

Report to the Cabinet

Report reference: C-003-2010/11

Date of meeting: 7 June 2010



**Epping Forest
District Council**

Portfolio: Performance Management

Subject: Civic Offices Conder Building - Contract for New Windows and Infill Cladding Panels

Responsible Officer: Mike Tipping (01992 564280).

Democratic Services Officer: Gary Woodhall (01992 564470).

Recommendations/Decisions Required:

(1) That a contract be awarded to Hazelmere Commercial Windows in the sum of £201,422.60 for the replacement of windows and infill cladding panels works in the Conder building at the Civic Offices;

(2) That a virement in the sum of £40,000 in the Capital Budget for Planned and Preventative Maintenance for 2010/11 be approved to provide the additional budget required for this project; and

(3) That the Chairman of Council be requested to waive the normal call in arrangements in view of the time critical nature of this project to enable an order to be placed as soon as possible and the project completed before the winter period.

Executive Summary:

Following a tendering exercise through the Essex Procurement Hub for replacement windows and infill cladding panels in the Conder building at the Civic Offices the lowest tender has come in at a price of £40,000 above the approved budget for this project. To enable the project to proceed without the need for supplementary finance it is recommended that a virement be made within the capital budget for planned and preventative maintenance programme for 2010/11.

Because this project is time critical in that it needs to be completed before the winter period Cabinet is requested to recommend that the normal call in arrangements for this decision be waived.

Reasons for Proposed Decision:

To ensure that this project is adequately funded and is able to proceed and be completed during the current financial year before the onset of the winter period.

Other Options for Action:

Retender this project. However as there are only two companies included within the Essex Procurement Hub Framework agreement and they have both been involved with the current tender any fresh tendering exercise would have to be outside the Procurement Hub

arrangements. This option would also effectively mean delaying the project until 2011/12.

Report:

1. The Planned and Preventative Maintenance Programme for 2010/11 includes a budget of £170,000 to replace all the windows and infill cladding panels in the Conder building at the Civic Offices.

2. The existing single glazed window units are 40 years old. They are poorly fitting and draughty leading to significant heat loss. There are safety implications when the opening and closing mechanisms fail and spare parts are becoming harder to acquire.

3. In accordance with Standing Orders, using the Procurement Hub for Essex tenders were invited from the only two companies included within the framework agreement for this type of work. Neither are local companies although one is based in Essex.

4. These tenders have now been received and the details are set out below:

- Hazelmere Commercial £201,422.60; and
- Euro Windows £204,944.02.

5. Taking the lowest in the sum £201,422.60 plus other design and consultants fees produces a total project cost of £210,000, some £40,000 more than the available budget.

6. The additional costs relate to two areas. Firstly the weight of the new double glazed units will be substantially heavier than the units they are replacing. Following a detailed investigation and advice from a structural engineer, additional structural works will be required to support the new units. This is something that was not apparent at the time the budget estimate was produced. Secondly the infill cladding panels to be installed under the new window units to provide insulation have proved to be more expensive than was originally envisaged.

7. The installation of new double glazed units and infill cladding panels will have a significant impact on reducing energy consumption and carbon emissions and improving heat retention within the building.

8. It is difficult to be precise about the financial and energy savings to be made because it will be governed by a number of variables; whether it is a mild or cold winter; fluctuations of price in the energy markets etc.

9. However a best estimate for an average winter based on technical calculations taking the heat loss value (U value) of the existing windows compared with the U value for the new windows indicates a 63% reduction in gas consumption for the Conder building.

10. This coupled with the new heating system to be installed this year is anticipated to achieve savings of £20,000 per annum on energy costs. This figure may well fluctuate because of the volatile nature of the energy markets.

11. The rest of the planned and preventative maintenance programme has been reviewed to establish whether any saving can be made to other projects or a project(s) deferred to find the additional budget required.

12. The programme contains budgetary provision in the sum of £60,000 for the provision of a fall arrest system in the vertical access way behind the crest in the Council chamber leading to the overhead light gondola in the Council chamber.

13. This sum was included in the capital budget some years ago and has been carried forward from year to year. Technical officers in the Facilities Management Section have conducted a detailed survey and believe that it will be possible to provide a safe method of working in this area for substantially less than the original budget estimate.

14. It is therefore suggested that a virement of £40,000 could be made to cover the shortfall in the budget for the window replacement programme whilst at the same time allowing the health and safety works to the vertical access way and overhead light gondola to be completed during the current financial year.

15. It is anticipated that the contract period will be 20 weeks from placing an order. This will mean a very tight timescale for manufacturing the window units and completing installation before the onset of the winter period.

16. For this reason it is requested that Cabinet recommend that the normal call in arrangements be waived in this instance which is estimated will save three weeks to the timescale for an order to be placed.

Resource Implications:

Virement of £40,000 in the capital budget for 2010/11 for planned and preventative maintenance.

Anticipated combined savings of £20,000 per annum as a result of the replacement heating and windows programmes.

Legal and Governance Implications:

Maintenance of Assets as set out in the Asset Management Plan 2007-2012.

Safer, Cleaner and Greener Implications:

The window replacement programme to the Conder building will make substantial contribution to the Council's energy and carbon reduction targets in accordance with its climate change strategy and the 1010 energy reduction agreement.

Consultation Undertaken:

None.

Background Papers:

Specification of Works and returned tender documents.

Impact Assessments:

Risk Management

The window replacement programme will contribute towards a reduction in the Council's energy costs, carbon emissions and will help to maintain the value of its major property asset.

Equality and Diversity:

Did the initial assessment of the proposals contained in this report for relevance to the Council's general equality duties, reveal any potentially adverse equality implications? No

Where equality implications were identified through the initial assessment process, has a formal Equality Impact Assessment been undertaken? N/A

What equality implications were identified through the Equality Impact Assessment process?
N/A.

How have the equality implications identified through the Equality Impact Assessment been addressed in this report in order to avoid discrimination against any particular group?
N/A.