

18/45
DECISION
NOW MADE



Notice of KEY Executive Decision

Subject Heading:	<p><u>Mead Primary School. Expansion of Infants School (KS1) by One Form of Entry, expansion of Nursery and reclassification of Additional Resource Provision</u></p> <p>Authorisation to award a contract to T and B Contractors Ltd for the construction of a New class space , An ARP Unit and expansion to an existing Nursery at Mead Primary School</p>
Cabinet Member:	Councillor Robert Benham, Lead Member for Children & Learning
SLT Lead:	Tim Aldridge, Director of Children's Services
Report Author and contact details:	<p>Gary Moreland Schools Asset Manager 01708 4331718</p>
Policy context:	Schools expansion programme to meet increasing demand for school places. To support the increased in demand for Early Years Nursery places and to provide a bespoke ARP facility for Children with specific Educational needs
Financial summary:	The Capital Programme and Condition works * programme includes an allocation of £3,000,000 for the proposed expansion and £880,000 for associated condition works, that will appropriately cover the total costs of £1,944,057
Reason decision is Key	Expenditure or saving (including anticipated income) of £500,000 or more
Date notice given of intended decision:	Not applicable

Key Executive Decision

Relevant OSC:	Children and Learning
Is it an urgent decision?	Yes
Is this decision exempt from being called-in?	No

The subject matter of this report deals with the following Council Objectives

Communities making Havering
Places making Havering
Opportunities making Havering
Connections making Havering

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Place an X in the ☐ as appropriate

Key Executive Decision

Part A – Report seeking decision

DETAIL OF THE DECISION REQUESTED AND RECOMMENDED ACTION

Authorisation to award a contract to T and B Contractors Ltd. in the sum of £1,672,967.00 for the construction of a new additional classroom space, New bespoke ARP facility and an extension to the existing nursery provision

AUTHORITY UNDER WHICH DECISION IS MADE

Authority for member of CMT under Section 3 of the Constitution as follows

Contract powers

(b) To award all contracts with a total contract value of between £164,176 and £5,000,000.

STATEMENT OF THE REASONS FOR THE DECISION

Need for School places

Havering, in common with the many other London Boroughs and urban areas continues to experience an increase in demand for school places. There is also increase demand for nursery provision and for the provision of specialist SEN provision to be met through construction of a dedicated ARP (Alternative Resource Provision) facility in line with Havering strategy for SEN. This increase in demand is due to rising birth rates in Havering and families moving into the borough from other parts of London, the UK and abroad. All Local Authorities including Havering have a statutory duty to ensure that there are enough school and nursery places available in the borough to accommodate all children, and to provide specialist educational resource where this is needed for all who live in the borough and might require it. The increase in demand for school places has meant that in some areas of Havering, the demand for places is higher than the number of places available.

Mead Primary is a popular, good school and has been agreed as an appropriate location for additional numbers to be accommodated in mainstream education including an increase in nursery numbers and for an and ARP. The governing body of the school agrees with the proposal and supports a permanent solution with enhanced facilities suitable for the proposed increase in pupil numbers of all types.

Procurement

On advice of procurement and relative to the complexity of the build on site it was decided to procure via the ELS framework. Planned and outstanding condition works were also included in and tendered as part of the overall works. Contractors were invited to tender on the basis of a JCT Design and Build Contract 2016. An expression of Interest was undertaken and a response received from 4 contractors all invited to tender. Only 2 contractors returned tenders a further 2 declined. These have been assessed on a 70/30 cost/ quality basis as follows:

Key Executive Decision

	Cost (£)	Score	Quality	Total
Contractor A	1,672,967	70	20.7	90.7
Contractor B	1,977,613	59.2	22.2	81.4
Contractor C	Declined			
Contractor D	Declined			

T and B contractor ltd (Contractor A) has submitted a programme which could deliver the much needed ARP provision be Jan next year

OTHER OPTIONS CONSIDERED AND REJECTED

This project has been tendered in accordance with the Contract Procedure Rules

PRE-DECISION CONSULTATION

Checkpoint 2 report attached

NAME AND JOB TITLE OF STAFF MEMBER ADVISING THE DECISION-MAKER

Name: Gary Moreland

Designation: Schools Asset MANAGER

Signature: Gary Moreland

Date: 21 MAY 2018

Part B - Assessment of implications and risks

LEGAL IMPLICATIONS AND RISKS

This decision is for award of a contract for works in relation to a school in the borough for which the council has the relevant obligation to make provisions for the education of the children in the borough. Accordingly, there is a formal process governing the school works programme. The works referenced here are part of that process and appropriate considerations have taken place for this procurement to take place.

