

INITIAL CONFIDENTIAL REPORT
Financial Matters Only

on

Tenders Received

for

**Footpath Renewal
at
Parkend Road, Bream**

for

Two Rivers Housing

28th March 2017

Employer:

**Two Rivers Housing
Rivers Meet
Cleeve Mill Lane
GL19 1DS**

Quantity Surveyor / Employers Agent:

**The Walker Pritchard Partnership
The Courtyard,
Severn Drive,
Tewkesbury Business Park,
Tewkesbury
GL20 8GD**

Information prepared by:
The Walker Pritchard Partnership
Chartered Quantity Surveyors

Parkend Road Tender Report

1.0 Purpose of Tender Report

- 1.1 To ensure that all relevant aspects of the Tender are thoroughly examined and to ensure that a perfectly bona-fide Tender has been submitted leading to a suitable and sustainable recommendation for appointment of a Contractor.
- 1.2 This Report acknowledges in full the prerogative of any Tendering Contractor to submit however keen a Tender he wishes and in however short a period. It is to be considered whether any perceived imbalance will provide the stipulated quality and performance within the Tendered cost without undue development risk to Two Rivers Housing.

2.0 Implementation

2.1 Single Stage Tenders

- 2.1.1 A Priced Tender was invited under cover of a letter of invitation to tender from Two Rivers Housing dated 2nd February 2017 addressed to the following ten companies for the footpath renewal at Parkend Road, Bream:

- **Mike Etheridge**
- **Aqua Construction**
- **Deanpark Construction**
- **Keepmoat Construction**
- **M F Freeman**
- **Stallard Construction**
- **Talus Construction**
- **United Living**
- **K. W. Bell Group Ltd**
- **S D Cooper**

- 2.1.2 All bids were to be issued in accordance with JCT Practice note 6 (Series 2) Main Contract Tendering procedures – Alternative 1 and Two Rivers Developments DPG4 Tender Process D2.

- 2.1.3 The tender return date for the scheme was Friday 24th February 2017. No requests for an extension were received.

2.2 Opening of tender for Parkend Road, Bream

- 2.2.1 Two tenders for Parkend Road, Bream were returned to Two Rivers Housing at Rivers Meet within the due date and time of 5pm, 24th February 2017.

- 2.2.2 Seven of the companies invited failed to submit a tender price.

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2.2.3 The priced tenders were opened on Friday 24th February as follows:-

Company	Tender Sum:	Construction period: weeks
Talus Construction	£ 59,995.00	6
Contractor B	£ 118,921.00	Tbc

A further tender was received on 15th March which was invalid by its lateness:

Contractor C	£ 82,123.00	12
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Figures exclude VAT.

Tenders remain open for 6 months.

3.0 Tender Analysis for Parkend Road, Bream.

3.1 Summary of Tender Submissions

3.1.1 Provisional Sums

No Provisional Sums have been included in the Tenderers

3.1.2 Talus Construction

Talus Construction submitted a fully completed Tender Sum Analysis, Form of Tender and VAT Estimate, Income Tax, Non-collusion attestation and Schedule 1 Declaration Form on the 24th February 2017 including Daywork Rates.

The Tender Sum analysis contained no arithmetical error. Total tender breakdown totalling £59,995 was correctly carried to the tender summary.

Talus Construction have provided a comprehensive breakdown of their price. Their level of pricing is significantly lower than the other tenderers on all elements.

Talus' pricing appears to be thorough in their approach to the tender, and no items are excluded or unaccounted for.

3.1.3 Contractor B

Contractor B submitted a fully completed Tender Sum Analysis, Form of Tender, Income Tax, Non-collusion attestation, Schedule 1 Declaration Form and no VAT Estimate, on the 24th February 2017 including Daywork Rates.

The Tender Sum analysis contained no arithmetical error. Total tender breakdown totalling £118,921 was correctly carried to the tender summary.

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Contractor B have provided a comprehensive breakdown of their price. Their level of pricing is significantly higher than the other tenderers on all elements.

Contractor B's pricing appears to be thorough in their approach to the tender, and no items are excluded or unaccounted for.

3.1.4 Contractor C

Contractor C submitted a fully completed and individually priced, form of Tender and VAT Estimate, with no Tender Sum Analysis, Income Tax, non-collusion attestation nor Schedule 1 Declaration Form with their tender submission

3.1.5 Tender Comparison

THE FOLLOWING WORKS TO FOOTPATH AND BANK FROM 13 TO 22 PARKEND ROAD

Excavate to form two new 1200mm wide timber/gravel sets of steps; to each, provide path edging and timber risers; minimum 100mm granular fill; grading bank to new profile; minimum 900mm high post and two rail fencing; KeyKlamp or similar approved to outside face of path.

Cut back hedges overhanging footpath to increase footpath width to 1200mm

THE FOLLOWING WORKS TO FOOTPATH AND BANK FROM 13 TO 16 PARKEND ROAD

Excavate two existing tarmac footpath ramps and subbase; dispose off site; back-fill with topsoil; grade and sow with grass seed.

