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Hub Expansion - Project Strategy and Tender Decision Document.

A public tender process is part of a wider project management strategy to ensure that the expansion of Melbourn Community Hub is delivered efficiently, cost effectively and in a manner that upholds public expectations of fairness and transparency.

Having drawn up a detailed initial schedule of works and technical brief, we have undertaken an open tender process for the construction works required for the expansion.

It was the objective to gather as many quotations as possible for the works. This was within strict guidelines to allow easy comparisons, with the aim that all concerned are reassured that the best value is gained via a fair process. All quotes are available as support documents.

Project Context

The results of the tender process are included in this document. When reviewing these figures for decision making it may be useful to understand the key priorities and factors from a project delivery standpoint. These are:

- Delivery of the expansion works comfortably within the budget is the primary objective.
- Planning permission for the works expires on 22nd May 2021. In order to validate the planning permission a portion of the foundations must be completed and inspected as quickly as possible to avoid re-application.

Construction strategy

You will see from the attached information that there were 11 individual works schedules put out to tender and together they encapsulate the range of works required to complete the project.

This was to ensure maximum participation in the process and gain a thorough understanding of the rates for work locally, both from companies that specialise in one particular aspect of construction and also those who work across multiple disciplines and may wish to submit tenders for many or all of the works, essentially providing a price for the majority of the build as a continuous process.

It was also decided to require tenderers to price on the basis of the supplying labour and machinery only. This was clear after having compiled a full materials list and asked several local suppliers to provide quotations. It should be noted that the Melbourn based builders merchant **Norbury's** - who have previously offered the Parish Council goods and services on very favourable terms - agreed to supply as many materials for the project as possible at or near cost price. **This generosity has proven very beneficial to the project's budget and the rates offered by Norbury's are clearly advantageous in comparison to supply prices from other merchants' rates or contractor supplied materials.** For this reason the recommendations include **Norbury's as a 'given' contract element** and exclude the supply of materials from any of the tenderer options. Acceptable tenders are thus on a labour-only basis. Where Norbury's are unable to supply a particular item this will be sourced by the Project Manager at best value.

When looking at the range of tenders it is very important to consider both the overall cost and potential start dates - particularly in groundworks & foundation construction. This is not just in consideration of the planning permission constraint, but also the practical "flow" of the project. Hence the best value, with the earliest practical start date and the best chance of efficient and methodical progress for the build duration informs the decision.

For this reason it is my preference that, provided the two primary criteria of the project are met (overall cost & start date), as much of the core build schedule should be completed by as few companies as possible. This gives rise to two distinct phases, coupled with a few ancillary works:

Phase 1: Groundworks, foundation & floor construction.

Phase 2: Construction & alteration of structure, wall & roof covering & internal finishing.

This approach is advantageous, in my opinion, because using specialist contractor for below ground work enables a prompt start date. Using a single build phase contractor ensures maximum continuity throughout the project. This enables us to enter into detailed planning with them whilst work is already progressing on-site, without the inefficiencies of working with multiple contractors schedules, methodologies, giving a clear and uniform warranty on all works completed. It should also be noted that having received tenders, it was subsequently decided to remove the requirement to appoint a contractor for decoration on the basis that this work could be completed by volunteers. The requirement to appoint a landscaping contractor was also deferred to a point further on in the build process as the precise needs will be clearer then.

Trades/Services Acquired Separately: Other trades or services were also not included within the requested Phase 2 tendering process, with the following rationale:

- Plumbing is being quoted separately as the scope of this would be determined after discussion with contractors; the objectives can be achieved in different ways and after site assessment.
- Site Waste removal is a best managed as an on site activity as required.

Conclusion

I am pleased to conclude that, having reviewed the tendered documents, both the budget and timescale requirements can be met and we have a plentiful information and evidence to contextualise pricing as shown on the subsequent pages.

Bids received for full works tender.

<u>COMPANY</u>	<u>PRICE - EX VAT</u>
BROWNSTONE	£63,536.00
ASHTON	£103,120.00
STEVE ROLT	n/a
RWS	n/a
SARGEANT	£171,855.00

- Tenders received from Steve Rolt & RWS were rejected on the basis that they were marked as including materials.
- The tender from Sargeant was rejected on the basis of price and a suspicion that it includes material costs (although not requested).
- It should be noted that full works quotes included the labour & equipment costs for groundworks, foundations, structural floor, 1st fix construction, 2nd fix construction, roofing, electrics, drylining & plastering, decoration, scaffolding & landscaping - as stated above some aspects of the works have subsequently been removed. The above prices are 'as quoted' and before any such adjustment.

Brownstone has been contacted to find out some background information and find out availability. They would be able to complete groundworks in Mid March, their construction phase availability would be mid/late April

Ashton has been contacted to find out some background information and find out availability. They would be able to complete groundworks in late March and continue on continuously with the construction phase until completion.

