

**Haringey** Council

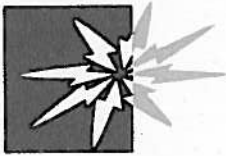
<b>Report for:</b>	Cabinet – 25 June 2014	<b>Item Number:</b>	
<b>Title:</b>	Hornsey School for Girls – Replacement roofing project and associated works.		
<b>Report Authorised by:</b>	Lyn Garner, Director of Place & Sustainability		
<b>Lead Officer:</b>	Jon McGrath, Assistant Director Corporate Property & Major Projects		
<b>Ward affected:</b> Hornsey		<b>Report for:</b> Non-Key Decision	

## 1. Describe the issue under consideration

- 1.1 To seek approval from the Cabinet to appoint Lakehouse Contracts Ltd to deliver Roofing Replacement and Ancillary works at Hornsey School for Girls for the sum of £405,887.33.
- 1.2 To seek approval from the Cabinet to issue a letter of intent prior to the formal contract signature for 10% of the contract value in the value of £40,588.
- 3.1 To seek approval for the allocated budget from the Cabinet for establishment of a specific capital budget, not to exceed £593 279, as outlined in section 1.5 exempt information to this report, funded from the already approved budget allocated for schools.

## 2. Cabinet Member introduction

- 2.1 This proposal relates to the replacement of the roofs on both the Sports Hall and Dance Studio as well as replacing the lighting and providing acoustic panelling to both; mechanical ventilation to the Sports Hall and replacing the external timber cladding on the Sports Hall starting in July 2014 and finishing at the end of September 2014.
- 2.2 The works will also include the removal of cement based asbestos panelling to both roofs.



### 3. Recommendations

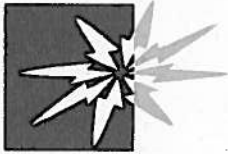
- 3.2 Request approval from the Cabinet to award a contract to Lakehouse Contracts Ltd for the sum of £405,887.33.
- 3.3 Request approval from the Cabinet to issue a letter of intent prior to formal contract signature for 10% of the contract value at £40,588.
- 3.4 Request Approval from the Cabinet for establishment of a specific capital budget, not to exceed £593 279, as outlined in section 1.5 exempt information to this report, funded from the already approved budget allocated for schools.

### 4. Alternative options considered

- 4.1 Four options were considered during feasibility for the pitched sports hall roof and two for the dance studio flat roof.
- 4.2 The feasibility report considered the various options, with emphasis on flexibility, programme, impact on the school and financial viability.
- 4.3 The four options for the Sports Hall roof were:
  - 1. Overlay the existing asbestos sheet roof and cut in new roof lights
  - 2. Replace the existing roof in full and replace with polycarbonate roof lights, gutters down pipes and roof mounted fans
  - 3. Replace as above but without roof lights or roof fans but use translucent panels and wall mounted fans
  - 4. Replace using a composite system and to include polycarbonate roof lights with all fans roof mounted.

All options included upgrading the lighting which was deemed in poor condition.

- 4.4 In considering design, procurement and construction periods and the need to ensure business continuity for the school option 4 is recommended.
- 4.5 Other options would have meant potentially more than one contractor being involved which was deemed to be unacceptable due to potential cost, programme and warranty issues.
- 4.6 The two options considered for the Dance Studio flat roof were:
  - 1. Overlay of existing roof using a built up felt system including the replacement of roof lights and extract fans



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2. Overlay of the existing roof using a single ply system, including the replacement of roof lights and extract fans

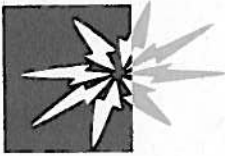
- 4.7 Option 1 is recommended as offering best value for money.
- 4.8 These are both permanent solutions which carry a minimum 20 year warranty on the basis that annual maintenance is undertaken correctly by the school.
- 4.9 The works are programmed to commence in the school holidays which also allows for asbestos removal works to take place with minimum staff on site.
- 4.10 The works have been designed to RIBA Stage H (Stage 4/5 under the new RIBA guidelines).
- 4.11 All works including the asbestos removal will be managed by one contractor to provide continuity and value for money.

## 5. Background information

- 5.1 The award will provide Hornsey School for Girls with improved facilities. The roofs have leaked for a considerable period of time and with improved lighting; acoustics and ventilation will provide a more motivational, safe and secure teaching and learning environment for staff and pupils.
- 5.2 Competitive tenders were invited from the London Housing Consortium (LHC) Pitched Roofing (PR2) Framework Agreement.
- 5.3 The tender was issued for a prescribed 10 weeks contract period (Tender A). After the mid tender review an amendment was issued seeking a Tender B alternative contract period.
- 5.4 The below table summarises the outcome of the tender evaluation process:

Tenderer	Value of Tender A (10 weeks contract period)	Adjustment made following cost evaluation	Value of Tender B
Lakehouse Contracts Ltd	£439,482.36	£405,887.33	£423,387.09 (16 week contract period)
B	£563,688.34	£592,872.76	£591,128.40 (14 week contract period)
C	Withdrew during tender period		Withdrew during tender period

Please also refer to further information in exempt report, para.2



5.5 The tender B options priced by the tenderers indicate a prolonged proposed programme. Tenderer B advised an additional 4 weeks and Lakehouse Contracts Ltd offered an additional 6 weeks on top of the Employer stipulated 10 week programme. Similarly, from a tender price standpoint, the tender B options do not offer sufficient cost efficiencies to be realistically considered advantageous to the project. For these reasons, the Tender B options have not been further considered by the Employer.

