



NOTICE OF MEETING
***PLEASE NOTE STARTING TIME**

Cabinet Procurement Committee (Special Meeting)

THURSDAY, 18TH DECEMBER, 2008 at *13:00 HRS - CIVIC CENTRE, HIGH ROAD,
WOOD GREEN, N22 8LE.

MEMBERS: Councillors Adje (Chair), Bevan, (2 vacancies)

AGENDA

1. MEMBERSHIP OF THE COMMITTEE

Head of Local Democracy and Member Services to report that the Cabinet at a meeting on 16 December will be considering the appointment of Members to serve on the Committee for the remainder of the 2008/09 municipal year.

An oral update will be given at the meeting.

2. APOLOGIES FOR ABSENCE (IF ANY)

3. DECLARATIONS OF INTEREST

A member with a personal interest in a matter who attends a meeting of the authority at which the matter is considered must disclose to that meeting the existence and nature of that interest at the commencement of that consideration, or when the interest becomes apparent.

A member with a personal interest in a matter also has a prejudicial interest in that matter if the interest is one which a member of the public with knowledge of the relevant facts would reasonably regard as so significant that it is likely to prejudice the member's judgment of the public interest **and** if this interest affects their financial position or the financial position of a person or body as described in paragraph 8 of the Code of Conduct **and/or** if it relates to the determining of any approval, consent, licence, permission or registration in relation to them or any person or body described in paragraph 8 of the Code of Conduct.

4. DEPUTATIONS / PETITIONS / PRESENTATIONS / QUESTIONS

To consider any requests received in accordance with Standing Orders.

5. PREPARATION FOR PERSONALISATION: EXTENSION OF CONTRACT WITH ASPRAY HOUSE (PAGES 1 - 6)

(Report of the Director of Adult, Culture and Community Services): To seek approval to the extension of residential nursing and dementia care contract with Aspray House in order to allow sufficient time for the Council to prepare for the personalisation agenda.

6. BUILDING SCHOOLS FOR THE FUTURE (BSF): AWARD OF THE CONSTRUCTION CONTRACT FOR GLADESMORE SCHOOL (PAGES 7 - 18)

(Report of the Director of the Children and Young People's Service): To seek approval to the award of the construction contract to a BSF Constructor Partner from the BSF Framework.

7. BUILDING SCHOOLS FOR THE FUTURE (BSF): AWARD OF THE CONSTRUCTION CONTRACT FOR JOHN LOUGHBOROUGH SCHOOL (PAGES 19 - 30)

(Report of the Director of the Children and Young People's Service): To seek approval to the award of the construction contract to a BSF Constructor Partner from the BSF Framework.

8. BUILDING SCHOOLS FOR THE FUTURE (BSF): AWARD OF THE CONSTRUCTION CONTRACT FOR WOODSIDE INCLUSIVE LEARNING CAMPUS (PAGES 31 - 42)

(Report of the Director of the Children and Young People's Service): To seek approval to the award of the construction contract to a BSF Constructor Partner from the BSF Framework.

9. EXCLUSION OF THE PRESS AND PUBLIC

The following items are likely to be the subject of a motion to exclude the press and public as they contain exempt information relating to the business or financial affairs of any particular person (including the Authority holding that information).

Note from the Head of Local Democracy and Member Services

The following items allow for consideration of exempt information (if required) in relation to items 5 - 8 which appear earlier on this agenda.

10. PREPARATION FOR PERSONALISATION - EXTENSION OF CONTRACT WITH ASPRAY HOUSE (PAGES 43 - 44)

(Report of the Director of Adult, Culture and Community Services): To seek approval to the extension of residential nursing and dementia care contract with Aspray House in order to allow sufficient time for the Council to prepare for the personalisation agenda.

11. BUILDING SCHOOLS FOR THE FUTURE - AWARD FOR THE CONSTRUCTION CONTRACT FOR GLADESMORE SCHOOL (PAGES 45 - 50)

(Report of the Director of the Children and Young People's Service): To seek approval to the award of the construction contract to a BSF Constructor Partner from the BSF Framework.

12. BUILDING SCHOOLS FOR THE FUTURE - AWARD OF THE CONSTRUCTION CONTRACT FOR JOHN LOUGHBOROUGH SCHOOL (PAGES 51 - 54)

(Report of the Director of the Children and Young People's Service): To seek approval to the award of the construction contract to a BSF Constructor Partner from the BSF Framework.

13. BUILDING SCHOOLS FOR THE FUTURE - WOODSIDE INCLUSIVE LEARNING CAMPUS (PAGES 55 - 58)

(Report of the Director of the Children and Young People's Service): To seek approval to the award of the construction contract to a BSF Constructor Partner from the BSF Framework.

