REPORT TO:	Cabinet
DATE:	29th October 2009
SUBJECT:	Bedford & Queens Road, Bootle – Programme for Demolition and Clearance Phase II Report of tenders
WARDS AFFECTED:	Linacre and Derby
REPORT OF:	Strategic Director of Regeneration and Environmental Services
CONTACT OFFICER:	David Kay – Architecture & Building Manager 0151 934 4527
EXEMPT/ CONFIDENTIAL:	No

PURPOSE/SUMMARY:
To advise members of tenders received in respect of the Bedford & Queens Road, Bootle Demolition and Clearance Programme Phase II.

REASON WHY DECISION REQUIRED:
The value of the tender received exceeds the approval level delegated to the Cabinet Member.

RECOMMENDATION(S):
It is recommended that:

I. Regeneration Cabinet Member notes the content of the Report.
II. Cabinet approves acceptance of the lowest tender received in the sum of £956,531.00 subject to negotiations in connection with an extended contract period as discussed in 3.4.
III. Subject to (i) above, the Legal Director be requested to prepare a formal contract with the successful tenderer.

KEY DECISION:	No
FORWARD PLAN:	Not Appropriate
IMPLEMENTATION DATE:	Following the expiry of the Call in Period for the minutes of this meeting.

ALTERNATIVE OPTIONS:
There are no alternative options. These works are necessary to allow the redevelopment programme to proceed.

IMPLICATIONS:

Budget/Policy Framework: Bedford / Queens Road, Bootle Demolition & Clearance Programme Phase II.

Financial: Specific funding exists within the H.M.R.I. Capital Programme for clearance and demolition comprising H.M.R.I. Grant and Housing Capital Resources.

CAPITAL EXPENDITURE	**2009/2010 £**	**2010/2011 £**	**2011/2012 £**	**2012/2013 £**
Gross Increase in Capital Expenditure				
Funded by:				
Sefton Capital Resources				
Specific Capital Resources				
REVENUE IMPLICATIONS				
Gross Increase in Revenue Expenditure				
Funded by:				
Sefton funded Resources				
Funded from External Resources				
Does the External Funding have an expiry date? Y/N		When?		
How will the service be funded post expiry?				

Legal: None

Risk Assessment: Project covered by CDM Regulations.

Asset Management: This investment will allow the programme of rebuilding modern homes in the Bedford/Queens Area.

CONSULTATION UNDERTAKEN/VIEWS
HMRI, REGENERATION AND FINANCE HAVE BEEN CONSULTED AND ANY COMMENTS HAVE BEEN TAKEN INTO ACCOUNT WHEN PREPARING THIS REPORT.

CORPORATE OBJECTIVE MONITORING:

Corporate Objective		Positive Impact	Neutral Impact	Negative Impact
1	Creating a Learning Community		✔	
2	Creating Safe Communities	✔		
3	Jobs and Prosperity	✔		
4	Improving Health and Well-Being	✔		
5	Environmental Sustainability	✔		
6	Creating Inclusive Communities		✔	
7	Improving the Quality of Council Services and Strengthening local Democracy	✔		
8	Children and Young People	✔		

LIST OF BACKGROUND PAPERS RELIED UPON IN THE PREPARATION OF THIS REPORT

BACKGROUND:

1.0 H.M.R.I. Capital Programme Phase II

1.1 The programme of demolition works for the first phase of redevelopment in the Queens Road & Bedford Road are of South Sefton is now completed, and redevelopment is underway.

1.2 The purchase of properties for the second phase of redevelopment is underway, with only 14 out of 64 properties remain to be acquired. This will be subject to a Compulsory Purchase Order which has been approved by Cabinet if voluntary agreement cannot be reached with the owners.

1.3 A number of the vacant properties have become targeted by vandals and thieves causing damage to the structure, making the buildings unsafe to enter, and allowing water ingress to adjoining properties. They are unsightly, and create a potential hazard to passers by. The re-securing and making safe the existing buildings is a continued drain on Housing Market renewal resources.

1.4 To help alleviate this situation, tenders have been sought to appoint a demolition contractor to clear and make safe the dangerous property. The contractor to be appointed will undertake a rolling programme of vacant property demolition identified within the HMRI programme for Bedford / Queens redevelopment area as groups of properties become into the Council's ownership..

1.5 These works will thus remove the remaining derelict properties and regenerate several building plots subject to acquisitions.

2.0 TENDER ACTION

2.1 Tenders have been sought for the demolition of 64 No. properties in Exeter, Hertford & Keble Road and land clearance on a further 13 No. sites in the same area.

2.2 The work identified includes:-

a) Disconnection of services.
b) Asbestos removal.
c) Removal of contaminated waste.
d) Temporary boundary treatment.
e) Health and Safety requirements.
f) Drainage works.
g) Site security.

2.3 Tenders to carry out the above mentioned works have been gained from suitably qualified and experienced contractors as follows:-

Beech Group, Bromborough
Church Street Demolition Ltd, Bootle
Oldham Brothers Ltd, Liverpool
JG McVey & Co Ltd, Liverpool
A Palmer Ltd, Manchester
Walker Forshaw, Bolton

2.5 Tenders Received are as follows:

Tender No.	Tender Sum	Contract Period
1	£ 956,531.00	Fixed price contract for a 12 month period
2	£1,097,327.00	*please note if the contract period is extended*
3	£1,295,425.00	*due to the lack of financing and delays with*
4	Withdrawn	*acquisitions an annual uplift of costs will be*
5	Withdrawn	*agreed based on BCIS (Building Cost Indices*
6	Not received	*Services prepared by the Department of Trade And Industry)*

2.6 Acceptance of the lowest tender received will be subject to satisfactory technical and arithmetical checks.

3.0 FINANCIAL

3.1 Funding currently exists within the HMRI Capital Programme for this project.

3.2 Subject to acceptance of the lowest tender received the total financial implication will be allocated as follows:-

Lowest tender received	£ 956,531.00
Add professional fees	£ 94,409.60
Statutory & Legal Fees	£ 12,440.96

Total Scheme Cost	**£1,063,381.56**

3.3 This contract was originally tendered on a twelve month contract period however, due to financing within HMRI and ongoing acquisition problems the programme may be extended over a longer period,

3.4 It is proposed therefore that Capita Symonds should be authorised to negotiate with the lowest tenderer in order to agree a flexible programme of phased demolition over this extended contract period. It is possible that the rate for works carried out towards the end of the contract will have to be adjusted in accordance with the relevant BCIS indices (Building Cost Information Services) prepared by the Department of Trade and Industry).

3.5 The total scheme cost of £1,063,381.56 will not be exceeded without additional approval.

4.0 ACCEPTANCE

It is recommended that

I. Regeneration Cabinet Member notes the content of the Report.
II. Cabinet approves acceptance of the lowest tender received in the sum of £956,531.00 subject to negotiations in connection with an extended contract period as discussed in 3.4.
III. Subject to (i) above, the Legal Director be requested to prepare a formal contract with the successful tenderer