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Document Title	Proposed New Primary School at Letham Mains, Haddington

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Additional information:

Authorised By	Tom Reid
Designation	Head of Infrastructure
Date	10/01/19

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REPORT TO: MEMBERS' LIBRARY SERVICE

MEETING DATE: 4th January 2019

BY: Depute Chief Executive – Partnerships and Community Services.

SUBJECT: Proposed New Primary School at Letham Mains, Haddington

1 PURPOSE

- 1.1 To note the decision to award the contract for the Proposed New Primary School at Letham Mains, Haddington to Messrs Morrison Construction Scotland.

2 RECOMMENDATIONS

- 2.1 Members are asked to note the decision of the Head of Infrastructure in consultation with the Head of Education and the Head of Council Resources, to accept Messrs Morrison Construction Scotland's tender amounting to £8,631,964.85 after checking, correction and amendment, for the Proposed New Primary School at Letham Mains Haddington.
- 2.2 The tender is held open for consideration until 4th February 2019, and a site start in February 2019 is necessary if the project is to be completed on time, therefore this approval is given in advance of capital budget decisions being made by the Council in February 2019.

3 BACKGROUND

- 3.1 The project comprises the construction of a new 14 class primary school to accommodate pre-school and primary pupils projected to arise from the new housing development at Letham Mains HN1 in the approved Local Development Plan. The new school has also been master planned with further expansion in mind to ensure that the anticipated capacity requirements arising from the proposed development HN2, Letham Mains Expansion, can be met in the future.

- 3.2 The school will be located on a new serviced site at Letham Mains, the ownership of which was transferred to the Council on 26th November 2018 under the terms of a Section 75 Agreement between the Council and the housing developers as part of Planning Permissions Ref 13/00519/PM and 14/0089/PM. The new school will be complete for the beginning of the new school term in August 2020.
- 3.3 The schedule of accommodation reflects the requirements for a school of this scale including primary and pre-school teaching, play and general purpose areas, a 2 court PE hall with retractable seating for performance and community use together with associated core facilities and external areas designed for outdoor learning, recreation and PE.
- 3.4 Tender documents were issued to the Contractors on the OJEU compliant Scottish Procurement Alliance Framework – Schools & Community Buildings. The framework Contractors, in alphabetical order, are as follows:-

Kier Construction – Glasgow

McLaughlin & Harvey – Mallusk

Morgan Sindall – Larkhall

Morrison Construction - Glasgow

The following tenders were duly received and subject to detailed checks, resulting in the tender amounts indicated below, presented in ascending order:-

Ref	Contractor	Tender Amount Before Checking	Tender Amount After Checking and Amendment	Lowest Checked Tender Amount
1	Morrison Construction	£8,625,811.00	£8,631,964.85	<u>£8,631,964.85</u>
2	Tenderer 2	£9,078,786.32	£9,120,622.59	
3	Tenderer 3	£9,541,793.73	£9,599,864.92	
4	Tenderer 4	Declined to tender		

All the tenders received contained errors and qualifications which required to be purified. This process resulted in the revised tender amounts indicated above. Messrs Morrison Construction's tender price amounting to £8,631,964.85 after detailed checking, correction and amendment is the lowest offer submitted and has been competitively priced throughout.

As part of the overall tender evaluation criteria for this project, the tenderers were subjected to a quality assessment. Given that the framework contractors have all previously been assessed for quality as part of the process to gain their place on the SPA Framework, the tender evaluation criteria for this particular project placed an emphasis on price, which is weighted at 90%, with the project quality assessment weighted at 10%.

The quality assessment focused on project specific approach to quality control, site management in relation to the local environment, project handover and attending to defects.

The purpose of the overall tender evaluation was to select the tender which represented the Best Value to the Council.

On completion of the tender evaluation process Messrs Morrison Construction emerged as the highest scoring tenderer. A summary of the evaluation matrix scores is shown below:

Scoring Criteria	Max Score possible	Morrison Construction	Tenderer 2	Tenderer 3
Price	90.00	90.00	85.18	80.93
Quality	10.00	10.00	8.50	6.50
Total Score	100.00	100.00	93.68	87.43

- 3.5 Messrs Morrison Construction have proposed the following list of Sub-Contractors:-

See Appendix A attached.

- 3.6 The Contract is prepared on a firm price basis in terms of the SBCC Standard Building Contract with Quantities for use in Scotland (2011 Edition) incorporating Amendment Nr 1 issued March 2015, issued by the Scottish Building Contract Committee, and the Contractor has undertaken to complete the works within an overall programme of 70 calendar weeks from the date of possession.