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10 December 2008

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Agenda item:

[No.]
PROCUREMENT COMMITTEE On 18TH DECEMBER 2008

Report Title: Adult, Culture Community Services – Request for Waiver and award of contract in respect of Aspray House

Report of The Director of Adult, Culture & Community Services

Signed :

Contact Officer : Margaret Allen, Assistant Director, Commissioning & Strategy, ACCS
tel:020 8489 3719

Email: margaret.allen@haringey.gov.uk

Wards(s) affected: All

Report for: **[Key / Non-Key Decision]**

Key

1. Purpose of the report

- 1.1 To seek approval of Members to waive the requirement for a full tendering process for the provision of Older Peoples Residential Services in order to purchase six nursing dementia beds and 8 residential dementia beds with Provider A
- 1.2 To seek approval of Members to waive the Council's requirement for tendering contracts under CSO 6.05 on the basis of the ground in CSO 7.3(d) that it is in the Council's overall interest.
- 1.3 That should the Members agree the waiver, the contract be awarded to Provider A for a period of three (3) years, with the option to extend for two (2) further periods of one (1) year, in order to secure the provision on a long term basis and create some stability in the market.

2. Introduction by Cabinet Member

- 2.1 The current contract with Provider A is due to end on 31st December 2008. The home provides a high standard of care and provides services for people who require dementia nursing and dementia residential care.
- 2.2 Haringey's in-house provision does not have the capacity to provide the specialist services required.

3 State link(s) with Council Plan Priorities and actions and /or other Strategies:

- 3.1 The home delivers a high standard of care which is customer focused and is cost effective.
- 3.2 The service is reviewed on a quarterly basis and it is evidenced that the needs of the residents are met and are customer focused.
- 3.3 The home has achieved ISO 9001:2000 for providing committed care and nursing support to older people in 2007.
- 3.4 The home achieved Investors in People in 2007.
- 3.5 The cost of the current block contract is comparable with the cost that the 'host' borough (Waltham Forest) is paying for beds within the home.
- 3.6 To move from 'block' to 'spot' would increase the annual cost by approx £65,000.00

4 Recommendations

- 4.1 That Members waive the Council's requirement for tendering contracts under CSO 6.05 on the basis of the ground in CSO 7.3(d) that it is in the Council's overall interest.
- 4.2 That should the Members agree the waiver, the contract be awarded to Provider A for a period of three (3) years, with the option to extend for (2) two further periods of (1) one year, in order to secure the provision on a long term basis and create some stability in the market.

5 Reason for recommendation(s)

- 5.1 The reason for the Council contracting with Provider A in 2005 was to

accommodate residents who had to be moved from in-house provision that was closing.

- 5.2 A contract for a 3 year period was awarded to Provider A by the Director of Social Services in consultation with Executive Member for Social Services and Health in November 2004 under delegated authority. A twelve month extension of that contract until 31st December 2008 was approved by the Director of Adult, Culture and Community Services on 16th October 2007.
- 5.3 The home has consistently provided a high quality of care to residents placed in the home.
- 5.4 The home provides a specialist service to residents requiring dementia nursing and dementia residential care.
- 5.5 C.S.C.I reports have consistently given the home a good rating and this has been confirmed at the quarterly meetings undertaken by the Contracts Section.
- 5.6 There is not sufficient provision available within Haringey to meet the needs of the residents placed with Provider A.
- 5.7 The cost of the service has been compared with other provision available locally and is approximately £20 -£25 per bed per week lower, approximately £18,000 per annum lower.

6 Other options considered

- 6.1 *To contract with other providers within and outside of Haringey.* Following a market mapping exercise it was found that the standard of care was not as good and the cost of provision was higher.
- 6.2 *To use in house provision.* In-house provision does not have the capacity to accommodate residents who require this specialist service.

7 Summary

- 7.1 Provider A was identified as having beds available following the closure of in-house provision in 2005.
- 7.2 The remaining in-house provision at the time did not have the capacity to accommodate the number of residents requiring specialist services.
- 7.3 The current contract with Provider A expires at the end of December 2008. It is not considered to be in the best interests of the residents placed in the home to move them to alternative accommodation.

- 7.4 During the life time of the current contract Provider A has provided a consistently high standard of care to the residents placed there by Haringey.
- 7.5 The provision is cost effective in comparison to other homes providing similar care.
- 7.6 Under CSO 7.3(d) it is in the Council's overall interest to avoid disruption to the residents if there were to be a change in Service Provider.

8 Chief Financial Officer Comments

- 8.1 Contract Standing Order 13.02 allows an Executive Member to re-let a contract providing that to do so is consistent with the provisions of Financial Regulations.
- 8.2 This report requests agreement to extend an existing block contract with Provider A for 14 specialist dementia care placements (6 residential and 8 nursing). There is currently a shortage of this type of specialist provision within the Borough. Haringey's in house services do not provide this type of care/ accommodation.
- 8.3 The current cost of the provision is shown in Appendix A. There will be no variation to the cost as a result of extending this contract. However, this contract, as with most contracts for care placements, is subject to inflation at the Council's discretion.
- 8.4 The annual contract value at 2008/09 prices is shown in Appendix A. This will continue to be funded from the Older People's care purchasing budget.
- 8.5 Consideration has been given to a spot purchase alternative. Details of these costs are outlined in Appendix A.
- 8.6 The contract with Provider A represents good value for money and, due to the specialist nature of provision, will not be affected by the Personalisation Agenda.

