

Members' Library Service Request Form

Date of Document	07/10/16
Originator	Gary Miller
Originator's Ref (if any)	GM/CC
Document Title	Proposed Reconstruction of Fire Damaged House at 21 Windygoul Crescent, Tranent

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Cabinet

Additional information:

Authorised By	Douglas Proudfoot
Designation	Head of Development
Date	17/10/16

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Library Reference	
Date Received	
Bulletin	

REPORT TO: Members' Library Service

MEETING DATE:

BY: Depute Chief Executive – Partnerships and
Community Services

SUBJECT: Proposed Reconstruction of Fire Damaged House at
21 Windygoul Crescent, Tranent

1 PURPOSE

- 1.1 To note the decision to award the contract for the Proposed Reconstruction of Fire Damaged House at 21 Windygoul Crescent, Tranent to Messrs Gordon Guthrie Contracts Ltd, Edinburgh.

2 RECOMMENDATIONS

- 2.1 Cabinet is asked to note the decision of the Head of Development in consultation with the Head of Council Resources and Head of Communities & Partnerships to accept the Council's agreed share of Messrs Gordon Guthrie Contracts Ltd's tender amounting to £145,403.86 after checking and savings, for the Proposed Reconstruction of Fire Damaged House at 21 Windygoul Crescent, Tranent and noting that it is open for consideration until 10 November 2016.

3 BACKGROUND

- 3.1 The Council house at nr 21 Windygoul Crescent, Tranent along with the neighbouring semi detached privately owned house at nr 22 have been severely damaged in a fire. Loss adjusters, appointed independently by the Council and the private owner, have agreed that both houses have been damaged beyond economic repair and require to be demolished and rebuilt. British Gas, who were working in nr 21 immediately before the house fire, have admitted liability for the fire and the resulting damage.
- 3.2 The Council and the private owner agree that the two damaged semi detached houses should be rebuilt together by one contractor. To this end, therefore, a firm of professional consultants have been appointed jointly by both parties to design, procure and contract manage the complete demolition and reconstruction of the houses. The demolition

works have been completed and were the subject of Members' Library Report of 23 March 2016, titled Proposed Demolition Works at 21 Windygoul Crescent, Tranent. The total tender sum for the rebuilding of the two houses comprises separate offers for each house and will be accepted separately by the appropriate Client. Relevant payment certificates for the agreed share of the construction costs will be issued separately to each party by the consultant.

- 3.3 The Council, with the consent of the private owner, has undertaken a competitive tendering exercise to procure a contractor to rebuild the damaged houses

Since new build housing is specifically excluded from the Council's Construction Framework, tender documents for the rebuilding of both houses were issued to six selected contractors via the Public Contract Scotland Quick Quotes facility. The six contractors included on the tender list were deemed suitable for this type of work by the consultant and the Council. Four of the invited contractors submitted an offer with Hadden Construction Ltd and Robert Rollo & Sons failing to return a tender. The following offers were duly received, with the lowest three being subjected to detailed checks resulting in the tender amounts indicated below:

Ref	Contractor	Tender Amount Before Checking	Tender Amount After Checking	Lowest Checked Tender Amount
1	Gordon Guthrie Contracts Ltd Edinburgh	£319,355.66	£319,355.66	£319,355.66
2	John A. Smith & Sons Athelstaneford	£342,657.55	£342,657.55	
3	Ashwood Scotland Ltd Bathgate	£346,233.38	£346,333.38	
4	Clark Contracts Ltd Glasgow	£378,718.36	Not Checked	
5	Hadden Construction Ltd Aberuthven	No Tender Received		
6	Robert Rollo & Sons Cockenzie	No Tender Received		

- 3.4 As indicated at 3.2 Messrs Gordon Guthrie Contracts Ltd's tender amounting to £319,355.66 after detailed checking remains the lowest of the offers submitted and has been competitively priced throughout.
- 3.5 The above lowest tender is in excess of the anticipated costs. The Council, therefore, asked the consultant surveyors to carry out a value engineering exercise which, once completed, resulted in Messrs Gordon Guthrie Contracts Ltd's tender reducing to £302,695.26.
- 3.6 Messrs Gordon Guthrie Contracts Ltd have indicated that they propose to employ the following Sub-Contractors on this contract.
- | | |
|-------------------------|--------------------------|
| Demolition | All-Dec, Edinburgh |
| Electrical Installation | Gordon Millar, Edinburgh |
| Roofing | R&R Roofing, Bonnyrigg |
- 3.7 The Contract is prepared on a firm price basis in terms of the JCT Minor Works Building Contract for Use in Scotland (2011 Edition) issued by the Scottish Building Contract Committee and the contractor has undertaken to complete the works within 26 weeks from the date of commencement.