4 COMMUNITY BENEFITS IN PROCUREMENT (CBIP)

- 4.1 Morrison Construction has undertaken to comply with the contract requirements governing the Contractors Community Benefits responsibility, and will work with East Lothian Council and relevant stakeholders to maximise outcomes achievable through the investment of this project.

5 INTEGRATED IMPACT ASSESSMENT

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

6 POLICY IMPLICATIONS

- 6.1 The report recommendations are consistent with the delivery of the Council's capital programme and also the Council's approved Financial and Capital Strategies.

7 RESOURCE IMPLICATIONS

- 7.1 Financial – The total expenditure on the project will not exceed £9,704,964.85 as set out below.

Category	Estimated Costs (£)
Morrison Construction Tender	£8,631,964.85
Risk contingency	£300,000.00
External Consultant Fees, Surveys & Expenses	£260,000.00
Statutory Fees	£43,000.00
Furniture	£270,000.00
IT Equipment & Infrastructure	£200,000.00
TOTAL	£9,704,964.85

The total expenditure for this project is now in excess of the latest approved budget of £8,937,000. Members should however be aware that this new school is wholly funded by Developer Contributions that have been formally secured through legally binding agreements with housing developers. These agreements provide for contributions that are index linked from March 2015, and when applied within the context of latest project timings, there will be related recovery of a higher level of contributions that will cover all planned project expenditure. It is anticipated that updates to both the project income and expenditure lines will be included within the updated Capital Budget proposals brought to Cabinet/Council early in 2019. Section 2.2 of the report highlighted that the major works tender remains open until 4th February 2019, and it is further understood that to enable a required project start in February, the contract award must be made in January 2019.

The spend profile (including project costs already expended) is:-

Initial Statutory fees (2014/2015) - £19,500.00

2017/2018 - £178,000.00

2018/2019 – £220,153.00

2019/2020 - £6,774,475.00

2020/2021 - £2,382,837.00

2021/2022 - £130,000.00

7.2 Personnel – None.

7.3 Other – None.

8 BACKGROUND PAPERS

8.1 None

AUTHOR'S NAME	Tom Reid
DESIGNATION	Head of Infrastructure
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CE1816 - Letham Primary School, Haddington

Provisional List of Subcontractors



Trade	Subcontractor 1	Subcontractor 2
Mechanical, Electrical & Plumbing	Imtech Engineering Services Scotland	Marmac Services Ltd
Groundworks	Advance Construction Scotland Ltd	RJT Excavations Ltd
Cladding - Roof & Wall	W.F Price (Roofing) Ltd	Reid Roof Ltd
Structural Steel	Hescott Engineering	BSB Structural Limited
Curtain Walling & Aluminium Windows	Linn-Tech Scotland Ltd	CMS Window Systems
Dry Lining & Partitions	PFP Limited	Roskel Contracts Limited
Insitu Concrete Floor Slabs	PCF Concrete Floors	Advance Construction Scotland Ltd
Suspended Ceilings	PFP Limited	Allied Interiors
Surfacing - Tarmacadam	Tarmac Limited	Advance Construction Scotland Ltd
FFE	Havelock International Ltd	British Thomson
SFS	MacLoch Contracts Ltd	CM Framing & Partitions Ltd
Flooring - Soft	MacGregor Flooring Company Limited	Veitchi Flooring
Ames Taping & Decoration	The Pres Dec (UK) Ltd	Orr Decorators
Landscaping	MW Groundworks Ltd	Swinburne Horticultural Services
Partitions - Moveable	Movawall Systems Ltd	Style Scotland
PCC Stairs & Flooring	Hillhouse Precast Concrete	Creagh Concrete
Fencing	James Strang Ltd	Wright and MacLennan Ltd
FFE - Catering Equipment	J Scott & Sons (KE) Ltd	Main Contract Services Ltd
Rooflights	Lareine Engineering	BBS Rooflights
Retractable Seating	Auditoria Services	Hussey Seatway Ltd
Fire Protection	Orr Fire Protection Ltd	Ogilvie Fire Protection
Surfacing - Rubber Mat	DCM Surfaces	Advance Construction Scotland Ltd
MUGA Pitch	Allsports Construction & Maintenance Ltd	Sportsmasters UK Ltd
Flooring - Timber Sports	McKay Flooring Ltd	Courtcraft
Lift Installation	Orona Ltd	Kone Plc
Surfacing - Wet Pour	RTC Safety Surfaces Ltd	DCM Surfaces
Fall Arrest	One Stop Safety Solutions Ltd	Roof Edge Protection Ltd
FFE - Signage	Norsign LLP	Baillie Signs
Hoist - Hygiene Room	Arjo UK Ltd	W Munro (Rehab) Ltd

The above list of subcontractors is deemed provisional and is subject to availability at time of order.