9 Head of Legal Services Comments

- 9.1 Older people's residential services are categorised as residual services under Part B of the Public Contracts Regulations 2006 and as such there is no legal requirement to publish the tender in the OJEU, although the Council will need to send to the OJEU notice that the contract has been awarded within 48 hours.
- 9.2 This report is seeking a waiver of the requirements under CSO 6.05 to tender contracts above 25k in value, on the basis of the ground set out in CS0 7.3(d), i.e. on the basis that the waiver is in the Council's overall interest.

- 9.3 The waiver is sought to facilitate the award of a new three (3) year contract to the current service provider on the basis that it is in the Council's overall interest to avoid the disruption that would be involved in moving older people to alternative accommodation.
- 9.4 CSO 7.2(c) and CSO 7.3(d) empowers Procurement Committee to grant a waiver of CSOs in respect of contracts valued over £250k if satisfied, after considering a report by the appropriate officer, that the waiver is justified on the basis that it is in the Council's overall interest.
- 9.5 As the contract value exceeds £250,000 the proposed award must be approved by Members according to CSO 11.03. This provides that the Cabinet must award all contracts over this value.
- 9.6 It is noted that the contract has not been tendered since 2004. Subject to confirmation from the Corporate Procurement Unit that the decision to award the contract will achieve best value for the Council, the recommended award appears to meet the Council's duty to secure best value under section 3 of the Local Government Act 1999.
- 9.7 As the value of the contract will exceed £500,000 CSO 4.03 is applicable and details of the contract have been included in the Forward Plan (V79 15 December 2008 to 14 April 2009).
- 9.8 The Head of Legal Services confirms that provided the Procurement Committee is satisfied that it is in the Council's overall interests to grant the waiver in the circumstances as outlined in this report and that the award of the contract achieves best value, there are no legal reasons preventing Members from approving the recommendation in Paragraph 3 of this report.

2 Head of Procurement Comments

- 2.1 Corporate Procurement Unit have been consulted in the preparation of this report and support this waiver request
- 2.2 This waiver should be followed by a negotiation before the award of the new block contract.

11 Equalities & Community Cohesion Comments

- 11.1 All equalities requirements are included within the contract.

12 Consultation

12.1 Consultation has been carried out between the Head of Commissioning for Adult Services and the Contracts Section.

13 Service Financial Comments

13.1 The cost of this contract can be met through the Older Peoples budget

14 Use of appendices /Tables and photographs

Appendix A – exempt information

15 Local Government (Access to Information) Act 1985

15.1 This report contains exempt and non-exempt information. Exempt information is contained in Appendix A of this report and **NOT FOR PUBLICATION**. The exempt information is under the following category (identified in the amended Schedule 12A of the Local Government Act 1972):

(3) Information relating to the financial or business affairs of any particular person (including the authority holding that information)



Haringey Council

Agenda item:

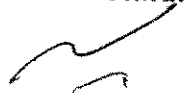
[No.]**Procurement Committee****On 18th December 2008**

Report Title.

Building Schools for the Future: Award of Contract and Approval of Maximum Project Budget for Gladesmore Community School

Report of **Director of the Children & Young People's Service**

Signed :


 IAN BAILEY

Contact Officer :

David Bray

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david.bray@haringey.gov.ukWards(s) affected: **Seven Sisters**Report for: **Key Decision****1. Purpose of the report**

- 1.1 To seek Procurement Committee approval to award the main works design and build contract following completion of the Pre-Construction Stage.

2. Introduction by Cabinet Member

- 2.1 Gladesmore Community School is one of the twelve schools in the Building Schools for the Future programme that has completed its pre-construction stage and is moving to the main stage of the Design and Build programme.

3.	State link(s) with Council Plan Priorities and actions and/or other Strategies:
3.1	Making Haringey one of London's greenest boroughs
3.1.1	The project will assist in ensuring the appropriate renewal and refurbishment of property assets in the Borough, and address issues of maintenance, all of which will contribute to the optimum use of resources in the long term.
	<ul style="list-style-type: none"> <li data-bbox="384 613 884 647">• Measures to minimise water use <li data-bbox="384 669 756 703">• Energy efficient lighting <li data-bbox="384 725 995 759">• Lighting occupancy sensing in the toilets <li data-bbox="384 781 884 815">• Recycled construction materials <li data-bbox="384 837 756 871">• Certified Timber (CoC)
3.1.2	An initial BREEAM (Building Research Establishment Environmental Assessment Method) review indicated that the project would achieve a "Very Good" rating and work is progressing with the contractor partner to ensure a "Very Good" standard is achieved.
3.2	Creating a Better Haringey: cleaner, greener and safer
3.2.1	Variety of sustainability measures including BREEAM as in section 3.1.2
3.2.2	Construction Partner has undertaken to implement, wherever possible the Council's policies in respect of employing local labour as in 3.6.8 .
3.3	Encouraging lifetime well-being, at home, work, play and learning
3.3.1	The BSF programme will contribute to the transformation in outcomes for young people in Haringey by improving the learning environment, providing anywhere/anytime access to ICT, increasing inclusion and providing a wider range of pathways of study.
3.3.2	The BSF programme will improve access to extended services in and around schools and contribute to improving community cohesion. Examples include access to out of hours study support for children and families, sports and the arts. This particular school will have new art and sports provision and will continue to have a strong connection with its faith community. Improved access and site security will ensure that children, families and the building will be safer.
3.3.3	Promoting independent living while supporting adults and children when needed
3.3.4	Creating apprenticeships for local people
3.3.5	Encouraging the use of local labour

