

WEST DUNBARTONSHIRE COUNCIL

Report by Executive Director of Corporate Services

Tendering Committee: 7th December 2010

Subject: Clydebank Town Hall Refurbishment – Civic Heart Project

1. Purpose

- 1.1** To advise the Committee of tenders received for refurbishment works to the Clydebank Town Hall (Civic Heart Project) and to seek approval to accept the lowest tender.

2. Background

- 2.1** At its meeting on 6 January 2010, Housing, Environment & Economic Development Committee agreed to the Civic Heart Project being progressed to the development stage on the basis of Option 1A outlined in the report to the Committee on 4 November 2009, but without the façade retention option on the baths in Bruce Street.
- 2.2** Tenders for the works were invited through the Public Contracts Scotland Portal with 9 contractors seeking inclusion on the Restricted Tender list. .
- 2.3** Following assessment of the pre-qualification questionnaires against pre-determined and notified criteria, six of those applying were selected to go forward to tender
- 2.4** Tenders for the project were received on 25th October 2010 from all invited contractors.

3. Main Issues

- 3.1** An initial check of the tenders received indicated that all were in excess of the budget for the project with a range of in excess of £1M between the highest and lowest tenders.
- 3.2** A series of potential cost savings which were identified as not detracting materially from the quality of the project were identified and, in order to maintain competition, were put to the three lowest tenderers, (those whom it was considered could have produced the necessary cost reductions to bring the project into line with budgets), in a Revise and / or Confirm Exercise.
- 3.3** Whilst this stage (similar to a Best and Final Offer) is unusual, it was considered necessary by the Manager of Legal Services to ensure that

competition remained throughout this stage, and to ensure compliance with Council Standing Orders.

- 3.4** The exercise did result in reductions against the initial tenders, bringing the project within budget, however the order of the tenders remained as before, with Clark Contracts Limited providing the lowest tender at £2,775,832.83. Full details are found in the appended Statement of Tenders Received.
- 3.5** It is further considered that, whilst quality was maintained, this opportunity to ask tenderers to revisit their pricing did result in considerable savings to the project.
- 3.6** Approval of the Committee for the award of the contract will permit a programme which sees the full redevelopment contract commence in January 2011.

4. People Implications

- 4.1** Design and Quantity Surveying consultancy services are being carried out by Page & Park (Architects), Neilson Binnie McKenzie, (Quantity Surveying & Cost Consultants), Scott Wilson (Structural Engineers) and Hawthorn Boyle Partnership (Mechanical & Electrical Engineers) all of whom were approved for appointment by Tendering Committee on 17th February 2010.
- 4.2** CDM Regulations compliance is being undertaken by Bryan Byrne Consultants who had been appointed to act as CDM Coordinator for the Council.

5. Financial Implications

- 5.1** Three of the six tenders received have been checked arithmetically and following the revise and confirm stage, the lowest is considered to represent good value by current pricing levels.
- 5.2** The costs of the works will be met from budgets provided by Scottish Government, Scottish Enterprise and from capital sums paid by the Council to Clydebank Rebuilt Limited. These include a reasonable contingency for eventualities.

6. Risk Analysis

- 6.1** Failure to timeously approve the works could result in delays to the overall project and unforeseen construction costs. Additionally, delays may compromise some of the external funding noted above, which the project relies on.

7 Equalities Impact

7.1 No significant issues were identified in a screening for potential equality impact of this service.

8. Conclusions and Recommendations

8.1 The works included in this contract permit construction phase of the project to proceed with a start date in early January 2011.

8.2 The Committee is invited to approve the awarding of the contract to Clark Contracts Limited

Joyce White

Executive Director of Corporate Services

Date: 23rd November 2010

Person to Contact: Alan Douglas, Manager of Legal Services

Appendices: 1 Form ST/1 - Statements of Tenders Received

Background Papers: Report to Housing, Environment and Economic Development Committee on 6th January 2010 on the Clydebank Town Hall Civic Quarter Project.

Ward Affected: 6



WEST DUNBARTONSHIRE COUNCIL
Department of Corporate Services
 (Legal Services)

STATEMENT OF TENDERS RECEIVED

CONTRACT: **Clydebank Town Hall Refurbishment – Civic Heart Project**
Tenders for the above were received on 25th October 2010 and I would report as follows

CONTRACTOR NAME	Before Checking	After Checking	After Revise & Confirm	Lowest Amount
Clark Contracts Limited	£2,978,882.19	£3,004,342.23	£2,775,832.83	£2,775,832.83
Rok Building Limited	£3,241,834.01	£3,241,834.01	£3,046,703.35	
Graham Construction	£3,249,291.00	£3,249,291.00	£3,035,252.00	
Barr Holdings Limited	£3,357,317.58	Not Checked	N/A	
Interserve Project Services Ltd	£3,935,802.81	Not Checked	N/A	
Robertson Construction Group Ltd	£3,993,663.00	Not Checked	N/A	
<u>Sub Total</u>				£2,775,832.83
<u>Other Costs / Savings</u>				
<u>Total Cost of Project</u>				£2,775,832.83