

**KIRRIEMUIR CONSERVATION AREA REGENERATION SCHEME  
STEERING GROUP - 24 MARCH 2015**

**GRANT APPLICATION**

**PRIORITY PROJECT – AIRLIE ARMS, ST MALCOLM’S WYND, KIRRIEMUIR**

A grant application for the Priority project in St Malcolm’s Wynd has been submitted and assessed by the Council’s Quantity Surveyors.

The application relates to initial works to repair and renovate this Category B listed building. The building consists of two and three storeys and the new owner plans to re-open the premises as a public house and hotel. The building has been vacant and for sale for a number of years with a neglected appearance and dilapidated condition. It has been included within the Kirriemuir CARS as a Priority Project with significant grant funding to assist with the costs of associated eligible external repair works. These works are essential and urgent external repairs required to bring the building back into beneficial use, creating employment, stimulating economic regeneration within the town centre and generally contributing to the revitalisation of the conservation area.

The Applicant and owner of the property has engaged a firm of accredited Conservation Architects (James F Stephen Architects, Glamis) as a requirement of a Priority Project under any CARS funded grant scheme. No planning permission or listed building consent is required for the current works to be undertaken as part of this CARS application.

Three tender returns were received (six declined) for the proposed works however only one of the tenders (Ardle Construction) has provided a full tender covering all works as set out within the tender documents. The initial tender round found the works proposed and value to be considerably in excess of initial consideration. A tender review was undertaken based on a reduced scope of works of which the information forms this grant application.

Grant Assessment

The proposed works relate to a Priority Project under the Kirriemuir Conservation Area Regeneration Scheme. The building lies in a prominent position within one of the main vehicular and pedestrian thoroughfares through the town centre and currently is in a run-down condition which detracts from the appearance of the surrounding street-scene and the Conservation Area in particular.

The un-affordable costs of all three returned tenders determined that it was necessary to review and reduce the scope of external repair works to the Airlie Arms Hotel and to prioritise the essential and urgent external conservation repair works required to return the hotel to operational use whilst simultaneously taking cognisance of the Kirriemuir CARS aims, objectives and Grant Scheme criteria.

In conjunction with the firm of the Airlie Arms Hotel, James F. Stephen Architects prepared one new and one revised document which are as follows:

- “Summarised Scope of Repair Works” to be read in conjunction with the “Proposed External Conservation Repairs” (Revised 3 March 2015) document.

- “Proposed External Conservation Repairs” (Revised 3 March 2015) document.

Both of the above mentioned documents were issued to LG Cooper Roofing and Ardle Construction Limited who were requested to consider the revised scope and detailed specification for the prioritised proposed external conservation repairs to the Airlie Arms Hotel.

As afore-mentioned The LTM Group Limited were not requested to participate in the value engineering exercise by reason that their initial tender was in excess of £134,000 over the Tender amount of the second lowest contractor and this difference in price would have increased further if they were requested to include for the repairs to the East Pitched roof area that was excluded from their Tender.

The additional and revised Tender Documents referred to above were issued to LG Cooper Roofing and Ardle Construction Limited and the returned Tenders are as follows:

- LG Cooper Roofing £121,893.00 exc. VAT Incomplete Tender
- Ardle Construction £123,481.55 exc. VAT Complete Tender

Ardle Construction Limited was the only contractor who priced all of the content of the “Proposed External Conservation Repairs” (Revised 3 March 2015) document.

LG Cooper Roofing omitted the essential repair costs for general masonry repairs/lime mortar re-pointing, repairs to defective external render/re-application of protective coating to the two main elevations on St. Malcolm’s Wynd/the south wall area above the close and the repair of and re-application of protective coating to the specified timber sash and case windows. The costs associated with these repair works would require to be added to the Tender amount of £121,893.00 exc. VAT as submitted by LG Cooper Roofing and in doing so this will increase the value of their Tender over and above the Tender submitted by Ardle Construction Limited. Accordingly, Ardle Construction Limited have submitted a specification compliant Tender of £123,481.55 exc. VAT and project contingency amount.

As a direct result of the current inaccessibility of the high level roof areas, the inability to carry out pre-repair works intrusive investigation and the unknown condition of concealed areas of construction and high level chimneys, it is considered reasonable to add a 10% contingency allowance to the returned Tenders to ensure that concealed defects in the existing roof level construction can be repaired if found and as the repair works progress.

Applying the 10% contingency allowance to the Ardle Construction Limited Tender figure of £123,481.55 exc. VAT determines an estimated construction cost of £135,829.71 exc. VAT for carrying out the external conservation repair works specified within the “Proposed External Conservation Repairs” (Revised 3 March 2015) document.

Notwithstanding the above the total cost of the works including a 10% contingency allowance and fees amounting to £145,930 (exc. VAT) is well in excess of the maximum grant eligible amount of £102,000 and I am confident that even if more competitive prices were obtained they would still be in excess of the maximum eligible amount.

The applicant has indicated on the grant application form that the VAT would be recoverable, although the application form shows VAT as being part of the grant eligible costs of £175,114.94. The grant has been based on VAT being recoverable

by the applicant and therefore not included within the assessment which is already above the maximum award available.

Based on the information submitted, the Council's Quantity Surveyor recommends that any grant award be based on the maximum available eligible amount of £102,000.

**Total Amount Grant Eligible Works: £145,930.00**

**Grant Award at 85% = £102,000**

**Recommendation: APPROVAL on the condition that**

- That the works be carried out fully in accordance with the "Summarised Scope of Repair Works" submitted with grant application.
- The level of grant award includes a 10% allowance for contingencies. Any unforeseen works which would be eligible for grant assistance shall only be undertaken after prior consultation and written agreement with Angus Council. If the sum set aside for contingencies is not used, the level of grant may be reduced accordingly.

Should the Steering Group agree to award this Grant application as stated above, the Chairman will be asked to complete a Grant Assessment Sheet for this Priority Project, as required under the Contract Guidance for the Historic Environment Regeneration Fund.