The Constitution sets out the mandatory steps for procuring works and other types of contracts. Checkpoint 1 and Checkpoint 2 final reports are annexed to this report. These set out the details of the procurement and the approval required to proceed to the award, the subject matter of this decision.

Note the requirements of the Public Contracts Regulations 2015 and those in the Constitution which includes the Contract Procedure Rules, which have been complied with (see the annexed reports). This contract is below the threshold (2018: £4,551,413)

See above for confirmation that the tender exercise has been undertaken and evaluated by the department as required by CPR 13...

Note the terms of the contract will be those of the relevant JCT form, with the rider incorporating the specific to Havering additional terms. The officers have engaged specialist advisors to carry out the required work to have such JCT contract completed.

Appendices: C1 and C2 final reports initialled to confirm they are the agreed versions.

A Robb-John 5th July 2018

FINANCIAL IMPLICATIONS AND RISKS

Total Costs

Breakdown of costs

Works (Contract award)

1,672,967

Fees, charges and surveys

216,090

FF&E

55,000

Project costs in total

1,944,057

Funded by: School Expansion Programme Basic Need funding and Condition Grant Maintenance

Key Executive Decision

A2260 Mead Roof	£ 75k Condition Maintenance
A2869 Mead Windows	£ 80k Condition Maintenance
A2867 Mead Lighting upgrade	£ 50k Condition Maintenance
A2868 Mead Small power upgrade	£ 50k Condition Maintenance
A2599 Mead ARP	£ 375k Basic Need
A2616 Mead Nursery	£ 250k Basic Need
A2604 Mead Expansion phase 1 and 2 Programme	£ 3.0M Basic Need Expansion

Condition Grant Maintenance funds will be deployed to undertake these elements of the works with works to the ARP and Nursery funded from the appropriately assigned codes. The outstanding balance to be topped up from the Mead expansion code as part of phase 1 Mead expansion works with remainder to cover cost to phase 2 to be undertaken at a later date.

Any virement will be made by the Project Manager according to the capital virement rules.

Risks

As with most capital schemes, there is a risk that the scheme could overspend due to issues arising during the build process. Any small issues arising can be funded from the remaining Phase 1 and 2 budget should this be necessary with this topped up if necessary from within the school phase 3/4 expansion programme.

The need for an ARP type facility is now pressing. It is important to try to get this build on site for this Summer. The LA strategy is to look to accommodate the needs of the type of children this facility will accommodate within its own resource as opposed to outsourcing. This investment is important in achieving this.

A key element of this contract and grant award is to deliver additional spaces for primary school pupils to this end a clause for liquidated and ascertained damages is included within the contract that requires the Contractor to cover costs incurred by the Council/ school in the event of failing to deliver to programme.

As with all contracts there is a risk to contractor delivery/continued operation. However the contractor selection process will partly mitigate this risk, along with careful project management.

Sam Gable – Finance Officer

HUMAN RESOURCES IMPLICATIONS AND RISKS (AND ACCOMMODATION IMPLICATIONS WHERE RELEVANT)

There are none

Cheryl Graham Strategic HR Business Partner

Key Executive Decision

EQUALITIES AND SOCIAL INCLUSION IMPLICATIONS AND RISKS

The new provision will have a positive benefit in facilitating opportunities for children to achieve their full potential.

Full Equality Impact Assessments will be carried out regarding this and all future development and expansion projects

BACKGROUND PAPERS

There are none

Key Executive Decision

Part C – Record of decision

I have made this executive decision in accordance with authority delegated to me by the Leader of the Council and in compliance with the requirements of the Constitution.

Decision

Proposal agreed

Delete as applicable

Proposal NOT agreed because

Details of decision maker

Signed: 

Name: Tim Aldridge, Director Children's Services

Cabinet Portfolio held:

CMT Member title:

Head of Service title

Other manager title:

Date: 12.07.18

Lodging this notice

The signed decision notice must be delivered to the proper officer, Debra Marlow, Principal Committee Officer in Democratic Services, in the Town Hall.

For use by Committee Administration

This notice was lodged with me on 12/7/2018

Signed 