- 3.4 Delivering excellent, customer focused, cost effective services
- 3.4.1 The BSF programme will add to the learning environment by eliminating teaching spaces that are not fit for purpose, by adapting and refurbishing other spaces and improving access and circulation around the school.
- 3.4.2 The school's main aim is to enable all students to achieve their full potential. To be facilitated by the provision of a stimulating and adaptable learning Environment that promotes personalised learning.
- 3.4.3 The continued transformation of teaching and learning styles, supported by the extensive and appropriate use of information and communication technologies.
- 3.4.4 The construction of a Maths Block of 8 teaching rooms with adjacencies and covered connection to the Science Block.
- 3.4.5 The construction of an Auditorium with seating capacity for a whole year cohort of 216 students suitable for presentations, lectures, and performances.
- 3.4.6 The refurbishment of two school blocks including an extension to the Dining Area.
- 3.4.7 Enhanced ICT provision with access both in classrooms and designated Faculty 'Hub' areas, enabling access anywhere/anytime for students and Extended school community users.
- 3.4.8 Alterations to internal corridors and staircases to ease student movement round the school with an external covered cloister to provide access between teaching blocks.
- 3.4.9 This transformation will help to provide enhanced educational experiences and provision for students of all abilities, and give teachers and students the opportunity to build on the school's consistently improving educational standards, which this year included its best ever GCSE results, as recognised in 2008 by an the Ofsted judgement of it being an Outstanding School.
- 3.5 Council Strategies
- 3.5.1 Safer for All:
In all our work we will pay particular attention to:
 - Young people and crime
 - Mental health issues
 - Support for victims and witnesses of crime
 - Working with and through communities (Community Engagement)

- 3.6 Resources
- 3.6.1 Overall Value for money is achieved by the procurement methodology to prove the economy, efficiency and effectiveness of each project as it is tendered. Six suitable contractors formed a BSF contractor framework to serve each project in the programme, by means of mini competitions. The successful contractor worked through the design stage ultimately producing costed packages of work. The exercise is “open book”, allowing the project manager and cost manager to see the sub consultants tenders and confirm the price meets scope and quality criteria.
- 3.6.2 Due to the nature of the works within a live school site, Criminal Records Bureau (CRB) checks will be submitted and monitored by the London Borough of Haringey for the Construction Partners “on site” staff. Supervisors from sub-contractors will also be subjected to CRB. This will bring to the Council’s attention anyone unsuitable to work with children and other vulnerable members of society.
- 3.6.3 A thorough analysis of pupil place planning has been carried out to ensure that the school accommodation is appropriate for both current needs and the foreseeable needs of the future. Governors have signed an agreement to maintain the property in good order once the BSF work is completed. The FM aspect of the PFI contract will be reviewed at the end of the BSF works. A workforce development programme is already in place to ensure the skills, knowledge and experience of the staff match the needs of an effective school.
- 3.6.4 Engagement of the Community: The designs have been made available to stakeholders through various media and events including resident drop in sessions, school parents and school governors’ review days, school council assemblies. There was also a Design Quality Indicator (DQI) workshop. Project newsletters have also been distributed to parents and local residents, while the proposals have been set out on the Haringey BSF web pages (www.haringey.gov.uk/bsf). Information and updates will continue to be provided to stakeholders during the construction phase of the project.
- 3.6.5 Full consultation has been undertaken as part of the BSF Stage approvals; this included consultation with Partnership for Schools, Commission for Architecture and the Built Environment (CABE), Council planners and building control, the Fire Officer and the Police (Secured by Design).
- 3.6.6 Full planning permission has been received for the scheme.
- 3.6.7 The selected construction partner will have a Customer Liaison Officer (CLO) whose role is to actively engage with the community through drop in sessions, leaflet drops, open evenings and many more stakeholder engagement activities to allow for comment and feedback during the construction process.

