

Item 9

6th February 2020



Glasgow City Council

Contracts & Property Committee

Report by Executive Director of Regeneration and the Economy

Contact: Ian Robertson Ext: 76000

Homelessness Programme – Rodney Street Homelessness Assessment Centre Extension Tender Acceptance

Purpose of Report:

To recommend acceptance of the tender from City Building (Contracts) LLP for the construction of the Extension to Rodney Street Homelessness Assessment Centre.

Recommendations:

It is recommended that the Contracts & Property Committee:

- i. Notes the report.
- ii. Approves the award of contract for the construction of the Extension to Rodney Street Homelessness Assessment Centre to City Building (Contracts) LLP for £3,831,307.23 within an overall approved project budget of £4,500,000.00.

Ward No(s):

Citywide: ✓

Local member(s) advised: Yes No consulted: Yes No

PLEASE NOTE THE FOLLOWING:

Any Ordnance Survey mapping included within this Report is provided by Glasgow City Council under licence from the Ordnance Survey in order to fulfil its public function to make available Council-held public domain information. Persons viewing this mapping should contact Ordnance Survey Copyright for advice where they wish to licence Ordnance Survey mapping/map data for their own use. The OS web site can be found at <http://www.ordnancesurvey.co.uk> "

If accessing this Report via the Internet, please note that any mapping is for illustrative purposes only and is not true to any marked scale

1.0 Phase 1 – Relocation of Clyde Place to Rodney Street - Complete

- 1.1 In May 2018 the Glasgow City Integration Joint Board (IJB) approved an ambitious proposal for Glasgow City Health and Social Care Partnership (HSCP) to work jointly with a range of partners to upscale the Housing First approach in Glasgow to respond more effectively to homelessness in the city, particularly for people with multiple and complex needs.
- 1.2 The proposal included the re-provisioning of emergency accommodation services to a 'Housing First Model' which facilitated the closure and relocation of Clyde Place to Rodney Street as accommodation and an assessment centre.
- 1.3 Proposals for the regeneration of Tradeston, which involved private sector development to provide commercial, office and residential accommodation required facilities in Clyde place to be relocated by the end of September 2018.
- 1.4 In May 2018 the City Administration Committee approved the capital funding for the immediate (interim) relocation of Clyde Place to Rodney Street. The report noted that a request for funding for a permanent solution would be subject to further review and future report to committee.
- 1.5 The relocation from Clyde Place to Rodney Street was successfully completed on programme and within budget.
- 1.6 The modular accommodation (250sqm) which was deployed as part of phase 1, was purchased as part of the relocation and is a council asset which will be re-deployed to meet the demand for any future temporary accommodation requirements on completion of the extension.

2.0 Phase 2 – Permanent extension to Rodney Street

- 2.1 On 18th April 2019 The City Administration Committee approved additional funding of up to £4,500,000 for the construction of a two-storey permanent extension to Rodney Street.
- 2.2 The extension was traditionally procured through the appointment of Development and Regeneration Services, Project Management and Design for the project design, contractor procurement and construction management with City Building (Contracts) LLP being appointed.

3.0 Tender process

- 3.1 Tender documentation was prepared following Client agreement of final designs and was issued to City Building (Contracts) LLP on 14th October 2019 with a return date of 25th November 2019.
- 3.2 City Building (Contracts) LLP was advised that their tender would be evaluated in accordance with Alternative 2 in JCT Series 2 Practice Note 6. After clarifications, value engineering and arithmetical corrections, a final tender price

of £3,831,307.23 was agreed as representing Best Value, coming within 0.8% of the pre-tender estimate carried out by Project Management and Design.

- 3.3 This agreed tender price remains open for acceptance until 14th May 2020. If awarded, opportunities for further value engineering and cost reductions will continue to be pursued by the project team.
- 3.4 The construction duration is noted as being 52 weeks, however discussions will continue within the project team in an effort to reduce the construction period. As this is a functioning 24/7 homelessness service there is a requirement to allow this service to remain operational during the proposed extension construction works.
- 3.5 The project cost summary is illustrated below:

Item	Approved Budget	Tender
Works	£3,648,056.00	£3,648,863.23
Contract Contingencies	£ 364,806.00	£ 182,444.00
Fees	£ 406,639.00	£ 406,639.00
Ancillary Costs – Planning & Building Warrant, Surveys and Reports	£ 80,500.00	£ 80,500.00
ICT, Furniture, Fittings and Equipment	excl	excl
Central Contingency	-	£ 181,553.77
TOTAL Approved Original Budget	£4,500,000.00	£4,500,000.00

4.0 Policy and Resource Implications

Resource Implications:

Financial: The tender sum is within the affordability cap set for this project and can be contained within overall financial planning for this programme.

Legal: Legal Services will support the preparation of necessary agreements and legal advice throughout the investment programme period.

Personnel: All personnel implications will be managed during the assessment of investment proposals.

Procurement: Procurement will be carried out in line with Council policy.

Council Strategic Plan: This proposal supports the Council's Strategic Plan theme of a healthier city by supporting the city's vulnerable citizens. They also support the Glasgow City Integration Joint Board's Strategic Priorities of providing greater self-determination and choice; public protection; and prevention, early intervention and harm reduction. Numbers 38 and 46.

Equality and Socio-Economic Impacts:

Does the proposal support the Council's Equality Outcomes 2017-22

This tender award will support the Council's Equality Outcomes in delivering an increased provision of communal services to reduce poverty, financial exclusion and reduce health inequalities.

What are the potential equality impacts as a result of this report?

HSCP considers there will be a positive equality impact following the completion of the Rodney Street extension.

Please highlight if the policy/proposal will help address socio economic disadvantage.

The extension of the existing development will improve service user's access to training and employment opportunities, increased social interaction and income maximization.

Sustainability Impacts:

Environmental:

The extension will be developed to minimize negative environmental impact in terms of carbon footprint, whilst at the same time designed to impact positively on the physical outlook of the local community.

Social, including opportunities under Article 20 of the European Public Procurement Directive

Positive impact on communities and service users.

Economic:

This investment will have a positive impact on the local economy providing employment for Glasgow based workers and opportunities for supplier and contractors with the Greater Glasgow area.

**Privacy and Data
Protection impacts:**

No data protection impacts identified.

5 Recommendations

The Committee is asked to:

- (i) Note the report;
- (ii) Approve the award of contract for the construction of the Extension to Rodney Street Homelessness Assessment Centre to City Building (Contracts) LLP for £3,831,307.23 within an overall project budget of £4,500,000.00.