

## EAST AYRSHIRE COUNCIL

### COMMUNITY SERVICES COMMITTEE - 4<sup>th</sup> APRIL 2001

#### REINSTATEMENT OF FIRE DAMAGE AT ALTONHILL COMMUNITY CENTRE, KILMARNOCK, PHASE 2 – INTERNAL WORKS

##### Report by the Director of Homes and Technical Services

#### 1. PURPOSE OF REPORT

- 1.1 To advise members of the contractual overspend upon the above project.

#### 2. BACKGROUND

- 2.1 Altonhill Community Centre was extensively damaged by fire on 29<sup>th</sup> May 2000, affecting both the roof structure and the internal fabric of the building. The building at that stage was then susceptible to further damage by water ingress, consequently it was decided to let separate tenders for the roof reinstatement and the internal reinstatement thereby enabling the water ingress to be stopped at the earliest possible time.
- 2.2 The contract for the Phase 2 internal works was accepted by the Council on 27<sup>th</sup> October 2000, in the sum of £73,919.19, with works programmed to be commenced immediately upon completion of the Phase 1 roofing works.

#### 3. CONTRACTUAL OVERSPEND

- 3.1 In the time between the Phase 2 internal works contract being accepted and the Contractor starting on site significant further deterioration of the internal fabric of the building had taken place due to water penetration.
- 3.2 Following meetings on site involving Technical Services representatives, the Contractor (Anderson and Innes) and the Loss Adjuster it was agreed to extend the scope of the works to include the appointment of Munters Control Services as a sub-contractor to carry out drying out works, the hacking off plaster to allow drying out of the walls and ceilings and the subsequent reinstatement of the walls and ceiling once drying out has been achieved.

#### 4. FINANCIAL IMPLICATIONS

- 4.1 Amount of Contract Acceptance £ 73,919.19

4.2 *Additional Costs*

Estimated value of works to be carried out  
by Main Contractor - £120,000.00

Estimated value of works to be carried out

by Sub-Contractor -	<u>£ 16,000.00</u>
<b>ESTIMATED FINAL MEASUREMENT</b>	£136,000.00
LESS:	
Amount of Contract Acceptance	<u>£ 73,919.19</u>
<b>ADDITIONAL COST</b>	<b><u>£ 62,080.81</u></b>

The Loss Adjuster acting on behalf of the Council's insurers has confirmed that the additional works will be dealt with as part of the overall insurance settlement.

The insurance settlement will therefore comprise all remedial works to the property. The Council's Insurers have in this instance and as a result of the circumstances of the fire, insisted that security be upgraded at the property by means of additional traffic bollards and, the reinstatement of the alarm system to incorporate the whole building and remote signalling to an alarm receiving centre, in order that Insurance cover be maintained at the property. Provision is made within the Phase 2 Tender for the cost of these works, in the amount of £8,712.50, which will require to be borne by the Council and for which budgetary provision is made within Community Services Capital Programme.

The additional works detailed above mean that the final cost will exceed the accepted contract sum by more than 10% and consequently will require this Committee's approval, in terms of paragraph 18(2)(b) of the Standing Orders relating to contracts.

## 5. LEGAL POLICY IMPLICATIONS

- 5.1 The Council is contractually bound to pay the Contractor for works instructed.

## 6. RECOMMENDATIONS

- 6.1 The Committee are asked to approve the estimated additional expenditure in relation to the above contract, amounting to £62,080.81.

James Lavery  
Director of Homes and Technical Services

JL/AP  
26 March 2001

## LIST OF BACKGROUND PAPERS

Nil

For further information please contact Alan Paterson, Principal Quantity Surveyor, Technical Services, Department of Homes and Technical Services, on 01563 555249.

**AGENDA**