Excavate existing topsoil to top of bank; Remove surplus material from site; provide path edging; widen footpath to minimum 1200mm wide; minimum 100mm granular subbase; minimum 60mm wearing course (approximately 45m long).

Resurface existing tarmacadam surface; break up existing tarmac, relevel subbase; minimum 60mm wearing course; cutting around water stop-cocks and other ironwork as necessary (approximately 45m long).

Provide and erect minimum 900mm high post and two rail fencing; KeyKlamp or similar approved to top of bank from 15 to 16 Parkend Road; posts set into ground 600mm surrounded in concrete (approximately 20m long).

TALUS	Contractor B
£	£
2,494.02	3,952.00
140.07	inc
315.27	275.00
2,885.96	inc
1,169.66	10,303.00
1,035.00	inc

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THE FOLLOWING WORKS TO FOOTPATH AND BANK FROM 17 TO 19 PARKEND ROAD

Excavate two existing tarmac footpath ramps and subbase; dispose off site; back-fill with topsoil; grade and sow with grass seed.

Excavate existing topsoil to top of bank; Remove surplus material from site; provide path edging; widen footpath to minimum 1200mm wide; minimum 100mm granular subbase; minimum 60mm wearing course (approximately 45m long).

Resurface existing tarmacadam surface; break up existing tarmac, relevel subbase; minimum 60mm wearing course; cutting around water stop-cocks and other ironwork as necessary (approximately 45m long).

Provide and erect minimum 900mm high post and two rail fencing; KeyKlamp or similar approved to top of bank from 17 to 19 Parkend Road; posts set into ground 600mm surrounded in concrete (approximately 45m long).

Form retaining wall to top of bank to support new footpath; excavate trench; supply and install railway sleepers; backfill with dry mix concrete; opposite 19 Parkend Road (approximately 15m long).

THE FOLLOWING WORKS TO FOOTPATH AND BANK FROM 20 TO 22 PARKEND ROAD

Excavate two existing tarmac footpath ramps and subbase; dispose off site; back-fill with topsoil; grade and sow with grass seed.

Excavate existing topsoil to top of bank; Remove surplus material from site; provide path edging; widen footpath to minimum 1200mm wide; minimum 100mm granular subbase; minimum 60mm wearing course (approximately 45m long).

Resurface existing tarmacadam surface; break up existing tarmac, relevel subbase; minimum 60mm wearing course; cutting around water stop-cocks and other ironwork as necessary (approximately 45m long).

Provide and erect minimum 900mm high post and two rail fencing; KeyKlamp or similar approved to top of bank; posts set into ground 600mm surrounded in concrete (approximately 45m long).

TALUS	Contractor B
£	£
497.91	495.00
2,885.96	inc
1,169.66	16,029.00
2,328.75	inc
1,267.53	2,100.00
<u>THE FOLLOWING WORKS TO FOOTPATH AND BANK FROM 20 TO 22 PARKEND ROAD</u>	
497.91	290.00
2,885.96	inc
1,087.15	13,628.00
2,328.75	inc

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WORKS TO FOOTPATH AND BANK FROM 13 TO 22
PARKEND ROAD

Preliminaries apportioned

TALUS	Contractor B
£	£
22,989.56	47,072.00
5,737.74	12,855.09
28,727.30	59,927.09

**THE FOLLOWING WORKS TO FOOTPATH AND BANK
ADJACENT THE NEW DEVELOPMENT**

**Note: These costs are excluded from any recharge
process - TRH Costs Only**

Excavate four existing tarmac footpath ramps and
subbase; dispose off site; back-fill with topsoil; grade and
sow with grass seed.

Provide and erect minimum 900mm high post and two rail
fencing; KeyKlamp or similar approved to top of bank
opposite 31 Parkend Road; posts set into ground 600mm
surrounded in concrete (approximately 35m long).

Note: Footpath widening works completed by others as
part of development.

TRH Liability (Works adjacent new development)

Preliminaries apportioned

TALUS	Contractor B
£	£
995.81	5,480.00
1,811.25	inc
2,807.06	5,480.00
700.59	1,496.56
3,507.65	6,976.56

