



Notice of NON-KEY Executive Decision

Subject Heading:	Award of Contract for Harold Wood Primary Group Room Extension
Cabinet Member:	Councillor Robert Benham – Cabinet Member for Education, Children’s and Families and Deputy Leader of the Council
SLT Lead:	Tim Aldridge – Director of Children’s Services
Report Author and contact details:	Ian Saxby – Head of Technical Services Telephone: 01708 433529 Email: ian.saxby@onesource.co.uk
Policy context:	Supports educational outcomes within the broader opportunities context of the Havering Vision
Financial summary:	This report seeks authorisation to award a construction contract in the sum of £ 94,656.00 to MT Build Ltd. Total cost for scheme to be contained within overall budget of £ 100,000.
Relevant OSC:	Children & Learning Overview and Scrutiny Committee
Is it an urgent decision?	Yes
Is this decision exempt from being called-in?	This is a non-key decision to be taken by a member of staff.

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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Part A – Report seeking decision

DETAIL OF THE DECISION REQUESTED AND RECOMMENDED ACTION

To obtain approval to award a contract for the erection of a Single Room Extension and Accessory Works at Harold Wood Primary School to MT Build Ltd.

AUTHORITY UNDER WHICH DECISION IS MADE

Under the Council's Constitution Part 3, [Responsibility for Functions] (Powers of Second Tier Managers), paragraph 3.4:

Contract Powers

"To approve commencement of a tendering process for, and to award all contracts below a total contract value of £500,000 but above the EU Threshold for Supplies and Services."

STATEMENT OF THE REASONS FOR THE DECISION

Four contractors from Constructionline were invited to tender on the basis of concluding a Single Stage JCT Intermediate Contract 2016 with amendments.

Four number contractors returned tenders and these were assessed by a panel of officers from Technical Services and the strategic procurement unit on a 30/70 quality /price basis as follows:

	Technical 30%	Cost 70%	Total	Ranking
Contractor A	18.9	51.842	70.74	4
Contractor B	27	70	97	1
Contractor C	17.1	53.711	70.81	3
Contractor D	28.8	55.720	84.52	2

Therefore the tender submitted by Contractor B (MT Build Ltd) is considered to be the most economically advantageous tender and the quality questions were answered to an acceptable standard. It is therefore recommended for approval.

Harold Wood Primary School – Tentative Programme of the Works

<i>Contract Award</i>	<i>October 2019</i>
<i>Commencement of the Works</i>	<i>October 2019</i>
<i>Envisaged Completion of Works</i>	<i>December 2019</i>

OTHER OPTIONS CONSIDERED AND REJECTED

The decision to carry out these works to fulfil the Council's statutory requirements has been

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taken at the School Expansion Board, where the expansion of different schools is considered and decided upon.

An option for temporary accommodation (both purchased, and rented) was considered and dismissed as this would lead to ongoing costs, planning concerns and building quality issues.

Design option appraisals for this specific site and design solution are available upon request.

Doing nothing would lead to the Council failing in its statutory obligations to provide school places within the borough (including the requirement for Special Educational Needs).

PRE-DECISION CONSULTATION

Consultation has taken place with a number of relevant key stakeholders. In addition to this, consultation has taken place with Finance, Legal and the Strategic Procurement Unit. The School Expansion Board approved the scheme as part of the process.

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

Name: Ian Saxby

Designation: Head of Technical Services

Signature:



Date: 25/09/2019

Part B - Assessment of implications and risks

LEGAL IMPLICATIONS AND RISKS

1. Local authorities must have regard to sections 13, 13A and 14 of the Education Act 1996 which require local authorities to, ensure that efficient primary, secondary and further education is available to meet the needs of their population.
2. The Council has the general power of competence under section 1 of the Localism Act 2011 to do anything an individual may generally do, together with the power under section 111 of the Local Government Act 1972 to do anything ancillary to or which facilitates any of its functions, the matters set out in this report are in accordance with these powers.
3. Under paragraph 3.4 (Powers of Members of Second Tier Managers) of Part 3 [Responsibility for Functions] of the Council's Constitution, Second Tier Managers (those managers reporting directly to a Senior Leadership Team (SLT) Director) have delegated authority to award all contracts below a total contract value of £500,000 but above the EU threshold for Supplies and Services (currently £181,302).
4. The proposed contract value is below the EU threshold for Works contracts (currently £4,551,413) and accordingly does not fall within the full rigours of the Public Contracts Regulations 2015. The procurement exercise needed only to comply with the treaty principles of equal treatment, non-discrimination and transparency and the Council's Contract Procedure Rules (CPR).
5. The Local Government Act 1999, requires the Council to make arrangements to achieve best value in the exercise of its functions. In satisfaction of this requirement, and in accordance with CPR 18.4, tenders were evaluated against a pre-determined best price-quality ratio of 70% cost and 30% quality. The details of the evaluation compliance with the CPR are set out with the body of this report. Officers are content that the successful bid represents the most economically advantageous tender for the Council overall.
6. In awarding the contract, officers will be aware of the Public Sector Equality Duty (PSED) set out in section 149 of the Equality Act 2010. At each stage, in exercising its function (and in its decision making processes) the Council must have due regard to the need to:
 - a) eliminate discrimination, harassment, victimisation or other prohibited conduct;
 - b) advance equality of opportunity between persons who share a relevant protected characteristic and those who do not share it;
 - c) foster good relations between person who share a relevant protected characteristic and those who do not share it.

