

ANCHORFIELD SCAFFOLD REVIEW

AtkinsRéalis Comments on Scaffold Costs

SUBJECT	PROJECT NO.	DATE
Review of Emergency Scaffold Cost	N/A	6th June 2024
AUTHOR	DISTRIBUTION	REPRESENTING
Dean Carrick	Jackie Timmons Michael Roy Gordon Shewan	The City of Edinburgh Council (CEC) The City of Edinburgh Council (CEC) AtkinsRéalis (AR)

Document history

Revision	Purpose description	Originated	Checked	Reviewed	Authorised	Date
-	First Draft for Comment	DC	GS	GS	DC	06/06/2024
V0	For Issue	DC	GS	GS	DC	06/06/2024
V1	Update	DC	GS	GS	DC	07/06/2024

1. Executive Summary

This review was requested by The City of Edinburgh Council (CEC) to provide comments on the level of costs assigned to Anchorfield residents for the emergency scaffold works. In order to provide comparative analysis, AtkinsRéalis (AR) have focused on the Scaffold elements only; the Go-Wright works in association have not been comparatively assessed.

AtkinsRéalis Considerations

Whilst the Anchorfield, Go-wright, scaffold costs are high, it appears that a degree of this is due to the complexity of the requirements and the emergency nature of the installation. The quotations provided by the tenants appear to not be on a like for like basis.

This does not necessarily mean that the Go-wright Scaffold costs represent best value for money, given that they are 16% higher than the closest comparator (also of an emergency nature).

Comparators provided (procured in competition), quotations provided by the tenants, our own provided current CEC project access scaffold costs, and other analysed costs from our Scotland-wide Commercial Team are lower than the costs under review. We would reflect that the complexity of the scaffold design is likely to be a factor in this.

We recommend that CEC provide the Go-wright, Clyde Scaffolding design for Anchorfield (including the Narro comments) to the two contractors that have provided quotations to the tenants for a direct comparison. It is also suggested a further third party is approached to also provide a quotation on this basis. However, this will not be able necessarily to account for the emergency nature of the initial, and now questioned, installation.

2. Information Reviewed.

The information provided by CEC constituted various documents and emails (refer to table 1), and these were provided in 2 tranches, some on the 31st May 2024 and following on 4th June 2024. These items have been reviewed in providing our comments on the comparative costs of the scaffolding in this instance.

ref	date provided	Title	Document dated	Containing / details
1	31/05/2024	Anchorfield Owners Cost letter	25/02/2024	Follow up letter from CEC to residents on findings and apportionment of costs to main contractor (Go-Wright Ltd)
2	31/05/2024	24.0133 Structural Engineering Report v2.2b (3)	26/02/2024	Narro Structural report on building issues. Also outlined that there was imminent risk and that designed scaffold for safety purposes would be required
3	31/05/2024	PL2304_Management_of_Scaffolding_Final_IA_Report_100424	10/04/2024	CEC internal Audit Report - regarding the management of scaffolding operations, the installation, cost monitoring and contractor performance. Improvements highlighted included how the scaffolding quotations are assessed.
4	31/05/2024	Restorex-q	05/05/2024	P&D Scaffold quote - provided to Restorex Ltd. 16-week hire (excluding VAT) - £11,400, £330/week thereafter, but does not detail the extents. Only noted as "4 Anchorfield".
5	31/05/2024	Scaffolding Purchase Review – 4 Anchorfield, Newhaven	15/05/2024	Mike Roy provided "Scaffold Purchase Cost Review". Reviews the nature of the comparator quotes received (all lower than Clyde) but makes no conclusions. It does note in para 1.7, that the £27k difference between the average of the quotes and Clyde "may represent items not included in the costs received and identified by" them.
6	31/05/2024	email - FW_4 Anchorfield_Edinburgh EH64JG scaffold quote	31/05/2024	Email from Anchorfield owners with scaffold quote from Ktwo Hire and sales dated 10th May 2024; regarding reasonableness of costs
7	31/05/2024	Scaffold Breakdown of Costs Updated (1)	undated	Full breakdown of scaffold costs - £68,756.60 including additional works
8	31/05/2024	Scaffold Hire Costs Breakdown	undated	Table of granular scaffold costs - broken down to all items for Scaffold bill. Given the total value shown is £113k, we assume this is in relation to "Clyde Scaffolding" quotation (subcontractor)

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9	31/05/2024	Scaffolding Tender Prices ESRS_	undated	Looks like an example of project scaffold hire costs by way of comparators, has been used to extract e £/m2 cost for our analysis.
10	04/06/2024	24-050-01 D - NARRO Comments 05 Feb 2024 DE	05/02/2024	Narro comments on SCAFTEC scaffold design
11	04/06/2024	24-050-01 E .- Calculation	23/02/2023	SCAFTEC scaffold design for Clyde Scaffolding (assumed dated as 2023 incorrectly?)
12	04/06/2024	GWL SK E037 Valuation 003a	29/05/2024	Go-wright Emergency works Jan/Feb 2024 - valuation to 17th May 2024, including 10 weeks of additional hire .