<p>3.6.8</p> <p>3.6.9</p> <p>3.6.10</p>	<p>During the construction phase of the works the construction partner will be expected to set up apprenticeships from the community for the Gladesmore Community School project to encourage the use of locally based labour, unemployed persons etc. These apprenticeships will be within various positions, for example, trades, administration and management. These will be monitored as a Key Performance Indicator.</p> <p>Risks are managed within the governance of the BSF programme. This includes Stream Lead meetings and reporting to the Programme Board. The projects are managed within Prince 2 methodology and Managing Successful Programmes. Procurements are managed to European Legislation and advise is taken from legal advisers to ensure compliance. An audit of the programme completed satisfactorily.</p> <p>Work streams within the programme incorporate people from the Haringey work force where practical.</p>
<p>4</p> <p>4.1</p> <p>4.2</p>	<p>Recommendations</p> <p>The Procurement Committee award the design and build contract, with a value set out in Appendix 16.1, and with a 83 week programme to 1st September 2010.</p> <p>The procurement committee authorise spending on this contract up to the sum detailed in 16.1.2, with reference to the build up of this sum in 16.1.1.</p>
<p>5</p> <p>5.1</p> <p>5.2</p> <p>5.3</p>	<p>Reason for recommendation(s)</p> <p>In April 2007, following an Official Journal of the European Union (OJEU) process, Haringey's Procurement Committee agreed a framework of six Constructor Partners (CP). These CPs would be used to source the twelve school projects in the BSF programme.</p> <p>In May 2008 it was agreed with the Leader of the Council that, in order to give full Member involvement in the BSF Design and Build process, the pre-construction stage would be reported to Procurement Committee for approval. Subsequently the main award with an Agreed Maximum Price (AMP) would also be presented to Procurement Committee.</p> <p>Out of the six Contractor Partners on the BSF Framework Agreement, five passed the financial criteria set by the Central Procurement Group to tender for the Gladesmore Community School BSF project. The tender documentation was issued to the Contractor Partners on the 24 October 2007. All bidders responded and the tender submissions were opened on the 12th November 2007. Delegated Authority was approved on the 18th December 2007 to work through the pre-construction services and negotiate</p>

an Agreed Maximum Price with Balfour Beatty. Subsequently an information paper was submitted to Procurement Committee on 29th April 2008.

5.4 The appointed contractor partner has been working with the Project Teams during the Pre-Construction stage and submitted their Contractors Proposals with an Agreed Maximum Price, this tender was submitted on the 27th October 2008.

5.5 The Pre Construction stage was undertaken as follows:

5.5.1 Council's Requirements

The Design Team Partners developed the level of design up to RIBA Stage D+ (detailed design) which formed the basis of the Council's Requirements. To allow Balfour Beatty to formulate an Agreed Maximum Price the following information was issued to them:

- Drawings (architectural, structural and civils, mechanical and electrical, landscape and acoustic)
- Specifications
- ICT proposals
- Waste management proposals
- Statutory requirements
- Programme
- Planned maintenance programme
- Key performance indicators
- Contract terms and conditions

5.5.2 Pre Construction Services /Contractor's Proposals

The contractor partner undertook the following services in order to submit an Agreed Maximum Price:

- Pre-construction design
- Supply chain management/works package tendering with full cost management
- Value engineering/open book accounting
- Procurement of surveys
- Quality assurance
- Method statements
- Procurement of material samples
- Insurances/warranties and bonds

The contractor partner received the Council's Requirements on 28th July 2008

and then worked with the Design Team Partner and stakeholders to develop their Contractor's Proposals in response.

The majority of package items within the design has been tendered by the contractor partner. The majority of packages were sent out to a minimum of three suppliers and were returned to Potter Raper Partnership's (cost consultant) office for opening and recording. Balfour Beatty submitted a recommendation report for the individual packages, which demonstrated value for money.

Potter Raper Partnership reviewed each recommendation for a package of works from Balfour Beatty. The Design Team Partner has reviewed the recommendation to ensure that they are compliant with the Council's Requirements. There have been no significant derogations from the Councils Requirements.

The School, as a key stakeholder, has been included within the discussion of the compliancy of the Contractor's Proposals.

5.5.3 Final Tender

The Agreed Maximum Price was submitted and opened on 27th October 2008. The tender included the following information:

- Form of Tender
- Contractor AMP form
- Programme
- Contractor's Proposals

Gladesmore Community School has signed a Governing Body Agreement which acknowledges that the contractor partner will require access to the school premises to carry out the works and that the school will liaise closely with them to support the phasing and decanting requirements of the scheme. They also acknowledge that the responsibility for soft and hard FM services will be with the school.

The generic Final Business Case (FBC) has been submitted to Partnership for School and has been agreed by DCFS. However, the individual project FBC is being prepared for PFS approval.

The Agreed Maximum Price Summary (appendix, paragraph 16.1), incorporates a full review of the professional fees required to complete the project. The figure presented in paragraph 16.1 presents the estimated costs.

5.5.4 Health and Safety Implications

During the pre-construction stage the designs have been reviewed by a Construction Design and Management Co-ordinator, (Gardiner and Theobald). Their duties have included:

- Advise and assist the client with their health and safety duties

- Notify details of the project to HSE
- Co-ordinate health and safety aspects of the design work and co-operate with others involved with the project
- Facilitate good communication between the client, designers and contractors
- Liaise with the principal contractor regarding ongoing design work
- Identify, collect and pass on pre-construction information
- Prepare and update the health and safety file

As part of their acceptance onto the Contractor's Framework for BSF the contractor partner is a member of the Contractors Health and Safety Assessment Scheme (CHAS). This has allowed the Council access to contractor partner's information on their Health and Safety record, to ensure that they are meeting the necessary regulations.

6 Other options considered

6.1 Not applicable

7 Summary

7.1 Gladesmore Community BSF project has been the subject of a 2 stage tendering process with the contractor appointed to undertake pre-construction services. This report addresses the process used to ensure value for money, identifies the anticipated costs resulting from the procurement exercise, and seeks approval to proceed to award a design and build contract for the refurbishment and selective renewal of the Gladesmore Community School to the contractor partner appointed for the pre-construction stage, on the terms set out in the appendix to this report.

