
Report To:	Education & Communities Committee	Date:	10 March 2020
Report By:	Corporate Director Education, Communities & Organisational Development	Report	EDUCOM/18/20/EM
Contact Officer:	Eddie Montgomery	Contact No:	01475 712472
Subject:	Use of Powers Delegated to the Chief Executive to accept the most economically advantageous tender for the Refurbishment of Hillend Children's Centre		

1.0 PURPOSE

- 1.1 The purpose of this report is to advise the Committee on the use of the powers delegated to the Chief Executive to accept the most economically advantageous tender for the Refurbishment of Hillend Children's Centre.

2.0 SUMMARY

- 2.1 The Education Capital Programme includes budget provision of £1.266m for the Hillend Children's Centre Refurbishment project. Tenders have been received and the total cost of the project including allowances for professional fees, direct works and other charges is £1.484m. The use of powers delegated to the Chief Executive is required as the cost of the project is £218K more than the original budget allocation.

3.0 USE OF EMERGENCY POWERS

- 3.1 The use of powers delegated to the Chief Executive to issue an acceptance to W. H. Kirkwood Ltd. in the amount of £1,281,953.04 for the Refurbishment of the Hillend Children's Centre building was authorised by Provost Brennan, Councillors Clocherty and Robertson, and the Chief Executive.

4.0 RECOMMENDATIONS

- 4.1 It is recommended that the use of emergency powers be noted

Ruth Binks
Corporate Director Education,
Communities & Organisational
Development

5.0 BACKGROUND

5.1 Tenders were returned on 25th November 2019 for the main refurbishment contract. It should be noted that although twelve tenders were received, a number of the tenderers did not meet the required selection criteria and therefore were excluded from the bidding process. The remaining tenders received were checked and evaluated with tender return amounts all in excess of the available budget.

5.0 PROPOSALS

6.1 It is proposed to accept the most economically advantageous tender received, that of W.H. Kirkwood Ltd., in the amount of £1,281,953.04. Planning and Building Standards approvals are in place.

6.2 The use of Emergency Powers was requested in order that the project can proceed to site as soon as possible to minimise and further delay to the progression of the project which is already contributing towards current year capital programme slippage. The existing Hillend Children's Centre building is also currently vacant and a site start is required as soon as possible to reduce the risk of arson, vandal damage or theft in the period prior to handover to the main contractor.

7.0 IMPLICATIONS

Finance

7.1 The approved budget for the Hillend Children's Centre project is £1.266m. The most economically advantageous tender received, after checking and correction of errors, including all associated direct costs amounts to £1.484m. The tender is therefore £218K or 17.22% more than the approved budget.

7.2 It is proposed to address the funding gap by re-allocation of a proportion of the School Estate Funding model future years lifecycle capital budget. The education capital programme currently includes the following allocations:

- £1.000m 2020/21 (subject to current year spend projection/ profile adjustment).
- £2.653m 2021/22.

It should also be noted that the allocation for the demolition of the former St Stephen's High School building currently reported through revenue is projected to be circa £155K below budget and this amount will be available for re-allocation to the future years lifecycle fund upon agreement of the final account/final payment for that project.

7.3 The table below outline the estimated cost implications and proposed funding allocation.

Cost Centre	Budget Heading	Budget Year	Proposed Spend this Report	Virement From	Other Comments
Capital	Education Capital	2019/22	£1,266,000	n/a	Existing allocation
Capital	Education Capital	2020/22	£218,000	n/a	Re-allocation of future lifecycle allowances
			<hr/> £1,484,000		

The expenditure will therefore be contained within the current Education Capital programme allowances.

7.4 Legal

There are no legal issues.

7.5 Human Resources

There are no human resources issues.

7.6 Equalities

(a) Has an Equality Impact Assessment been carried out?

	YES (see attached appendix)
X	NO - This report does not introduce a new policy, function or strategy or recommend a substantive change to an existing policy, function or strategy. Therefore, no Equality Impact Assessment is required.

(b) Fairer Scotland Duty

If this report affects or proposes any major strategic decision:-

Has there been active consideration of how this report's recommendations reduce inequalities of outcome?

	YES – A written statement showing how this report's recommendations reduce inequalities of outcome caused by socio-economic disadvantage has been completed.
X	NO

(c) Data Protection

Has a Data Protection Impact Assessment been carried out?

	YES – This report involves data processing which may result in a high risk to the rights and freedoms of individuals.
X	NO

7.7 Repopulation

The regeneration works outlined in this report should contribute to retaining and increasing the population within the area. There are no repopulation issues.

8.0 CONSULTATION

8.1 The Chief Financial Officer was consulted on this matter and agreed with the action proposed.

8.2 There are no direct staffing implications in respect of the report and as such the Head of Organisational Development, Policy and Communications has not been consulted.

9.0 LIST OF BACKGROUND PAPERS

9.1 Technical Services Tender Report – Hillend Children’s Centre Refurbishment 17/087.