving of approximately £1,200 per annum (first full year 2006/2007) can be realised by a reduction in the energy consumption for this part of the building.

There are no loan charges to be calculated as this project is fully funded from the Schools Fund Capital Grant issued by the Scottish Executive and from the Education departments' revenue

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:

		2005/06 £000	2006/07 £000	Total £000
Phasing of expenditure of estimated total cost at out-turn prices	Project cost	724	30	754
	Deduct (Capital Grant – Scottish Executive)	(654)	(30)	(684)
	(Revenue Funding – Accessibility Budget)	(70)	(0)	(70)
	Capital	0	0	0
Budget allowance contained in the Provisional Financial Plan 2004/2008 (excludes disability access costs)	Project cost	670	30	700
	Deduct (Capital Grant – Scottish Executive)	(670)	(30)	(700)
		Capital	0	0

8 CONSULTATION

The Chief Executive, the Director of Law and Administration, the Director of Finance and the Director of Education 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 implications, 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 Resources and Central Services Executive Sub-Committee is recommended to approve the acceptance of the negotiated tender for the several works for the Replacement of Curtain Walling – Phase 2 at Arbroath Academy, that of Muirfields (Contracts) Ltd, Dundee, in the amount of £701,031.00.

REFERENCES

Committee	Date	Report no	Subject
Resources and Central Services Executive Sub	8/4/04	419/04	Replacement of Curtain Walling at Arbroath Academy – Tender Report
Education	11/11/04	1311/04	Capital Project Appraisal – Arbroath Academy – Curtain Walling Phase 2
Special Budget Meeting	10/2/05	186/05	Provisional Financial Plan 2004/2008
Education	24/2/05	227/05	Accessibility in Angus Schools - Update

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.

M G Lunny
Director of Property Services

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