

## DELEGATED DECISION

# APPROVAL TO AWARD THE FORMER ST AUGUSTINE SCHOOL DEMOLITION AND ASSOCIATED FINISHING LANDSCAPING WORKS CONTRACT

**Report to Emma Alexander, Executive Director Commercial Services**

Portfolio Responsibility: Councillor A. Jabbar Finance Human Resources & Strategic Partnerships & Councillor H. McDonald Education & Safeguarding

**12<sup>th</sup> November 2012**

Officer Contact : Darren Judge, Procurement Manager  
Ext. 3816

### **Purpose of Report**

To seek approval for the awarding of a contract for the former St Augustine School demolition and associated finishing landscaping works contract.

### **Executive Summary**

Unity Partnership in conjunction with Oldham Council Procurement team has tendered for a demolition contractor to undertake the demolition and clearance of the former St Augustine School and associated finishing landscaping works contract. The project will commence in late November / early December 2012.

A separate Cabinet report has been submitted and approved dated 23<sup>rd</sup> July 2012.

### **Recommendations**

It is recommended that Booth Hill Reclamation are awarded the contract.

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**1 Purpose of Report**

1.1 To seek approval for the awarding of a contract for the former St Augustine School demolition and associated finishing landscaping works contract.

**2 Executive Summary**

2.1 Unity Partnership in conjunction with Oldham Council Procurement team has tendered for a demolition contractor to undertake the demolition and clearance of the former St Augustine School and associated finishing landscaping works contract. The project will commence in late November / early December 2012.

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**3 Recommendations**

3.1 It is recommended that Booth Hill Reclamation are awarded the contract with the following cost:

<u>Chest Ref</u>	<u>Brief Description</u>	<u>EOI received</u>	<u>Successful EOI</u>	<u>Invited to Tender</u>	<u>Proposed Award</u>	<u>Budget allocation inc. works, stat/survey costs &amp; project fees</u>	<u>Total Contract Price inc. works, stat/survey costs, project fees &amp; contingency</u>
NWCE-8YRS2K	St Augustines School Demolition Works	60	45	6	<b>Booth Hill Reclamation</b>	£218,453.00	£173,011.72

Tender Total (Sub Total) without Provisional's	£106,084.00
Surveys & Statutory	£6,295.72
Professional Fees	£35,632.00
Contingencies (£15k asbestos + £10k demolition)	£25,000.00
<b>Project Cost (Grand Total)</b>	<b>£173,011.72</b>

## 4 Background

- 4.1 The Council's successful Building Schools for the Future and Academies programme has resulted in 3 new academies plus 1 new and 1 refurbished school. As a consequence there are 8 redundant schools, the former Kaskenmoor, South Chadderton, Our Lady's RC, St Augustine's RC, Breezehill, Counthill, Grange and North Chadderton (Broadway campus) Schools.
- 4.2 The programme is dependent upon the sale of these sites to generate capital receipts that will contribute to the capital cost of building the new education facilities.
- 4.3 The BSF Capital programme includes total sum of £3.4m for the demolition of the schools; £2.5m allocated to specific sites with the balance being a contingency for site clearance and demolitions.
- 4.4 On 1 February 2012, changes to the Education Act 2011 were made to incorporate a new Schedule 1 to the Academies Act 2010 which extends the requirement for Local Authorities to obtain Secretary of State consent to dispose of community school land. On 19<sup>th</sup> July 2012 the DfE gave consent, under Schedule 1 2010 AA, to dispose of the school sites named below;

Counthill Secondary School  
St Augustine of Canterbury High School  
Kaskenmoor School  
Grange School

## 5 Current Position

- 5.1 This was a restricted tender advertised via the Councils Procurement Portal; The Chest. Expressions of interest (EOI) for this contract was openly advertised, contractors meeting the selection criteria linked to Constructionline formed part of the successful expressions of interest where six contractors were randomly selected and sent the tender documentation via The Chest.

Bidders in Alphabetical order were:

- Bagnall UK Limited
  - Booth Hill Reclamation
  - Complete Demolition Limited
  - MJ Finnigan Limited
  - Vale Park Demolition Services Limited
  - Walter Forshaw Limited
- 5.2 In accordance with the Council's Contract Procedure Rules, the evaluation of the tender submissions has sought to identify the submission offering best

value, based upon a combination of economy, efficiency and effectiveness. The weightings applied to the tender submissions have been:

- Technical Assessment – 20%
- Contract Price – 80%

5.3 The tender evaluation was undertaken by Darren Judge (Corporate Procurement Manager), Nigel Fraser (Principal Regeneration Officer), Rezwan Khan (Unity Partnership Senior Engineer), and Shahed Chaudhary (Unity Partnership Engineer).

5.4 One of the selected contractors did not submit a response. A response was not received from Walter Forshaw Limited.

5.5 In ascending order the following scores were agreed by the evaluators for the five companies that did submit:

- 28.33
- 47.41
- 56.83
- 62.81
- 96.00

5.6 The outcome of the evaluation process was that Booth Hill Reclamation submitted the tender offering the most economically advantageous package with relation to cost and technical abilities to deliver the project.

