



Glasgow City Council

Contracts & Property Committee

Report by Director of Property and Land Services

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Item 7

14th January 2021

**Tollcross, Carntyne & Govanhill Early Learning & Childcare Facilities
New-Build Projects - Tender Acceptance**

Purpose of Report:

To recommend acceptance of the tender from City Building Contracts LLP for the construction of three new-build Early Learning & Childcare Facilities at: Tollcross, Carntyne & Govanhill.

Recommendations:

It is recommended that the Contracts & Property Committee:

- i. Notes the report.
- ii. Approves the award of contract for the construction of three New-Build Early Learning & Childcare Facilities (Tollcross, Carntyne & Govanhill) to City Building Contracts LLP for £12,312,235 within an overall project budget of £14,430,155

Ward No(s):

Citywide:

Local member(s) advised:
Yes

No

Yes

Consulted:

No

PLEASE NOTE THE FOLLOWING:

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1. New-Build Early Learning & Childcare Facilities

- 1.1 As part of the Scottish Government's commitment to the provision of 1140hrs of statutory Early Learning & Childcare (ELC), all local authorities were awarded a pro-rata capital provision to deliver the additional infrastructure that would be required to enable the provision of 1140hrs of free ELC.
- 1.2 Glasgow was awarded a total of £44.1m of capital funding from the Scottish Government to spend on the additional infrastructure that would be required to meet our statutory obligations.
- 1.3 The infrastructure interventions that Glasgow has planned, fall broadly into 4 categories of activity, with the following allocations of capital:
 1. New Build Facilities - £23.5m
 2. Refurbish/Repurpose Existing Buildings - £10.6m
 3. Extend Existing Facilities - £3m
 4. Adaptations to Existing Facilities - £6.4m

(This leaves £0.6m currently uncommitted to particular projects and for use across all themes of the programme)

- 1.4 Included within the New Build Facilities work theme are 4 new "Generation 5" (Gen 5) GCC designed ELC buildings, and two permanent modular buildings.
- 1.5 The four Gen 5 buildings are identical, and are planned to be deployed at Broomhill, Tollcross, Carntyne and Govanhill. They were designed and priced as a package of 4 buildings, however, in order to meet the need for an accelerated site start for the first one in the programme, the tender award for the facility at Broomhill has already been approved. This report is for the acceptance of the remaining three new-builds at Tollcross, Carntyne and Govanhill.

2. TENDER PROCESS

- 2.1 Tender documentation was prepared following Client agreement of final designs and was issued to City Building on 7th September 2020 with a return date of 4th November 2020.
- 2.2 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 £12,312,235 was agreed as representing Best Value, coming

within 10.3% of the pre-tender estimate carried out by PM&D (excluding abnormal costs). It is worth noting that the pre-tender estimates were undertaken pre-covid and therefore whilst a divergence of 10.3% would normally be seen as out of tolerance, this increase in landed tender rates is broadly in line with what is happening with post-covid tenders in the construction industry nationally.

- 2.3 This agreed tender price remains open for acceptance until 2nd February 2021. If awarded, opportunities for further value engineering and cost reductions will continue to be pursued by the project team.
- 2.4 The construction duration is noted as being 50-weeks, however discussions will continue within the project team in an effort to reduce the construction period. The ambition for the programme of ELC facilities is for all four to be completed by the end of the 2021 calendar year.
- 2.5 The project cost summary is illustrated below:

Item	Cost
Amount of Tender from City Building (Contracts) LLP (including Project Contingencies)	£12,312,235
Enabling Works	£652,763
Consultants & Project Management Fees	£949,825
Ancillary Costs	£365,332
Decant, ICT, Furniture & Fittings Costs	£150,000
Total Project Cost:	£14,430,155
Budget Available:	£14,430,155

3. 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 commitment to Excellent and Inclusive Education:

Priority: 22, 26, 31, 33, 35, 37,

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 inclusive and accessible new public building within the portfolio.

What are the potential equality impacts as a result of this report? Please highlight if the policy/proposal will help address socio economic disadvantage.

Sustainability Impacts:

Environmental: The new ELC building will be constructed to the highest sustainability and environmental standards.

Social, including Article 20 opportunities: The provision of a new public building will provide additional social opportunities to the local and wider communities.

4. Recommendations

The Committee is asked to:

- (i) Note the report;
- (ii) Approve the award of contract for the construction of three New-Build Early Learning & Childcare Facilities (Tollcross, Carntyne & Govanhill) to City Building Contracts LLP for £12,312,235 within an overall project budget of £14,430,155.