5.6 The tender was based on a 60 % quality and 40 % price bid.

Tender	Price 40 %	Quality 60%	Total
Lakehouse Contracts Ltd	40.00%	55.00%	95.00%
B	27.38%	54.50%	81.88%
C	0%	0%	0%

5.7 The Quality Assessment was conducted by an Evaluation Panel, comprising of the LBH Project Manager, Lead Design Consultant. A pre agreed list of questions relevant to this project was included as part of the Qualitative Delivery Proposals (QDP).

5.8 During the evaluation process, post tender clarifications were sought and have been fully responded to.

5.9 Quality and cost queries addressed through the clarification process with the contractors have been satisfied.

5.10 The recommended tender bid scored the highest marks for both cost and quality and is within the budget allowances.

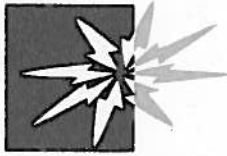
5.11 The recommended tender submission is considered to offer good value for money. The design is in accordance with their tender submission and meets the employers' requirements as defined in the tender documents.

5.12 The Quantity Surveyor for this project is satisfied with the pricing offered by Lakehouse Contracts Ltd.

5.13 The defects liability period (rectification period) is 12 months.

5.14 The contract is to be awarded on a fixed price basis.

5.15 The procurement route is based on a traditional Standard Form JCT 2011 with a Schedule of Works.



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- 5.16 Tenders include all construction costs, site establishment and management costs, contractors design costs, overhead and profit.
- 5.17 The contractor needs to be appointed as soon as possible in order to start the works in July 2014.
- 5.18 Place and Sustainability will continue to project manage the works through to completion and final accounts.

**6. Comments of the Chief Finance Officer and financial implications**

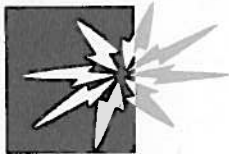
- 6.1 As part of the 2014-15 budget-setting process, a capital budget of £600,000 was allocated for this project. The cost of this contract including appropriate professional fees can be contained within this budget allocation.

**7. Comments of the Assistant Director of Corporate Governance and legal implications**

- 7.1 The Assistant Director of Corporate Governance and Legal notes the contents of the report.
- 7.2 The Council conducted a mini-competition amongst interested contractors on the London Housing Consortium (LHC) Pitched Roofing (PR2) framework agreement. As the Council is a constituent member of the Consortium, under CSOs it is able to procure the contract under the LHC framework once the framework's mini-competition procedure is followed. See the further comments set out in paragraph 5 of the exempt information.
- 7.3 As the value of the contract exceeds £250,000, it may only be awarded by Cabinet in accordance with CSO 9.07.1(d).
- 7.4 Subject to the further comments set out in paragraph 5 of the exempt information, the Assistant Director of Corporate Governance and Legal confirms that there are no legal reasons preventing the Cabinet from approving the recommendations in the report.

**8. Equalities and Community Cohesion Comments**

- 8.1 Policy and Equality Team have been consulted in the preparation of this report and comment as follows:
  - a. In its Equality Opportunities Policy, the Council is committed to using, whenever possible, its procurement and commissioning functions as strategic tools to further the aims of its public sector equality duty and ensure that it extends opportunity and access to Council contract and that those who win contracts provide services in a way that responds to the needs of all those the contracts are intended to serve.



- b. The tender process used to appoint the successful bidder followed the Council procurement guidelines and procedures, which have relevant equalities considerations at all the key stages of the process.
- c. When delivered, the project will provide improved facilities which will enhance the school environment for the benefit of all pupils and staff of Hornsey School for Girls whatever their protected characteristics.
- d. An equality impact assessment is not required on this proposal as it is not likely that the tender or the project will impact adversely on any group.

## **9. Head of Procurement Comments**

- 9.1 The project has been tendered to providers on the LHC Pitched Roofing (PR2) Framework Agreement.
- 9.2 The contractor has been selected following a mini competition which follows the criteria within the LHC Framework Agreement.
- 9.3 This award has been made to the Most Economically Advantageous Tender.
- 9.4 Please also see exempt information for further comments

## **10 Policy Implication**

- 10.1 None known.

## **11 Reasons for Decision**

- 11.1 To award a contract which will enable the timely mobilisation and construction of works to Hornsey School for Girls.

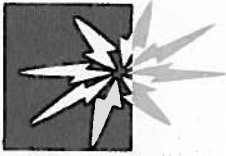
## **12 Use of Appendices**

- 12.1 None

## **13 Local Government (Access to Information) Act 1985**

List of background documents:

- 13.1 London Housing Consortium Pitched Roofing (PR2) Framework Agreement
- 13.2 This report contains exempt and non-exempt information. Exempt information is under the following categories (identified in amended Schedule 12A of the Local Government Act 1972):



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- (3) Information relating to financial or business affairs of any particular person (including the authority holding that information).
  
- (5) Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.

