ABSTRACT: This report advises the Committee that Ward Building Services Ltd is in Compulsory Liquidation, the effect on current building projects and the action being taken by the Corporate Services Department.

1. RECOMMENDATIONS

It is recommended that the Committee:

(i) note that Ward Building Services Ltd., Dundee ceased work on all Council projects as of 15 July 2011 and the Liquidators were appointed on the same date;

(ii) note the construction projects contracted with Ward Building Services Ltd., Dundee which were procured by the Property Division and the responsive action being taken;

(iii) note the current situation.

2. BACKGROUND

A letter dated 12 August 2011 was received from Henderson Loggie informing Angus Council that Ward Building Services Ltd., Dundee had been placed in Provisional Liquidation on the 15 July 2011 and that the company, as a consequence, had ceased to trade. Henderson Loggie informed the Council that Graeme C Smith was appointed Interim Liquidator on 05 August 2011.

3. CURRENT SITUATION

At the time of the Liquidation, Ward Building Services Ltd., Dundee were the lowest placed contractor on the Urgent Repairs and Jobbing Term Contract – Maintenance of Properties Excluding Council Housing 2007 - 2010 (extended to March 2012); for the following areas and trades:

**Builder work:**
A2 Forfar, A3 Monifieth, A4 Carnoustie

**Joiner work:**
A2 Forfar, A3 Monifieth, A4 Carnoustie
The positions of the 123 orders issued under this contract are as follows:

1) 89 orders complete on site with final accounts still outstanding
2) 8 orders started on site with works not completed at time of liquidation
3) 15 orders issued but work had not commenced
4) 11 orders completed but invoices disputed

Ward Building Services Ltd., Dundee were also employed on the Term Contract Based Upon Schedule of Rates – Minor Projects up to £100,000 in Value for the term contract periods 1998/2001 and 1994/1997. Under these contracts 3 orders are still on the records as having been completed but with the final accounts not yet resolved.

4. RESPONSIVE ACTION

Under the respective terms of the agreements for these projects, the employment of the contractor was determined. To protect the Council’s interests Property Division officers made provision for generally securing the sites against any unauthorised removal of plant and materials and carried out any temporary works as required.

5. FUTURE ACTION

Builder and Joiner works orders under the Urgent Repairs and Jobbing Term Contract – Maintenance of Properties Excluding Council Housing 2007 - 2010 (extended to March 2012) will be issued to the next lowest contractors, all as previously appointed in accordance with the conditions of contract; as follows:

**Builder work:**
A2 Forfar - Milnbank Developments, Kirriemuir
A3 Monifieth – Thomson & Douglas Ltd., Forfar
A4 Carnoustie – Thomson & Douglas Ltd., Forfar

**Joiner work:**
A2 Forfar – PE Kilbane, Forfar
A3 Monifieth - Derek McNulty Joiners, Arbroath
A4 Carnoustie – Derek McNulty Joiners, Arbroath

The Head of Property has a responsibility, in the first instance, to protect the Council’s interests and secondly, to the Liquidators, to ensure any costs arising as a consequence of the Liquidation are kept to a minimum. As an alternative contractor is already in place for the Urgent Repairs and Jobbing Contract no other action is being taken by the Property Division to appoint a new contractor.

6. RISK

This report does not require any specific risk issues to be addressed.

7. FINANCIAL IMPLICATIONS

At this stage any increased costs as a result of the Liquidation is anticipated to be covered by monies currently due for payment but held by the Council. The financial implications arising from the Liquidation
of Ward Building Services Ltd., Dundee will be reported to committee once detailed information is available.

8. HUMAN RIGHTS ACT IMPLICATIONS

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

9. EQUALITIES IMPLICATIONS

The issues dealt with in this Report have been subject of consideration from an equalities perspective (as required by legislation). An equalities impact assessment is not required.

10. CONSULTATION

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

11. CONCLUSION

The Committee is recommended to note that Ward Building Services Ltd., Dundee ceased work on all Council projects as of 15 July 2011 and that the appointment of the Interim Liquidator was confirmed on 05 August 2011. The Director of Corporate Services will ensure any further action required is undertaken to protect the Council’s interests.

REFERENCES

<table>
<thead>
<tr>
<th>Committee</th>
<th>Date</th>
<th>Report</th>
<th>Subject</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personnel &amp; Property</td>
<td>30/4/96</td>
<td>293/96</td>
<td>Current Contractual Arrangements and Future Rationalisation</td>
</tr>
<tr>
<td>Personnel &amp; Property</td>
<td>17/03/98</td>
<td>312/98</td>
<td>Term contract Based Upon Schedule of Rates - Minor Projects up to £100,000 in Value - 1998/2001 - Tender Report</td>
</tr>
<tr>
<td>Resources &amp; Central Services</td>
<td>15/03/07</td>
<td>340/07</td>
<td>Term Contract for Urgent Repair and Jobbing Contracts - Maintenance of Properties (Excluding Council Housing) 2007/2010</td>
</tr>
</tbody>
</table>

Colin McMahon
DIRECTOR OF CORPORATE SERVICES

BACKGROUND PAPERS

NOTE: 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.