8 Chief Financial Officer Comments

8.1 The Chief Financial Officer has been consulted on the content of this report and has no additional comments to make.

9 Head of Legal Services Comments

9.1 The Director of Children and Young People' Services is seeking Procurement Committee approval of award of the contract for the Design and Build phase of the Gladesmore Community School Project ("the Project") to the contractor named in Paragraph 16, Appendix 1 ("the Contractor"), and for authorisation to spend the contract sum set out in Paragraph 16.1.1, and (if necessary) the

Maximum Contingency Allocation sum set out in Paragraph 16.1.1 the Maximum Project Contingency Allocation sum set out in the table in Appendix 19.2 In December 2007, the Contractor was awarded the contract for the Pre-construction stage of the Project and the opportunity to negotiate an Agreed Maximum Price for the project as a whole, following a mini-competition held with five out of the six contractors on the BSF Contractor Partners Framework Agreement.

- 9.3 As confirmed by external legal advisers to the BSF programme, Eversheds, the BSF Construction Partners Framework Agreement was established following the correct advertisement in accordance with EU public procurement directives and regulations.
- 9.4 The Procurement Committee at its meeting of 29th April 2008 affirmed the award of the Pre-Construction Services contract to the Contractor.
- 9.5 The Construction Procurement Group have confirmed that all parties to the Pre-Construction Services contract mini-competition understood that the Council reserved the right to award the subsequent contract for the Design and Build stage of the contract to the same contractor that was awarded the contract for the Pre-construction stage of the contract provided agreement as to an Agreed Maximum Price and other terms of the D & B contract is reached with that contractor.
- 9.6 Agreement as to the Agreed Maximum Price and other terms of the Design and Build contract have now been reached with the Contractor therefore this report is seeking approval of the award of the contract for the Design and Build stage of the Project to the Contractor.
- 9.7 As the value of the Agreed Maximum Price in relation to the proposed contract exceeds £250,000, the Procurement Committee is the appropriate body with the power, under CSO 11.3, to approve the award of the proposed contract.
- 9.8 The Head of Legal Services confirms that there are no legal reasons preventing Members from approving the recommendation as to the proposed contract award set out in Paragraph 4 of this report.

10 Head of Procurement Comments

- 10.1 The process for assembling the Agreed Maximum Price (AMP) is based on an open book process where the sum of each package of works (such as piling and decorations) compiles the AMP.
- 10.2 The AMP has been assembled by the contractor following a series of mini competitions to their supply chain and the figures received are arithmetically checked by the Cost Consultant. The prime contractor recommends the intended sub-contractor for each package for examination by the Cost Consultant and Project Manager.
- 10.3 The Agreed Maximum Price is then received and processed by Council officers

in accordance with standing orders and financial regulations.

11 Equalities & Community Cohesion Comments

- 11.1 The new build elements of the Gladesmore Community School project are being designed to be fully accessible to all levels of physical ability (DDA compliance). As part of the vision for the campus, the facilities have the potential to be open to the local community.

12 Consultation

- 12.1 The designs have been made available prior to the construction stage for resident drop in sessions, school parents and school governors' review days, school council assemblies and information has been posted through the doors of local residents (also available on line for viewing). These initiatives will continue through the construction phase
- 12.2 Full consultation has been undertaken as part of the BSF Stage approvals; this included consultation with Partnership for Schools, Commission for Architecture and the Built Environment (CABE), Council planners and building control, the Fire Officer and the Police (Secured by Design).
- 12.3 Full planning permission has been received for the scheme.
- 12.4 The selected Construction Partner will have a Customer Liaison Officer (CLO) whose role is to actively engage with the community through drop in sessions, leaflet drops, open evenings and many more stakeholder engagement activities to allow for comment and feedback during the construction process.
- 12.5 During the construction phase of the works the Construction Partner will be expected to set up apprenticeships from the community for the Gladesmore Community School project to encourage the use of locally based labour, unemployed persons etc. These apprenticeships will be within various positions, for example, trades, administration and management. These will be monitored as a Key Performance Indicator.
- 12.6 Legal Implications (provided by Eversheds)
- 12.6.1 The BSF Framework Agreements with the Construction Partners were established following the correct advertisement in accordance with EC procurement directives and regulations.
- 12.6.2 The framework incorporates a mechanism in order to score call offs and mini competitions. It anticipates that, subsequent to the appointment of a contractor to a Pre-Construction Services Agreement, a Design and Build Contract will be entered into with that contractor in substantially the same form as the draft in the framework

12.6.3 Whilst the contractor has been proceeding with the services under the Pre-Construction Services Agreement, Haringey's Construction Procurement Group, with the assistance of other professional advisers, has been progressing the process of establishing the scope and price for the Design and Build Contract."

