

REPORT TO: HOUSING, DUNDEE CONTRACT SERVICES AND ENVIRONMENT SERVICES COMMITTEE - 27 OCTOBER 2008

REPORT ON: UNIT RATE CONTRACT FOR LOW RISE HOUSING DEMOLITION NOVEMBER 2008 - NOVEMBER 2010

REPORT BY: CITY ENGINEER

REPORT NO: 487-2008

1 PURPOSE OF REPORT

- 1.1 This report details the Unit Rate Contract for demolition of low rise housing (5 storeys or less) submitted by contractors from Dundee City Council's Select Tender list of Contractors.

2 RECOMMENDATIONS

- 2.1 It is recommended that:

- Committee approve acceptance of the Unit Rate Contract for the period November 2008 - November 2010, and note the priority allowance for the letting of any resultant contracts.
- The Depute Chief Executive (Support Services) be authorised to accept the most favourable tenderer for each contract as recommended by the City Engineer. Details of all tenders accepted will be reported retrospectively to Committee for information.

3 FINANCIAL IMPLICATION

- 3.1 All contracts will be funded from demolition allowances in 2008/2009 and 2009/10 planned maintenance estimates.

4 BACKGROUND

- 4.1 The purpose of the Unit Rate Contract is to allow the demolition of concrete framed low rise housing to be carried out without the need for individual tenders thereby reducing lead-in times and the costs of professional fees. Contractors have been invited to submit rates for prescribed house types and other processes together with the provision of insurance for the works and site security. This procurement method will also give increased flexibility should additional demolitions be required at short notice, and reduce security costs.
- 4.2 The unit rates submitted by the contractors have been examined and benchmarked against a best value review of demolition undertaken jointly by the Director of Housing and the City Engineer and found to be comparable.
- 4.3 The Unit Rate Contract for the period November 2008 - November 2010 will operate as follows:
- Tendered rates for all tenderers will remain live for the duration of the contract period.
 - For any particular project, the City Engineer compares the tender rates for each of the house types and other work activities received from each contractor and establishes which contractor can offer the most advantageous price.

- The appropriate contractor will be selected on the terms of price and the ability to commence and complete demolitions safely and timeously. He will then be asked to make a formal offer to undertake the works at the prices calculated from the Unit Rate Contract.
- Details of all such offers and acceptance will be reported retrospectively to Committee for information.

4.4 Tender rates have been received from seven contractors on the Council's Select Tender List and these rates will apply for the period stated above.

5 POLICY IMPLICATIONS

5.1 This Report has been screened for any policy implications in respect of Sustainability, Strategic Environmental Assessment, Anti-Poverty, Equality Impact Assessment and Risk Management.

There are no major issues.

6 CONSULTATIONS

6.1 The Chief Executive, Depute Chief Executive (Support Services), Depute Chief Executive (Finance), Head of Finance and Assistant Chief Executive (Community Planning) have been consulted and are in agreement with the contents of this report.

7 BACKGROUND PAPERS

7.1 None.

Elaine Zwirlein
Director of Housing

Fergus Wilson
City Engineer

FW/JP/EC

10 October 2008

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