

For Approval

Agenda Item 8.1
Date of Meeting: 27/11/24

To: The Management Committee
From: The Technical Services Manager
Subject: Office Alterations – Tender Acceptance

1. Introduction/Purpose

- 1.1 The purpose of this report is to seek approval to appoint a contractor to carry out the alteration work to the office.

2. Background

- 2.1 In order to provide disabled access to the Committee Room out of hours and create a ground floor office we need to carry out some alteration works to the office and appoint a contractor to carry out these work. The proposal is to create a ramp to the rear entrance of the Committee room along with refurbishing the exiting Interview Room 3 (currently used as the Photocopier room) to create a ground floor office.

3. Alteration Works

3.1 Tender Process

- 3.1.1 Contractors were invited via Quick Quote on Public Contracts Scotland website through a restricted competition to submit tenders. Tenders were received from four parties and evaluated on price.

- 3.1.2 This approach is in accordance with the Purchasing, Procurement and Tenders Policy.

3.2 Tender Evaluation Report

- 3.2.1 The tender evaluation report has been prepared by Reid Associates and is contained in Appendix A for Committee's consideration. Please note all figures contained in Reid Associates report are exclusive of VAT.
- 3.2.2 In summary the report details the tender process and a cost evaluation of the tenders received and recommends the tender from S&D Development be considered for acceptance. Some matters require further discussion with the contractor regarding potential out of hours working and enhanced

soundproofing but it is anticipated that these costs will be contained in the contract sum.

3.3 Contract Sum

3.3.1 S & D Development's tender sum is £54,263.13 exclusive of VAT. Inclusive of VAT it is £65,115.76.

4. Budget v Contract Sum

4.1 The tender submitted by S & D Development of £65,115.76 inclusive of VAT is £30,000 more than the budgeted figure contained in our annual budget. The majority of additional costs relate to the change in design of the ramp from that of what was originally costed when the budget was set along with enhanced soundproofing which has now been specified.

The Finance Manager has reviewed the additional expenditure and has advised that although this is greater than the budget, the ramp is considered an enhancement to the office building and would be fully capitalised. This would mean the only impact in the current year, if complete would be the initial year one depreciation charge of £1.3k.

5. Risk

5.1 When considering the office alterations we have identified the main risks under the following risk categories and the measures we have taken to mitigate such risks.

Risk Category	Mitigating Measure
Financial – <ul style="list-style-type: none"> Poor contract management could lead to unknown increased costs 	Having a reporting system in place along with using inhouse skills to manage the contract.

6. Delivery of our Strategic Objectives

Area	Related Strategic Objective(s)
Office alterations and ramp access	2. Engage effectively with tenants and service users 3. Deliver value for money

7. Application of our Core Values

Area	Related Core Value(s)
Office alterations and ramp access	Invest and Support Accountable and Compliant

8. Compliance and Assurance

8.1 As this is work to the office it does not form part of our compliance and assurance exercise.

9.0 Summary/Conclusions/Recommendations

9.1 In summary to deliver the office alterations we need to employ a contractor to carry out these works. The appointment is based on competitive tenders.

9.2 Risk has been considered at Section 5.

9.3 Section 6 shows how carrying out these works, contributes to the delivery of our strategic objectives.

9.4 Section 7 shows how carrying out cyclical and planned works, contributes to the application of our Core Values.

9.5 You are asked to consider the above and approve the appointment of S & D Development in the amount of £65,115.76 inclusive of VAT.