13 Service Financial Comments

13.1 Appendix 1 presents the AMP Stage Cost Schedule. This table confirms all project cost elements associated with the project's design and build phases based on information from Potter Raper Partnership and confirmed by the Mace Project Manager – this table incorporates previous stages approved via delegated authority. This table shows that the Maximum Project Cost equals the cash limited budget for this project and therefore has the necessary budget provision available for this approval to be made. It should be noted that a balanced budget provision has been achieved by transfers from the project and programme budgets approved by the Council's Director of Corporate Resources – the detail of which has been reported to the BSF Board. This requires the Project Manager to place particular emphasis on the management of variations to ensure that the project can be delivered within the agreed final project budget.

13.2 It is noted that a substantial part of the AMP cost plan is made up of provisional sums. Careful management of the provisional sums by the Project Manager is required to ensure that this project can be managed within the agreed final project budget.

13.3 DCSF issued a revised promissory letter on Monday 24th November 08 confirming the BSF programme FBC had successfully been signed off, and the total grant funding payable to the council. As defined in the DCSF Funding Protocol, the date of this Promissory letter defines the moment of financial close for funding purposes. This was confirmed by the discussion and minute of the 21st October BSF Programme Board.

14 Use of appendices /Tables and photographs

- Agreed Maximum Price Summary (16.1)
- Provisional sum schedule (16.2)
- Programme Milestones (16.3)
- Construction awards to date (16.4)

15 Local Government (Access to Information) Act 1985

15.1 The following documents were used in the compilation of this report:

a. The Council's Standing Orders


15.2 Appendix 1 of this report contains exempt information and is **not for publication**. The exempt information is under the following category (identified in the amended Schedule 12A of the Local Government Act 1972):
Information relating to the financial or business affairs of any particular person (including the authority holding that information) (Ground 3).

Agenda item

[No.]

PROCUREMENT COMMITTEE

On 18 December 2008

Report Title. Building Schools for the Future: Award of Main Contract for John Loughborough School	
Report authorised by Director of the Children & Young People's Service  IAN BAILEY	
Contact Officer : David Bray 020 8489 1824 david.bray@haringey.gov.uk	
Wards(s) affected: Tottenham Hale	Report for: Key Decision
1. Purpose of the report (That is, the decision required)	
1.1 To seek Procurement Committee approval to award the main work's Design and Build contract, following completion of the Pre-Construction Stage	
2. Introduction by Cabinet Member (if necessary)	
2.1 John Loughborough School is one of the twelve schools in the Building Schools for the Future programme that has completed its pre-construction stage and is moving to the main stage of the Design and Build programme.	

3. State link(s) with Council Plan Priorities and actions and /or other Strategies:

- 3.1 Making Haringey one of London's greenest boroughs
 - 3.1.3 The project will assist in ensuring the appropriate renewal and refurbishment of property assets in the Borough, and address issues of maintenance, all of which will contribute to the optimum use of resources in the long term
 - Measures to minimise water use
 - Energy efficient lighting
 - Lighting occupancy sensing in the toilets
 - Recycled construction materials
 - Certified Timber (CoC)
 - 3.1.2 An initial BREEAM (Building Research Establishment Environmental Assessment Method) review indicated that the project would achieve a "Good" rating. However, work is progressing with the contractor partner to assess whether this can be improved to "Very Good" within the AMP.
 - 3.1.3 Designers are briefed to ensure the new build elements comply to the highest level of energy saving.
 - 3.1.4 The school is adopting Haringey's sustainability policy.
- 3.2 Creating a Better Haringey: cleaner, greener and safer
 - 3.2.1 Variety of sustainability measures including BREEAM as in section 3.1.2
 - 3.2.2 Construction Partner has undertaken to implement, wherever possible the Council's policies in respect of employing local labour as in 3.6.8 .
 - 3.2.3 Encouraging lifetime well-being, at home, work, play and learning
 - 3.2.4 The BSF programme will contribute to the transformation in outcomes for young people in Haringey by improving the learning environment, providing anywhere/anytime access to ICT, increasing inclusion and providing a wider range of pathways of study.
 - 3.2.5 The BSF programme will improve access to extended services in and around schools and contribute to improving community cohesion. Examples include access to out of hours study support for children and families, sports and the arts. This particular school will have new art and sports provision and will continue to have a strong connection with its faith community. Improved access and site security will ensure that children, families and the building will be safer.
 - 3.2.6 Promoting independent living while supporting adults and children **when** needed

3.2.7 Creating apprenticeships for local people

3.2.8 Encouraging the use of local labour

3.3 Delivering excellent, customer focused, cost effective services

3.3.1 Key to the success of the BSF programme is to improve standards in schools. John Loughborough school has made good progress at GCSE level in recent years. The BSF programme will add to the learning environment to enable further progress to be made by eliminating poor teaching spaces.

3.3.2 The BSF work to the school's reception area will bring about much needed improvements to the way in which visitors are greeted.

3.4 Council Strategies

3.4.1 Safer for All:

In all our work we will pay particular attention to:•

- Young people and crime
- Mental health issues
- Support for victims and witnesses of crime
- Working with and through communities (Community Engagement)

3.5 Resources

3.5.1 Overall Value for money is achieved by the procurement methodology to prove the economy, efficiency and effectiveness of each project as it is tendered. Six suitable contractors formed a BSF contractor framework to serve each project in the programme, by means of mini competitions. The successful contractor worked through the design stage ultimately producing costed packages of work. The exercise is "open book", allowing the project manager and cost manager to see the sub consultants tenders and confirm the price meets scope and quality criteria.