4 COMMUNITY BENEFITS IN PROCUREMENT (CBIP)

Messrs Gordon Guthrie Contracts Ltd have been made aware of the Council's CBIP requirements. The Council's Community Benefits Co-ordinator will contact the contractor to agree a suitable level of CBIP for this contract.

5 POLICY IMPLICATIONS

- 5.1 None.

6 INTEGRATED IMPACT ASSESSMENT

- 6.1 The subject of this report does not affect the wellbeing of the community or have a significant impact on equality, the environment or economy

7 RESOURCE IMPLICATIONS

- 7.1 Financial – As a result of the lowest tender being in excess of the anticipated costs a value engineering exercise was undertaken and savings were identified. Savings have been achieved by reducing the specification of the timber cladding and negotiating a reduction in the high level of contractor's Preliminaries costs.

Gordon Guthrie Contracts Ltd's revised tender after savings amounts to £302,695.26 for the construction of both houses.

The total costs of the two houses has been split between the Council and the private owner on the basis of the individual requirements of each party and will be charged separately. Together with the addition of external consultant's professional costs and expenses, and statutory fees, the total project expenditure to the Council will not exceed £156,521.00 and has been approved by the Head of Council Resources.

	Council Share of Costs	Private Owner Share of Costs	Total
Gordon Guthrie Contracts Ltd's Tender	145,403.86	157,291.40	302,695.26
Consultant Fee For Reconstruction	10,817.00	10,817.00	21,634.00
Statutory Fees	300.00	300.00	600.00
Total	£156,520.86	£168,408.40	£324,929.26

The cost to the Council will be met from the Insurance Fund less the excess.

It should be noted however that British Gas have admitted liability for the fire that caused the damage to the two houses and it is the Council's intention to pursue British Gas for full reimbursement of all reinstatement costs incurred in relation to the rebuilding of the Council house at 21 Windygoul Crescent, Tranent.

The major element of this expenditure (£116,521.00) will be in this financial year with further expenditure (£34,800.00) in the 2017/2018 financial year and the remaining retention monies (£5,200.00) allocated in the 2018/2019 financial year.

7.2 Personnel - None.

7.3 Other - None.

8 BACKGROUND PAPERS

8.1 Members' Library Report dated 23 March 2016 titled Proposed Demolition Works at 21 Windygoul Crescent, Tranent.

AUTHOR'S NAME	Douglas Proudfoot
DESIGNATION	Head of Development
CONTACT INFO	Gary Miller – Ext. 7269
DATE	GM/CC – 7 October 2016

Members' Library Service Request Form

Date of Document	23/03/16
Originator	Gary Miller
Originator's Ref (if any)	GM/CC
Document Title	Proposed Demolition Works at 21 Windygoul Crescent, Tranent

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Cabinet

Additional information:

Authorised By	Douglas Proudfoot
Designation	Head of Development
Date	08/04/16

For Office Use Only:	
Library Reference	52/16
Date Received	12/04/16
Bulletin	May16

REPORT TO: Members' Library Service

MEETING DATE:

BY: Depute Chief Executive) Partnerships and
Community Services)

SUBJECT: Proposed Demolition Works at 21 Windygoul
Crescent, Tranent

1 PURPOSE

- 1.1 To note the decision to award the contract for the Proposed Demolition Works at 21 Windygoul Crescent, Tranent to Messrs R. M. Brown Demolitions Ltd, Tranent.

2 RECOMMENDATIONS

- 2.1 Cabinet is asked to note the decision of the Head of Development in consultation with the Head of Council Resources to accept the Council's agreed share of Messrs R. M. Brown Demolitions Ltd's tender amounting to £11,066.50, after checking, for the Proposed Demolition Works at 21 Windygoul Crescent Tranent and noting that it is open for consideration until 8 June 2016.