Table 1 – Information provided by CEC.

3. Costs Comparison

The approach taken from the information provided was to compare the **Scaffold costs only** to other exemplar scaffold costs. What was also considered was the “Emergency” nature and the complexity of the requirements around Anchorfield. Comparisons like these are subject to a *health warning* as different building settings mean that the design and installation of access and support scaffold can vary a great deal. However, in this instance it is used to make a general comparison on the level of cost assigned to the Anchorfield scaffold. This analysis does not comment on the other works undertaken by Go-Wright in association.

The approach to the comparison is outlined as;

- From provided “Scaffold Hire Costs” table, assessed the £/m2 cost for a hire period of 16 weeks, rebased to 1st Quarter 2024, to align with Anchorfield works commencement.
- Assess difference between those procured under competition and those procured as emergency works.
- Carry out same calculation for the Anchorfield Scaffold costs AND the tenant provided quotations for P&D Scaffolding and Ktwo hire.
- Assess separate current project scaffold costs from another CEC project (procured in competition); albeit that we are aware that this is for a simple access scaffold rather than that needed for Anchorfield.
- Further data gathered from AR Commercial Services team in regards scaffold costs, one data-set of which was an emergency installation, however, the nature of the scaffold was not as complex as Anchorfield.

The outcome of this analysis indicates the following, *on the above basis for a 16-week hire*;

- Anchorfield Emergency Scaffold cost equates to **£278/m2**.
- The cost for the emergency scaffold example provided by CEC is **£240/m2**.
- The cost for the emergency (non-complex) scaffold example from AR Commercial team is **£116/m2**.
- The average cost for the scaffold examples provided by CEC procured in competition is **£185/m2**.
- The average of the Tenant provided quotations is **£71/m2**.
- The current project simple access scaffold equates to **£56/m2**.
- Scaffolding on projects of larger scale, with relatively straight forward design and procured through competition can be significantly lower than those rates noted above. The comparison to these is not considered appropriate in this instance.

4. Comparison Commentary

The Anchorfield Scaffold cost IS higher than all comparators utilised in this review. It is however only 16% higher than the CEC comparator which was procured as an emergency. It is hard to advise an “emergency factor” addition that would be standard across all scaffold procurements, however it does present as additional costs in practical terms. The emergency comparator we reviewed from AR’s own data-set was of a similar size, was significantly lower, but was also significantly less complex in its design.

The average cost from the provided data, £185/m², is lower than the Anchorfield comparator, but the details around what is included in these exemplars is unclear. What is clear is there is a range of between £92/m² and £497/m², this is significant and suggests the specifics of the Scaffold requirements have to be a consideration. In Anchorfield’s case, this is not simply an access scaffold, more so it is complex and offers structural support, requires additional structural intervention in its construction with additional kentledge etc.

The two quotes from the tenants appear NOT to be comparative to the average of the CEC exemplars (in competition) nor to that of Anchorfield. Ktwo Hire’s £/m² comparator (£83/m²) is quite close to the lower range value (£92/m²), but still significantly differing from the average (£185/m²).

The value of the current CEC project, for a simple access scaffold, at £56/m² is very close to the P&D quotation from the tenants of £60/m².

One other observation; an hourly rate for a scaffolder has been provided to CEC from the scaffolding subcontractor. It is our view that this hourly rate is not unreasonable, and we have been able to review comparable rates from our Scotland-wide AR Commercial Team data.

In Summary

Whilst the Anchorfield, Go-wright, scaffold costs are high, it appears that a degree of this is due to the complexity of the requirements and the emergency nature of the installation. The quotations provided by the tenants appear to not be on a like for like basis. This does not necessarily mean that the Go-wright Scaffold costs represent best value for money, given that they are 16% higher than the closest comparator.

It may be prudent to provide the Go-wright, Clyde Scaffolding design for Anchorfield (including the Narro comments) to the two contractors that have provided quotations to the tenants for a direct comparison. It is also suggested a further third party is approached to also provide a quotation on this basis. However, this will not be able necessarily to account for the emergency nature of the initial, and now questioned, installation.