Conclusion & Analysis

Brownstone is the obvious choice from a budget standpoint - along with their membership of the Federation of master builders, the government public works Trustmark scheme and an extensive list of references included in their tender - though their availability is not quite as prompt as I would desire. For that reason I have contacted those companies that submitted tenders for the groundworks & foundation works and checked their availability. These tenders are listed on the following page.

Bids received for groundworks & foundation.

<u>GROUND WORKS</u>	
ROMAN	£4,795.00
JW CLARKE	£6,300.00
JORDAN & SONS	£6,935.00
SARGEANT	£9,160.00
ASHTON	£9,760.00
CB GROUNDWORKS	£10,979.00
STEVE ROLT	n/a
BROWNSTONE	£12,244.00

Roman & JW Clarke are yet to respond to correspondence about availability. Jordan & Sons are available to start groundworks during the first week of March, the remaining companies appear to have poorer availability and/or will not complete the works as a separate element removed from their full works tender.

Scaffolding

Though a relatively minor portion of the project it should be noted that we received the following bids for scaffolding, those who submitted a full works tender included this cost in their bids. We had one competitive response from a stand alone scaffolding contractor as shown below.

<u>SCAFFOLDING</u>	
ROYSTON SCAFFOLDING	£2,550.00
STEVE ROLT	£2,661.00
SARGEANT	£3,200.00
BROWNSTONE	£3,850.00
ASHTON	£9,110.00

Recommendation

Based on the above information it is my recommendation that the parish council proceeds with the following specific appointments:

Groundworks - Jordan & Sons

Structural flooring, blockwork, 1st fix & 2nd fix carpentry, brickwork, roofing, cladding & external works, electrical works, boarding & skim tenders - **Brownstone**

Scaffolding - **Royston scaffolding**

Safeguarding & Overall budget

It has been made clear to all those that wish to be considered in the tendering process that:

- Tenders based off plan will not be considered for appointments, a site visit must have occurred.
- Contractors must have shown the necessary Professional Indemnity Insurance
- All works will proceed only on the basis that they have read and understand the schedule of works, what they are required to provide and the specification of the works. This will be authenticated via in person and remote meetings with project management, members of the parish council and the directors of the hub and will include the signing of contracts, working drawings and schedule of works.
- The project is working within a **fixed** budget and whilst there is a contingency within this budget it is to account only for reasonable, unforeseen and unexpected circumstances, **not** to absolve any appointed contractor in the event of mispricing works.

Project Costs – Explanation of Costing Format

The project costs are set out in the Table below. Costs can be considered in the following groups:

(a) Specific Contractor Quotes. A 30% Contractor Contingency has been added to this total.

(b) Material Supply Quotes. These comprise

- General building material supplies (Norburys)
- General Building supplies (other suppliers)
- Specialist Items e.g, Timber panels
- Site Management Items (e.g. spoil and waste)

A 30% contingency has been added to this total.

(c) Plumbing and Heating. Budget price drawn from contractor quotes but full comparison quotes still awaited.

(d) Professional Fees and Project Management

(e) Deferred Project Elements

Project Costs

Contractor Quotes			Costs
Groundworks	Jordan & Sons	£6935.00	
Core Contractor	Brownstone *	£43,525.00	
Scaffolding	Royston Scoffolding	£2,550.00	
Subtotal:			£53,010.00
Contractor Contingency @30%			£15,903.00
Material Supply			
Norbury	As Quote	£10,915.00	
Other Suppliers	As Quote	£15,000.00	
Timber Panels	As Quote	£4,500.00	
Joinery	As Quote	£6,500.00	
Concrete	As Quote	£1,500.00	
Waste Disposal	As Quote	£1,200.00	
Subtotal:			£39,615.00
Materials Contingency @30%			£11885.00
Plumbing and Heating	Some Quotes still Awaied		£15,000.00
Professional Services			
Relocate Gas Service	British Gas	£1,500.00	
Building Control Fees/Engineers	As Quote	£1,800.00	
Project Management	1731 Ltd	£7,800.00	
Subtotal:			£11,100.00
Services Contingency @30%			£3,330.00
Deferred Elements			
Decoration	Nil (local labour)		
Landscaping	Estimated + 30%		£3,900.00
Costs Grand Total Including 30% Contingency			£153,743.00

Reconciliation of Estimated Project costs vs Budget

Funds Available To This Project	£174,272
Costs with Contingency @ 30% (as above)	£153,743
Balance of Remaining Contingency to Project	<u>£20,529</u>

*** Note:**

The table above includes Brownstones' price for full works minus their individual tenders for groundworks, scaffolding, landscaping and decoration, as per the above explanation.

Quotations and Sums being proposed for Parish Council Approval:

1. Jordan and Sons Groundworks	£6,935.00
2. Brownstone as main contractor (less groundworks, scaffolding, landscaping & decoration)	£43,525.00
3. Royston Scaffolding	£2,550.00
4. Materials Supply	£39,615.00
5. Plumbing and Heating	£15,000.00
6. Professional Services	£11,100.00
7. Deferred Elements	£3,900.00
8. Total Contingency Allowance	£31,118.00
Total for approval	£153,743.00

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