

WIRRAL COUNCIL

CABINET 15TH APRIL 2010

REPORT OF THE DIRECTOR OF TECHNICAL SERVICES

PROPOSED EXTENSION TO LANDICAN CREMATORIUM WITH NEW CREMATORS AND MERCURY ABATEMENT EQUIPMENT

TENDER REPORT

1.0 EXECUTIVE SUMMARY

The purpose of this report is to update and advise Cabinet Members of progress to date and tenders received for the above and to seek approval of the most economically advantageous tender.

2.0 BACKGROUND

- 2.1 The Department of the Environment, Food and Rural Affairs (DEFRA) has issued statutory guidance for crematoria – DEFRA Process Guidance Note PG5/02(04) as amended, and subsequent and additional guidance notes. In it is the requirement for 50% reduction in mercury emissions from crematoria in the UK by 31 December 2012 and the local authority regulator has been informed that Landican Crematorium will comply with that requirement.
- 2.2 The crematorium undertakes around 3,000 cremations each year with an income of £1.5million. This, along with the income from burials (around £800,000) balances the running costs for the cemeteries and crematorium service. Without this proposed investment there would be a reduction in income from the crematorium arising from penalty payments for non-compliance with the mercury emissions abatement standards.
- 2.3 Consultations were held with both the Federation of Burial and Crematorium Authorities (FBCA), the Institute of Cemetery and Crematorium Management (ICCM), and the Council's Environmental Health Division regarding the most appropriate type of crematory equipment that should be installed to meet Wirral's requirements for Landican Crematorium, and a specification was drawn up accordingly, for inclusion within the tender documents for the main building works.
- 2.4 An allocation of £3,483,000 has been set aside in the Council's Capital Programme for 2009 – 2011 for the replacement of the existing cremators, the installation of mercury abatement equipment, and associated building works. The scheme includes for the installation of new equipment to meet the government's statutory requirements, with ancillary improvement works, and the proposals include equipment that will achieve a considerable reduction in both gas consumption and CO₂ emissions at Landican Crematorium.
- 2.5 Cabinet at its meeting on 23rd July 2009 approved the scheme and estimate for this project and authorised invitations to tender (Minute 80 refers.)

2.6 The proposed building works programme is based on a start in June 2010 for a 56-week contract with completion at July 2011.

3.0 Proposals

3.1 The project comprises preparatory building works, main building works, installation of new cremators and mercury abatement equipment and removal of the existing cremators, creation of internal stores, transfer of staff facilities, alteration to the Central Chapel facilities and the redecoration of the three chapels.

3.2 The scheme will be project managed to minimise delay and to avoid disruption to the public as far as possible during the construction works.

3.3 The redecoration of the Chapels were completed during the Summer of 2009, and the electrical supply to the Crematorium, the lightning conductor and the existing drainage have been re-routed to enable the construction of the proposed new extension, all utilising the appropriate Councils schedule of rates Contractors.

3.4 A temporary access road to divert the Contractors traffic away from the main entrance is currently under construction as part of the preparatory work to be completed by Colas, at agreed rates in accordance with the terms of agreement with the Authority. This work will be completed prior to the start of the main contract.

3.5 The creation of the internal stores and the demolition of the existing cremulation room to facilitate the phasing of the works have been tendered for in advance and the lowest tender for the creation of the internal stores was submitted by Mellwood Construction Ltd. (Huyton) with the lowest tender for the demolition works submitted by Technical Demolition (Birkenhead). The creation of internal stores was programmed to commence on 12th April for a period of eight weeks, and the demolition works are due to commence on the 25th May for a period of two weeks.

3.6 Provision has been made within the Contract Documents for Targeted Recruitment and Training (TRT) so that the Council has the opportunity to negotiate with the successful contractor to support Wirral's Construction Employment Integrator (CEI).

3.7 The agreed procurement procedure for the main extension scheme to Landican Crematorium, with new cremators and mercury abatement equipment, has been a two-stage assessment of both quality and price, based on tenders, a written submission, and attendance at interview.

3.8 The cost/quality evaluation model was lodged with the Central Procurement Unit prior to receipt of tenders and included a 60% Price 40% Quality evaluation. The 40% Quality was split between a scored written submission and a scored formal interview.

4.0 Tender Assessment

4.1 The Scheme and Estimate approved by Cabinet on 23 July 2009 totalled £3,483,000, which comprised:

Building works	£3,069,000
Department charges	£ 414,000

4.2 Tenders and a written submission were invited from six Contractors, with the tenders figures prior to the quality assessment as shown below:

No.	Contractor	Amount
1	Paragon Construction Group	£2,715,094.00
2	Whitfield & Brown (Dev) Limited	£2,809,720.00
3	E J Horrocks Limited	£2,928,355.00
4	J & S Seddon (Bldg.) Limited	£3,062,031.55
5	ROK Building Limited	No Tender
6	Rowlinson Construction Limited	No Tender

4.3 All tenders were on a fixed price and were for a contract period of 56 working weeks.

4.4 The written submission part of the tenders was scored by a Tender Assessment Panel comprising design team members and Client Department (Cultural Services) representatives with the CDM Co-ordinator and a representative from Audit providing an observation role.

4.5 As only four Contractors submitted tenders, all were invited to an interview at which the quality of their proposed delivery of the scheme was assessed by the same panel.

4.6 Paragon Construction Group's tender was based on an alternative cremator system to that specified in the tender documents. Paragon were invited to interview to be given the opportunity to explain how they considered their tender was fully compliant. At interview, Paragon claimed that the alternative system was equal to that proposed. However on further investigation it was accepted this was not the case and so their tender was deemed invalid.