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<u>THE FOLLOWING WORKS TO FOOTPATH AND BANK FROM 27 TO 36 PARKEND ROAD</u>	TALUS	Contractor B
	£	£
Excavate to form new 1200mm wide timber/gravel sets of steps; provide path edging and timber risers; minimum 100mm granular fill; grading bank to new profile; minimum 900mm high post and two rail fencing; KeyKlamp or similar approved to outside face of path.	1,765.43	2,230.00
Resurface existing ramped tarmacadam surface to three ramps; form each break up existing tarmac, relevel and grade subbase; minimum 60mm wearing course; grading bank to new profile; minimum 900mm high post and two rail fencing; KeyKlamp or similar approved to outside face of ramp; local face protection to toe of bank to prevent damage to bottom of ramp.	4,515.96	7,944.00
Cut back hedges overhanging footpath to increase footpath width to 1200mm	70.04	inc
<u>THE FOLLOWING WORKS TO FOOTPATH AND BANK FROM 27 TO 31 PARKEND ROAD</u>		
Excavate four existing tarmac footpath ramps and subbase; dispose off site; back-fill with topsoil; grade and sow with grass seed.	1,261.09	855.00
Excavate existing topsoil to top of bank; Remove surplus material from site; provide path edging; widen footpath to minimum 1200mm wide; minimum 100mm granular subbase; minimum 60mm wearing course (approximately 60m long)	3,922.77	9,486.00
Resurface existing tarmacadam surface; break up existing tarmac, relevel subbase; minimum 60mm wearing course; cutting around water stop-cocks and other ironwork as necessary (approximately 60m long)	1,611.73	inc
Provide and erect minimum 900mm high post and two rail fencing; KeyKlamp or similar approved to top of bank opposite 31 Parkend Road; posts set into ground 600mm surrounded in concrete (approximately 10m long)	517.50	inc

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THE FOLLOWING WORKS TO FOOTPATH AND BANK FROM 32 TO 33 PARKEND ROAD

Excavate existing topsoil to top of bank; Remove surplus material from site; provide path edging; widen footpath to minimum 1200mm wide; minimum 100mm granular subbase; minimum 60mm wearing course (approximately 25m long).

Resurface existing tarmacadam surface; break up existing tarmac, relevel subbase; minimum 60mm wearing course; cutting around water stop-cocks and other ironwork as necessary (approximately 25m long).

Provide and erect minimum 900mm high post and two rail fencing; KeyKlamp or similar approved to top of bank; posts set into ground 600mm surrounded in concrete (approximately 25m long).

THE FOLLOWING WORKS TO FOOTPATH AND BANK FROM 34 TO 36 PARKEND ROAD

Excavate existing topsoil to top of bank; Remove surplus material from site; provide path edging; widen footpath to minimum 1200mm wide; minimum 100mm granular subbase; minimum 60mm wearing course (approximately 35m long).

Resurface existing tarmacadam surface; break up existing tarmac, relevel subbase; minimum 60mm wearing course; cutting around water stop-cocks and other ironwork as necessary (approximately 35m long).

Provide and erect minimum 900mm high post and two rail fencing; KeyKlamp or similar approved to top of bank; posts set into ground 600mm surrounded in concrete (approximately 35m long).

Form retaining wall to top of bank to support new footpath; excavate trench; supply and install railway sleepers; backfill with dry mix concrete; opposite 36 Parkend Road (approximately 15m long).

WORKS TO FOOTPATH AND BANK FROM 27 TO 36 PARKEND ROAD

Preliminaries apportioned

TALUS	Contractor B
£	£
1,297.43	inc
639.74	7,615.00
1,293.75	inc
1,336.57	inc
904.71	10,629.00
1,811.25	inc
1,267.53	2,100.00
22,215.50	40,859.00
5,544.55	11,158.35
27,760.05	52,017.35

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4.0 Tender Review

4.1 Analysis and review of cost breakdown

4.1.1 The tenders for Parkend Road show a very wide gap between the lowest and highest tenders and a very disappointing return of tenders. This represents an overall spread of nearly 100% between the lowest and highest tender.

4.1.2 The level of pricing of Talus Construction's tender does not reveal any cause for concern. The rate for the KeyKlamp handrail is consistent at £51.75/m. The rate for re-surfacing varies between £20.13 and £22.39/m² depending on the extent of repairs required. Retaining walls are consistent at £85/m. All these rates are reasonable prices for the work being undertaken.

4.1.3 The tenders reflect a very busy market with many contractor's too busy to take to any more work. It is likely that Contractor B's price reflected the small size of the project for a company with a high turnover.

4.1.4 The price from Contractor C, a contractor with similar turnover to that of Contractor B, confirms the comments regarding Contractor B.

4.1.5 The Cost allocation for the work is as follows:-

	Work Element Cost	Preliminaries Cost	Total Cost
13-22 Parkend Road	£ 22,989.56	£ 5,737.74	£ 28,727.30
27-36 Parkend Road	£ 22,215.50	£ 5,544.55	£ 27,760.05
TRH Liability (adjacent to Development)	£ 2,807.06	£ 700.59	£ 3,507.65
Overall Total	£ 48,012.12	£ 11,982.88	£ 59,995.00

5.0 Recommendations

5.1 The level of pricing which Talus Construction produced was very competitive across all items. The Tender Sum analysis contained no arithmetical errors and the total was correctly transferred onto the Form of Tender.

5.2 As Talus Construction tender submission was the most complete and their 6 week programme reasonable our recommendation would therefore be that, based on the price submissions, Two Rivers Housing enter into a JCT Design and Build Contract 2016 with Talus Construction.

5.3 The Contract transfers the design liability and discharge of planning conditions to the Contractor to reduce the risk to Two Rivers. Providing Two Rivers are able to offer site possession, the risk of any delay is the Contractor's responsibility. These risks will be reviewed at the Risk Review meeting but Talus Construction have confirmed that they are happy to accept this risk.