

REPORT TO: HOUSING COMMITTEE 24 OCTOBER 2005

REPORT ON: DUNDEE EAST AREA HOUSING OFFICE, PITKERRO ROAD - NEW BUILD
Contract Nr 04-629

REPORT BY: Director of Housing and City Architectural Services Officer

REPORT NO: 652-2005

1.0 PURPOSE OF REPORT

1.1 This report details tenders received and requests a decision on acceptance thereof.

2.0 RECOMMENDATIONS

2.1 Approval is recommended of (1) the acceptance of the tender submitted by Forman Construction Ltd, Dundee in the amount of £2,404,443.10 after savings and (2) allowances amounting to £373,776.00, giving a total cost of £2,778,219.10.

3.0 FINANCIAL IMPLICATIONS

3.1.1 The Depute Chief Executive (Finance) has stated that £2,700,000 has been allowed in the HRA Capital estimates for 2005/2006 and 2006/2007. The balance will be allowed for in the next revision of the HRA Capital Estimates

4.0 REVENUE IMPLICATIONS

4.1 Revenue costs of running the new office will be less than existing. These savings will be utilised to cover the annual loan charges for borrowing to build the new office. Consequently, there are no additional revenue implications.

5.0 LOCAL AGENDA 21 IMPLICATIONS

5.1 By dealing with sustainability issues such as energy savings and the use of sustainable materials it is considered that the key theme of 'resources are used efficiently and waste is minimised ' is being addressed. The theme 'access to facilities, services, goods and people is not achieved at the expense of the environment and accessible to all' is met as the new office design allows full access to disabled people, will be more energy efficient than existing offices and uses solar panels to help heat water.

6.0 EQUAL OPPORTUNITIES IMPLICATIONS

6.1 The development of the new Dundee east housing office will have a positive impact in relation to helping to meet the theme of making Dundee more family friendly and barrier free. The design complies with part 3 of the Disability Discrimination Act .

7.0 TENDER REPORT

7.1 The works comprise Construction of a new two-storey office facility of traditional construction having a total floor area of 1,670m2, fully serviced and fitted out, incorporating a call-centre on the first floor.

7.2 Five firms were invited to submit tenders; four were received, details of the lowest three being as follows:-

Several Works	Tender Amount	Corrected Amount
1 Forman Construction Ltd, Dundee	£2,499,493.31	£2,498,867.86
2 Hall & Tawse Ltd T/A Mansell, Dundee	£2,526,359.78	£2,525,859.23
3 Torith Ltd, St Andrews	£2,645,803.57	£2,700,608.20
Highest Tender	£2,676,028.55	

- 7.3 The amount of the lowest tender was higher than anticipated and discussions were held with the client and the contractor and savings amounting to £94,424.76 have been agreed in principle with the contractor reducing the lowest tender to £2,404,443.10.

The savings identified have not materially affected the quality or performance potential of the new building and the Director of Housing is satisfied that the proposed configuration will meet the Housing Department's service requirements.

- 7.4 The lowest tender after deduction of savings is recommended for acceptance and if agreed to it brings out the following: -

Several Works -		£2,404,443.10
Allowance for -		
Water connection charges	£10,600	
Gas connection charges	£6,793	
Diversion of existing gas main	£1,431	
Allowance for diversion of Telewest apparatus	£10,000	
Allowance for provision of BT telephone lines	£50,000	
Allowance for site, environmental and topographical reports	£4,685	
Sewer connection	£48	
CCTV survey of existing drainage	£1,050	
Building Warrant	£8,380	
Planning Supervisor	£7,325	
Professional Services	£249,048	
Structural and Civil Engineering Services	<u>£24,416</u>	
		<u>£373,776.00</u>
		<u>£2,778,219.10</u>

- 7.5 The following sub-contractors have been listed by the recommended tenderer:-

Jackson Steel, Dundee	Steelwork
Fowler McKenzie, Aberdeen	Cladding
Scan Building Services Ltd, Dundee	Mechanical Services
DH Morris Ltd, Dundee	Electrical
Onsite Flooring, Dundee	Flooring
Veitchi Interiors, Glasgow	Access Floor
CSI Security, Bedford	Reception Screen
TN Gilmartin, Cupar	Landscaping
J&M Interiors (Scotland) Ltd, Dundee	Suspended Ceilings
AT Roberts, Dundee	Painter

8.0 CONSULTATIONS

The Chief Executive and the Depute Chief Executives (Finance and Support Services) have been consulted in the preparation of this report.

9.0 BACKGROUND PAPERS

- 9.1 Housing Committee 18 October 2004, Article II(c) authorised the obtaining of tenders

Elaine Zwirlein
Director of Housing

John TP Porter
City Architectural Services Officer

14 October 2005

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