4.7 The resulting Contractors quality scores were as follows:

No.	Contractor	Score
1	E J Horrocks Limited	215
2	J & S Seddon (Bldg.) Limited	196
3	Whitfield & Brown (Dev) Limited	185
4	Paragon Construction Group	Invalid

4.8 Final Evaluation

When the price and quality scoring is applied to the evaluation model the following most economically advantageous tender is achieved, i.e. the Contractor with the highest score.

No.	Contractor	Score
1	E J Horrocks Limited	9757
2	Whitfield & Brown (Dev) Limited	9442
3	J & S Seddon (Bldg.) Limited	9152
4	Paragon Construction Group	Invalid

4.9 E J Horrocks have, within their tender and at interview, expressed their intention to procure the crematory equipment in its entirety from IFZW Maintenance Limited, based in Bedfordshire. References have been sought on this company, which, to date, appear extremely favourable.

4.10 Anticipated Scheme Costs based on most economically advantageous tender.

Preparatory Building Works, comprising:

- Demolition work by Technical Demolition	£5,600.00
- Advance work by Mellwood Construction	£123,727.00
- Miscellaneous enabling works including New electric supply, adjustment to lightning conductor, drainage diversions, temporary access road, and works to the gatehouse (variously under schedule of rates)	£77,000.00
	£206,327.00

Main Building Works to accommodate new cremation equipment, with associated alteration works and installation of new cremators and mercury abatement equipment and removal of existing cremators. £2,928,355.00

Redecoration of the three chapels £22,150.00

Total of building costs £3,156,832.00

Departmental Charges at 13.5%, including:

Professional Fees
Clerk Of Works Salary
CDM Co-ordinator
Building Regulation Fees
Planning Fees £426,168.00

Total building costs including fees £3,583,000.00

5.0 Financial and Staffing Implications

5.1 Funding

The Scheme and Estimate (S&E), approved by Cabinet on 23 July 2009, totalled £3,483,000 which comprised:

- Building works	£3,069,000.00
- Department charges	£414,000.00

Subject to the most economically advantageous tender received, the revised scheme cost of £3,483,000 exceeds the approved estimate by £100,000. In order to progress this key scheme, it is proposed to allocate funding from the Regeneration Capital Planned Maintenance Fund to meet this shortfall. Total funding breakdown is therefore as follows:

Capital Programme 2009/10	£1,500,000.00
Capital Programme 2010/11	£1,983,000.00
Regeneration Capital Planned Maintenance	<u>£100,000.00</u>

TOTAL **3,583,000.00**

5.2 This report includes arrangements for improved working conditions for crematorium staff, including new staff facilities. Staff Health and Safety will also be considerably improved using the new system, with reduced heat and dust and less manual handling requirements for both coffins and cremated remains. Additional duties, however, will include handling drums of re-agent required for the mercury abatement process.

5.3 There are no other staffing implications arising from this report.

6.0 Equal Opportunities Implications

6.1 The creation of a new accessible and dust-free Committal Room will allow for bereaved families to participate in witnessing the committal of coffins into the cremator when this is an ethnic or religious requirement.

6.2 DDA access will be provided for both the bereaved and service-providers with disabilities.

6.3 There is already an accessible WC adjacent to the three chapels for public use. The proposals include a new accessible WC for use by staff and visitors to the Crematorium, including ministers and funeral directors.

6.4 The creation of an additional discreet Ministers' Changing Room will allow for both male and female ministers of any ethnic or religious background.

6.5 There are no implications in this report for equal opportunities in relation to the elderly.

7.0 Planning Implications

7.1 Planning approval has been granted.

8.0 Community Safety Implications

8.1 the local Crime Reduction Officer has been consulted on the design of this scheme, and best practice to reduce the risk of crime will be incorporated, including CCTV in areas that would be vulnerable to anti-social behaviour.

9.0 Human Rights Implications

9.1 There are no specific human rights implications within this report.

10.0 Local Agenda 21 Implications

10.1 Gas consumption on the current cremators is approximately 70m³ per cremation. By changing from the existing cremators to new cremators, gas consumption will be reduced by approximately 60% and CO₂ emissions will be considerably reduced. Gas consumption for the proposed installation, based on manufacturer's data, is estimated to be 25-30m³ per cremation. This equates to a saving of 255 tonnes of CO₂ per year.

10.2 The proposed abatement plant will filter both mercury and dioxins.

10.3 The proposed cremators will be fitted with heat exchangers to re-cycle heat within the installations. The heat exchangers will also include a facility for channelling unused heat for other uses in and around the cemetery should this be required at a later date.

10.4 Low energy electrical fittings, heating controls and water saving devices will all be used as far as possible to help reduce the consumption of natural resources.

10.5 All timber used will be from sustainable sources as by regulated by the FSC (Forestry Stewardship Council) or equivalent.

10.6 A Site Waste Management Plan will be incorporated in line with statutory requirements.

11.0 Access to Information Act

11.1 The information used in preparation of this report is contained within DEFRA Process Guidance Note PG5/02(04) as amended, and subsequent additional guidance notes on the required performance of crematoria and ancillary equipment and the reduction of mercury emissions.

11.2 Other information is contained in the Architect's file C18580 and the Quantity Surveyor's working papers.

12.0 Local Member Support Implications

12.1 Landican Crematorium is in the Pensby & Thingwall Ward, but the proposals will be of interest to Members from all wards.

13.0 Recommendation

That the most economically advantageous tender submitted by E J Horrocks Limited, in the sum of £2,928,355.00, is accepted subject to a full arithmetical check of the submitted Tender documents, and the Contractor developing a satisfactory Health & Safety Plan and completion of contract documents.

DAVID GREEN
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