

# EAST AYRSHIRE COUNCIL

## SPECIAL DEVELOPMENT SERVICES COMMITTEE – 20 JUNE 2006

### CATRINE ENVIRONMENTAL HERITAGE PROJECT - VARIATION OF NEGOTIATED CONTRACT

#### Report by the Executive Director of Development and Property Services

#### 1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to seek the approval of Committee to authorise the Head of Planning, Development and Building Standards to vary the negotiated contract with Halcrow Group Ltd in terms of the Council's Standing Orders Relating to Contracts.

#### 2. BACKGROUND

- 2.1. Halcrow Group Ltd was appointed as consultants after a successful competitive tender for the Project Development phase of the Catrine Environmental Heritage Project (CEHP) in 2004. This involved an initial appraisal of all the sites and structures followed by extensive reporting as well as the supervision of a contract involving maintenance of the Scheduled Ancient Monument known as "Catrine, water works for Catrine Mill" incorporating the Weir, Voes and Lades. The work was supported by a Heritage Lottery Fund Project Development Grant and funding from the East Ayrshire Coalfield Social Inclusion Partnership. In addition, Historic Scotland contributed funds towards the emergency works to the Weir.
- 2.2 In order to prepare an application to the Heritage Lottery Fund (HLF), Historic Scotland and Scottish Natural Heritage for grant assistance in respect of the main restoration funding package, further site investigation work was essential to allow project investigations and a preliminary design to be prepared against reliable data. Therefore the Development Services Committee of the 28<sup>th</sup> June 2005 authorised the Head of Planning, Development and Building Standards to negotiate a contract with Halcrow Group Ltd in terms of Item 9(2) of the Council's Standing Orders Relating to Contracts; and authorised the Executive Director of Corporate Support/Head of Planning, Development and Building Standards (dependant on the value of the contract) to award the contract to Halcrow Group Ltd on completion of the negotiation process if she/he is satisfied that the contract would represent Best Value.
- 2.3 The contract for Project Investigations and Preliminary Design was negotiated and awarded to Halcrow Group Ltd on the 6<sup>th</sup> July 2005 for the sum of £28,850. A subsequent minor variation to the contract valued at £1,180 was authorised by the Head of Planning, Development and Building Standards on the 15<sup>th</sup> November 2005 to cover Historic Scotland's requirement for an archaeological sub-contractor to meet a condition of the relevant Scheduled Monument Consent.
- 2.4 Historic Scotland was provided with various design options in December 2005. On the 24<sup>th</sup> May 2006 following extensive discussion they confirmed that they require further options for the works to the weir to be developed which may require further investigation of the weir structure. However, they have indicated a willingness to contribute towards these works.

- 2.5** In order to meet Historic Scotland's requirements & following discussions with them it is proposed that Halcrow continue their involvement from the civil engineering side but that they appoint sub-consultants who specialise in heritage-conservation engineering and an archaeologist as part of their team. Given the intention to add specialists to Halcrow's team and the expertise that Halcrow have gained from working on the Weir and Voes, it is considered that this approach would provide best value & would be the most cost effective. Inevitably delays and cost escalation would occur if another entirely new Civil Engineering Consultant was to be appointed. It should be noted that the proposed approach will also allow continuity of professional indemnity insurance liability.
- 2.6** The Council, at its meeting held on 4 March 2004 (Item 6, Page 604, 03/07) agreed the Standing Orders Relating to Contracts, which apply to all contracts for the supply of goods and materials for the provision of services or for the execution of works. The contract would be awarded in terms of these Standing Orders.

### **3. VARIATION OF NEGOTIATED CONTRACT**

- 3.1** Authorisation is sought from Committee to vary the negotiated contract with Halcrow Group Ltd to:-
- (i). Enable Halcrow to sub-contract Jim Mitchell a conservation engineer, and a conservation archaeologist, to investigate the Scheduled Ancient Monument and to draw up a Conservation Plan including options for the works to the monument that are based on conservation principles as specified by Historic Scotland and to include a thorough programme of archaeological recording thereby enabling Halcrow Group Ltd to design a scheme for the:
    - Restoration of the weir;
    - Upgrading of the existing fish pass to make it "poacher proof" and incorporate a fish counter and CCTV;
    - Restoration and enhancement of the lade entrance, to provide the maximum flow;
    - Installation of new mechanically cleaned screens which are acceptable to Historic Scotland;
    - Upgrading of the lade and north and west voes to allow the 400kw hydro scheme to operate;
    - Maintenance of Voe walls and selective desilting to allow south west and south east voes to be used for other applications; and
    - Investigation of the tunnels.
  - (ii). Supervise archaeological site investigation work
  - (iii). Use the information gained to design the restoration contract documentation
  - (iv). Procure realistic budget prices from contractors for the restoration work
  - (v). Provide a report with firm cost estimates and working drawings in support of a future HLF bid.

### **4. FINANCIAL IMPLICATIONS**

- 4.1** It is estimated that the cost of the additional works will be between £20,000 and £30,000. The cost of the works can be provided from a combination of existing budgets and grant support from Historic Scotland.

## **5. LEGAL IMPLICATIONS**

- 5.1 The contract will be varied in terms of Paragraph 9(3) of the Council's Standing Orders Relating to Contracts which states that:-

*“Where the appropriate Executive Director/Executive Head of Service/Head of Service considers that an existing contract should be extended (except by the exercise of a pre-existing contractual option to extend the contract) with the existing contractor/supplier, he/she shall obtain the approval of the appropriate Committee, both in respect of the extension and of the terms agreed with the existing contractor/supplier”.*

## **6. COMMUNITY PLAN & POLICY IMPLICATIONS**

- 6.1 East Ayrshire Community Plan's "Improving the Environment Action Plan" aims to protect and improve the natural and built environment and identifies the completion of environmental improvement projects as a specific target.

## **7. RECOMMENDATIONS**

- 7.1 The Committee is asked to:

- (i) Authorise the Head of Planning, Development and Building Standards to negotiate and award a variation of the existing contract with Halcrow Group Ltd up to an additional £30,000 in terms of Item 9(3) of the Council's Standing Orders Relating to Contracts if he is satisfied that the contract would represent Best Value; and
- (ii) Otherwise note the contents of this report.

**James Lavery**  
**Executive Director of Development and Property Services**  
**6 June 2006**  
**JL/CMcK/IMB - FV**

## **BACKGROUND PAPERS**

1. Catrine Environmental Heritage Project Report: Appendix 1 – Structural Condition and Restoration Proposals
2. Report to the Development Services Committee "Catrine Environmental Heritage Project - Negotiation And Awarding Of Contract" – 28 June 2005
3. Report to the Development Services Committee "Catrine Environmental Heritage Project – Update & Designation of Catrine local Nature Reserve" – 02 May 2006

For further information on this report contact Colin McKee, Principal Planning Officer, (Tel: (01563) 576759).

Implementation Officer: Alan Neish, Head of Planning, Development & Building Standards.