3 BACKGROUND

- 3.1 The Council house at 21 Windygoul Crescent Tranent along with the neighbouring semi-detached privately owned house at No. 22 have been severely damaged by fire. Loss adjusters, appointed independently by the Council and the private owner, have agreed that both houses have been damaged beyond economic repair and require to be demolished and rebuilt.
- 3.2 Both parties agree that the two damaged semi-detached houses should be demolished together by one contractor. To this end, therefore, a firm of professional consultants have been appointed jointly by the Council and the private owner to design, procure and contract manage the complete demolition and reconstruction of both houses. The total demolition costs, noted below, will be split equally between the two parties involved and the future rebuilding costs will be assessed and

allocated on the basis of the requirements of the individual parties. Relevant payment certificates for the agreed appropriate share of the demolitions costs will be issued separately to each party by the consultant.

- 3.3 It should be noted that British Gas, who were working in the house at 21 Windygoul Crescent immediately before the house fire, have admitted liability for the fire and the resulting damage. Ongoing discussions are being held between the Council's legal department and lawyers for British Gas.
- 3.4 The Council, along with the private owner, therefore, intend through competitive tendering to jointly appoint a specialist demolition contractor to demolish the damaged houses.
- 3.5 Tender Documents for the demolition of both houses were issued to five specialist contractors via the Public Contract Scotland Quick Quotes facility. The five contractors included on the tender list were suggested by the consultant and approved by the Council. Four of the invited contractors submitted an offer with Dalton Demolition failing to return a tender. The following offers were duly received, all being subjected to detailed checks resulting in the Tender Amounts indicated below:

Ref	Contractor	Tender Amount Before Checking	Tender Amount After Checking	Lowest Checked Tender Amount
1	R. M. Brown Demolition Tranent	£22,133.00	£22,133.00	<u>£22,133.00</u>
2	Chamic Industrial Services Edinburgh	£26,836.00	£26,836.00	
3	Forth Demolition Bilston	£26,860.00	£26,860.00	
4	JCJ Group Glasgow	£30,390.00	£30,390.00	
5	Dalton Demolition Edinburgh	No Tender Received		

- 3.6 As indicated at 3.2 Messrs R. M. Brown Demolitions Ltd's tender amounting to £22,133.00 after detailed checking remains the lowest of the offers submitted and has been competitively priced throughout.
- 3.7 Messrs R. M. Brown Demolitions Ltd have indicated that they do not propose to employ any sub-contractors on this contract.
- 3.8 The contract is prepared on a firm price basis in terms of the JCT Minor Works Building Contract for Use in Scotland (2011 Edition) issued by the

Scottish Building Contract Committee and the contractor has undertaken to complete the works within 4 weeks from the date of commencement.

4 COMMUNITY BENEFITS IN PROCUREMENT (CBIP)

4.1 Messrs R. M. Brown Demolitions Ltd have been made aware of the Council's CBIP requirements. The Council's Community Benefits Co-ordinator will contact the contractor to agree a suitable level of CBIP for this contract.

5 EQUALITIES IMPACT ASSESSMENT

5.1 This report is not applicable to the well-being of equalities groups and an Equalities Impact Assessment is not required.

6 POLICY IMPLICATIONS

6.1 None.

7 RESOURCE IMPLICATIONS

7.1 Financial – The total demolition costs of the two houses will be split equally between the Council and the private owner and will be charged separately. Together with the addition of external consultant's professional costs and expenses, the total project expenditure to the Council will not exceed £13,500.00 and has been approved by the Head of Council Resources.

	Council Share of Costs	Private Owner Share of Costs	Total
Demolition Tender	11,066.50	11,066.50	22,133.00
Consultant Fee in connection with Demolition	2,433.50	2,433.50	4,867.00
Total	13,500.00	13,500.00	27,000.00

The cost to the Council will be met from the Insurance Fund less the excess.

It should be noted however that British Gas have admitted liability for the fire that caused the damage to the two houses and it is the Council's intention to pursue British Gas for full reimbursement of all reinstatement costs incurred in relation to the rebuilding of the Council house at 21 Windygoul Crescent, Tranent.

The major element of this expenditure (£13,200.00) will be in this financial year with the remaining retention monies (£300.00) allocated in the 2017/2018 financial year.

7.2 Personnel – None.

7.3 Other – None.

8 BACKGROUND PAPERS

8.1 None.

AUTHOR'S NAME	Douglas Proudfoot
DESIGNATION	Head of Development
CONTACT INFO	Gary Miller – Ext 7269 GM/CC – 4 April 2016