



INSPIREDSPACES TAMESIDE LIMITED

Droylsden Library, Refurbishment Project,
Value for Money Review 9th February 2021

LMW CONSULTING 

Prepared by:



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**DROYLSDEN LIBRARY, REFURBISHMENT PROJECT
VALUE FOR MONEY REVIEW**

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1. INTRODUCTION AND SCOPE OF WORKS

To satisfy the due diligence requirements of Tameside Council around the level of cost of the project LMW Consulting were appointed to carry out an independent Value for Money review by Inspiredspaces Tameside Limited for the demolition of the existing Droylsden Library & the remodel of the existing Greater Manchester Pensions Fund building and fit-out to form the new Droylsden Library.

Part 1 - Remodel

The Greater Manchester Pension Fund building will be stripped out as shown on L(26)01 – Ground floor demolition plan and Fit-out work will commence as per LRW-8182_L(20)01 which includes: new curtain walling and entrance doors, new library space including all furniture and library counter, new office space & staff room, new toilet facilities, new ancillary service rooms and a new community hub.

Part 2 - Demolition

From the 19th July works will be carried out in the existing library, which includes the decommissioning of the Bibliotheca equipment for transferring into the new library. The existing library building will be stripped out, all asbestos removed and the existing building demolished. Alterations are due to be made to retaining walls with temporary supports put in place, Weldmesh fencing will be installed to external areas and existing railings to the footpath made good.

2. TENDER

Robertson Construction Group Limited (RCGL) were engaged to manage and tender the project. RCGL have submitted two cost plans to cover Part 1 – Remodel & Part 2 – Demolition. The contract sum has been negotiated with RCGL. However, most of the project packages have been competitively tendered to two or more sub-contractors.

The tender sum for Part 1 as it stands is £1,454,478, there are £110,500 of below the line items (furniture fitout & bibliotheca items) taking the total cost to £1,564,678.

The tender sum for Part 2 as it stands is £317,817.

The current offer is made on a fixed price basis, which also contains a contractor's contingency under a bespoke form of contract.

The offer includes a risk register with various items noted as client risk. This is common practice in construction. The risks denoted as the clients are widely accepted as clients risks on most construction projects within the industry.

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The table below records the number of tenders received for each package under each cost plan.

Part 1 - Remodel

Work Package	Preferred Subcontractor	No. of Tenders
Ceilings & Partitions	Horbury	3
Joinery Doors & Ironmongery	TMJ	3
Flooring	Axiom	3
Screeding	Axiom	3
Tiling	GF Holdings	2
Painting	Powells	3
Blinds	Pentel	2
Fencing	DJL	2
Handrails	Bolton Structure	3
IPS & Cubicles	Inscape	2
Signage	Beta Signs	2
FF&E	Southerns	1
MEP	Ameon	1
Curtain Walling and Metal Windows & doors	Glazing by Design	1

The above table shows that some of the higher value packages such as FF&E, MEP and Curtain Walling including louvres have not been competitively tendered. We understand that this is due to the timeframes placed on the project and the absence of Employers Requirements meaning the Sub-Contractor involvement was required earlier in the project to progress design.

We would recommend that to demonstrate best value all three packages are competitively tendered, however we understand that the time constraints on the project mean that this isn't currently possible. We also believe that the curtain walling and louvre package are considerably higher than current market rates. RCGL have agreed through our discussions with them to enter back into the market for alternative quotes for the curtain walling & louvre package and any savings generated will be passed down to TMBC as part of the final agreement of the contract sum.

Part 2 – Demolition

The table below records the number of tenders received for each package under the cost plan for part 2.

Work Package	Preferred Subcontractor	No. of Tenders
Demolitions	Inglenorth Contracting	1
Asbestos	AA Woods	1

This shows that both demolition and asbestos packages have not been competitively tendered on this project and have been single sourced. However, from discussions with RCGL we understand that this was due to the programme constraints of the project and the requirement for Pre-Planning advice requiring the demolition contractor’s method statements.

RCGL have confirmed that both preferred sub-contractors have competitively tendered previously on TMBC schemes in Two Trees and Denton Pool, which has driven their selection for this project.

3. PROGRAMME

The current construction programme notes a 23-week construction duration (including 3 weeks mobilisation from 01/03/21) for Part 1 – Remodel with an anticipated start on site of 22/03/2021 and a practical completion date of 30/07/2021 with the demobilisation of the contractor to this site due to be completed by 09/08/21.

Part 2 – Demolition of the existing library notes a 8-week duration with an anticipated start on site of 09/08/2021 and a practical completion date of 24/09/2021 with the demobilisation of the contractors compound due to be completed by 01/10/2021.

4. BENCHMARKING

Part 1 –Remodel

The footprint of the new Library is circa 700m² including counter & community hub.

To compare the refurbishment against industry benchmarks on BCIS, we have removed costs associated with Curtain Walling, Louvres, external drainage & stairs/ramps.

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We have also removed the covid risk sum as this is a new development within the industry for projects being undertaken in these unprecedented times and will not be included in historic benchmark data.

The revised sum for comparison to industry benchmarks was £1,253,155 (£1,790/m²)

All industry benchmark costs have been rebased to Q1 2021 and rebased utilising location factor to Tameside. The comparable projects recorded that we were able to identify on BCIS indicate a cost per m² range of £1600/m² - £1900/m².

The above would appear to indicate that the cost received for the Droylsden Library refurbishment represents value for money and is within current market rates, subject to previous comments regarding curtain walling & louvres.

The preliminaries allowance for part 1 calculates as £8,159 per week. We consider this to be in line with current market rates for a project of this size and nature, particularly given the dual site set up arrangement and the inclusion of additional cleaning requirements due to Covid.

Part 2 – Demolition

The preliminaries allowance for Part 2 – Demolition calculates at £11,774 per week.

This currently appears to be above market rates, however when the abnormals (increased H&S allowance for asbestos removal/demolition, scaffolding allowance & short programme duration) are taken into consideration we believe this to be in line with current market rates for a project of this size and nature.

5. CONCLUSION AND RECOMMENDATION

Although this project is a negotiated tender as noted above the majority of packages have been competitively tendered to sub-contractors.

We would note previous comments that the curtain walling and louvre package appears high and a check price should be sought from the market and any savings passed down to TMBC.

LMW considers that the tender sum submitted by RCGL reflects current market rates, as demonstrated above and is considered to be value for money.