5.7 Booth Hill Reclamation scored 96 in the evaluation process and they are an Oldham based supplier.

## 6 Options/Alternatives

6.1 There are two options available:

6.1.1 Option 1 - To award the contract to the most economically advantageous bidder. This will ensure that the work starts on time and meets the programme set out for the Council to ensure a seamless transition between asbestos removal and demolition commencing.

6.1.2 Option 2 - Not to award the contract; the disadvantage of this is that the Council would be left maintaining and securing a building which is likely to attract vandals.

## 7 Preferred Option

7.1 Option 1 – approve the award of the tender. This will ensure that the works can be started end November / early December 2012 minimising security costs between asbestos removal ending and demolition starting.

8 **Consultation**

8.1 The schedule has been approved in consultation with OMBC Cabinet and Nigel Fraser (BSF Project Team). Consultation has also taken place with Unity Partnership and the Procurement Team.

9 **Financial Implications**

9.1 Capital Implications

9.1.1 The proposed demolition will be capital expenditure and a charge against the Economy, Place and Skills – Building School for the Future (BSF) capital programme.

9.1.2 A specific provision exists for site demolitions within the BSF capital programme, against which the project will be charged.

9.1.3 The scheme, as detailed in Para 3.1, will be phased and financed as follows:

	2012/13
<u>Expenditure</u>	£'000
Works	173.0
<b>TOTAL</b>	<b>173.0</b>
<u>Funding</u>	
Council identified BSF capital resources	173.0
<b>TOTAL</b>	<b>173.0</b>

9.1.4 Funding has been identified from a mixture of grant, capital receipt and other contributions. (J Kara/A Ryans)

9.2 Revenue Implications

9.2.1 The scheme will minimise the revenue impact of having a derelict property within the Authority's property portfolio, it is estimated that the site will cost an unbudgeted £79k in annual maintenance for a full financial year should demolition not take place, thus creating an additional pressure.

9.2.2 Any on-going revenue costs will have to be met from the corporate property annual revenue budget on cost centre 36601. (M Ward/A Ryans)

10 **Legal Services Comments**

10.1 The report demonstrates that the contract has been procured in accordance with the Contract Procedure Rules. Given the values involved, it will be necessary to observe the 10 day standstill period as required by Contract Procedure Rule 13.3, and for the contract to be prepared and executed by the Borough Solicitor's representative. Prior to final Contract award, the

Contractor shall provide evidence of adequate insurance to cover both public and employers' liability. (Geoffrey Berriman)

**11 Human Resources Comments**

11.1 None

**12 Risk Assessments**

12.1 None

**13 IT Implications**

13.1 None

**14 Property Implications**

14.1 The Council is currently incurring costs associated with vacant properties. It is imperative that demolition is completed at the earliest opportunity and the sites marketed as part of a corporate planned programme. (Cath Conroy)

**15 Procurement Implications**

15.1 The Procurement has been carried out in line with EU Regulations and Oldham Council's Contract Procedure Rules.

15.2 All insurance documentation, method statements and risk assessments must be requested, received and checked to be in compliance with the Council's requirements.

15.3 Booth Hill Reclamation is registered with Constructionline in accordance with the Council's requirements.

15.4 The financial status of the Company has been assessed by the Council (Experian report) and is an above average risk company dealings with such will require careful monitoring (scored on 12/10/12)

15.5 Booth Hill Reclamation proposed the best commercial solution and is an Oldham based supplier. (Darren Judge)

**16 Environmental and Health & Safety Implications**

**16.1 Health and Safety**

Health and Safety documentary evidence was submitted by Booth Hill Reclamation in compliance with that requested via the Invitation to Tender process.

There are no prosecutions or enforcement notices recorded on the HSE enforcement website in respect of Booth Hill Reclamation for the period concerned. (James Fortune-Clubb).

16.2 **Environmental**

There will inevitably be some environmental disruption during this programme of work. During the demolition and clearance of the site, controls to be in place to prevent the pollution of the local environment and to protect the neighbourhood. The project plan should have highlighted how to do this within the tender submission. (Justine Collins)

17 **Community Cohesion Implications [including Crime & Disorder Implications in accordance with Section 17 of the Act] and Equalities Implications**

17.1 None

18 **Forward Plan Reference**

18.1 None

19 **Key Decision**

19.1 No

20 **Background Papers**

20.1 The following is a list of background papers on which this report is based in accordance with the requirements of Section 100(1) of the Local Government Act 1972. It does not include documents which would disclose exempt or confidential information as defined by the Act :

File Ref : Cabinet report dated 23<sup>rd</sup> July 2012

Name of File : Building Schools for the Future / Academies: Redundant Schools asbestos removal and demolition


Records held in : Procurement

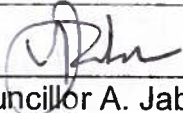
Officer Name : Darren judge


Contact No : 3816

21 **Appendices**

21.1 None

Signed  Emma Alexander, Executive Director Commercial Services	Dated <u>29/11/12</u>
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Signed  Councillor A. Jabbar	Dated <u>29/11/12</u>
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Signed  Councillor H. McDonald	Dated <u>29/11/12</u>
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