The relevant protected characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

7. Legal officers are available to assist the client department in finalising the terms and conditions of the proposed JCT contract.

FINANCIAL IMPLICATIONS AND RISKS

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Estimated Project Costs

Harold Wood Primary School Works

Tendered Price (Value of Contract)	£ 94,656.00
Contingency (Part of Contract Sum)	£ 11,650.00

Additional Project Costs

Tech Services Fee Estimate	5%
Total project cost	£ 99,388.00

Funding for the Scheme

The funding for the above is included within the approved Education Capital Programme/Gary Moreland:

A3104 Harold Wood Primary School- Group Room Extension £100,000

Risks

As with most capital schemes, there is a risk that the scheme could overspend due to issues arising during the build process, this risk is mitigated via a contract administration procedure as set out within the JCT Intermediate Contract 2016 (with Amendments) that provides constant monitoring and final cost forecasting. Any issues arising can be funded from the client contingency sum. There exists a risk of delays as with any major building project, but this will be mitigated by a scrutinised critical path programme issued to the Contract Administrator and all the shareholders and reviewed against the on-site progress at weekly and ad hoc meetings.

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

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

There are no implications associated with this decision.

EQUALITIES AND SOCIAL INCLUSION IMPLICATIONS AND RISKS

The Public Sector Equality Duty (PSED) under section 149 of the Equality Act 2010 requires the Council, when exercising its functions, to have due regard to:

- (i) The need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;
- (ii) The need to advance equality of opportunity between persons who share protected characteristics and those who do not, and;
- (iii) Foster good relations between those who have protected characteristics and those who

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do not.

Note: 'Protected characteristics' are age, sex, race, disability, sexual orientation, marriage and civil partnerships, religion or belief, pregnancy and maternity and gender reassignment.

The Council is committed to all of the above in the provision, procurement and commissioning of its services, and the employment of its workforce. In addition, the Council is also committed to improving the quality of life and wellbeing for all Havering residents in respect of socio-economics and health determinants.

Consultation

Consultation with affected parties is essential to good practice. In terms of administrative law this has a specific meaning, and if done should be proportionate, fair and inclusive. Sufficient time and information should be afforded to allow consultees to comment meaningfully on the matter in hand and the responses taken conscientiously into account by the decision maker.

It is both Council policy and recently renewed SLT direction/expectation that EqHIAs (Equality and Health Impact Assessments) are carried out when appropriate and in sufficient time to enable informed decision-making. As a basic rule, one should be undertaken whenever staff, service users, or the wider public are impacted by decisions or the intended or planned activity. The relevant template with guidance is available from diversity@haverling.gov.uk and the intranet. The purpose is to ensure a systematic approach to the task and to evidence that due regard is paid to any adverse impact on affected parties with protected characteristics. Additionally, the assessment will look at matters pertaining to health and socio-economics, respectively.

Another accepted way to demonstrate due regard is to produce minutes of meetings which clearly show equality implications of the intended activity were fully discussed and understood by decision-makers. The status of EqHIAs can be completed or 'under development', with a view to completion before any final decisions are reached. Where legal challenges occur, completed EqHIAs can often become items of evidence in related proceedings. Finally, clear reasons should be stated here if an EqHIA is not to be carried out.

BACKGROUND PAPERS

None

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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

Details of decision maker

Signed

Mark Butler

Name: Mark Butler, Director of Technical Services

Date: 4/10/2019.

Lodging this notice

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

For use by Committee Administration

This notice was lodged with me on 31/01/19

Signed *A. N. [Signature]*