3.5.2 Due to the nature of the works within a live school site, Criminal Records Bureau (CRB) checks will be submitted and monitored by the London Borough of Haringey for the Construction Partners "on site" staff. Supervisors from sub-contractors will also be subjected to CRB. This will bring to the Council's attention anyone unsuitable to work with children and other vulnerable members of society.

3.5.3 A thorough analysis of pupil place planning has been carried out to ensure that the school accommodation is appropriate for both current needs and the foreseeable needs of the future. Governors have signed an agreement to maintain the property in good order once the BSF work is completed. The FM aspect of the PFI contract will be reviewed at the end of the BSF works. A workforce development programme is already in place to ensure the skills, knowledge and experience of the staff match the needs of an effective school.

3.5.4	Engagement of the Community: The designs have been made available to stakeholders through various media and events including resident drop in sessions, school parents and school governors' review days, school council assemblies. Project newsletters have also been distributed to parents and local residents, while the proposals have been set out on the Haringey BSF web pages (www.haringey.gov.uk/bsf). Information and updates will continue to be provided to stakeholders during the construction phase of the project.
3.5.5	Full consultation has been undertaken as part of the BSF Stage approvals; this included consultation with Partnership for Schools, Commission for Architecture and the Built Environment (CABE), Council planners and building control, the Fire Officer and the Police (Secured by Design).
3.5.6	Full planning permission has been received for the scheme.
3.5.7	The selected construction partner will have a Customer Liaison Officer (CLO) whose role is to actively engage with the community through drop in sessions, leaflet drops, open evenings and many more stakeholder engagement activities to allow for comment and feedback during the construction process.
3.5.8	During the construction phase of the works the construction partner will be expected to set up apprenticeships from the community for the John Loughborough School project to encourage the use of locally based labour, unemployed persons etc. These apprenticeships will be within various positions, for example, trades, administration and management. These will be monitored as a Key Performance Indicator.
3.5.9	Risks are managed within the governance of the BSF programme. This includes Stream Lead meetings and reporting to the Programme Board. The projects are managed within Prince 2 methodology and Managing Successful Programmes. Procurements are managed to European Legislation and advice is taken from legal advisers to ensure compliance. An audit of the programme completed satisfactorily.
3.5.10	Work streams within the programme incorporate people from the Haringey work force where practical.
4.	Recommendations
4.1	The Procurement Committee award the design and build contract, with a value set out in Appendix 16.1, and with a 57 week programme to 26th February 2010.
4.2	The procurement committee authorise spending on this contract up to the sum detailed in 16.1.2, with reference to the build up of this sum in 16.1.1, conditional on the funding position for VAT costs associated with this project being resolved with HMRC and PfS as detailed in paragraph 13.2.
5.	Reason for recommendation(s)
5.1	In April 2007, following an Official Journal of the European Union (OJEU) process, Haringey's Procurement Committee agreed a framework of six Constructor

Partners (CP). These CPs would be used to source the twelve school projects in the BSF programme.

5.2 In May 2008 it was agreed with the Leader of the Council that, in order to give full Member involvement in the BSF Design and Build process, the pre-construction stage would be reported to Procurement Committee for approval. Subsequently the main award with an Agreed Maximum Price (AMP) would also be presented to Procurement Committee.

5.3 Four contractors from the CP framework passed the financial criteria set to enter a mini competition for John Loughborough School. All four of the contractors accepted to tender with the tender opening taking place on the 15th April 2008. The Procurement Committee subsequently approved the contractor specified in paragraph 16, on 12th June 2008, to work through the pre-construction services and negotiate an Agreed Maximum Price

5.4 The appointed contractor partner has been working with the Project Teams during the Pre-Construction stage and submitted their Contractors Proposals with an Agreed Maximum Price, this tender was submitted on the 14th November 2008.

5.5 The Pre Construction stage was undertaken as follows:

5.5.1 Council's Requirements

The Design Team Partners developed the level of design up to RIBA Stage D+ (detailed design) which formed the basis of the Council's Requirements. To allow the contractor partner to formulate an Agreed Maximum Price the following information was sent to them:

- Drawings (architectural, structural and civils, mechanical and electrical, landscape and acoustic)
- Specifications
- ICT proposals
- Waste management proposals
- Statutory requirements
- Programme
- Planned maintenance programme
- Key performance indicators
- Contract terms and conditions

5.5.2 Pre Construction Services /Contractor's Proposals

The contractor partner undertook the following services in order to submit an Agreed Maximum Price:

- Pre-construction design
- Supply chain management/works package tendering with full cost management

- Value engineering/open book accounting
- Procurement of surveys
- Quality assurance
- Method statements
- Procurement of material samples
- Insurances/warranties and bonds

The contractor partner received the Council's Requirements on 15th August 2008 and then worked with the Design Team Partner and stakeholders to develop their Contractor's Proposals in response.

5.5.3 Review

All of the works packages, except materials and Block A alterations, within the design have been tendered by the Contractor Partner. The CP was instructed to send out individual work packages to a minimum of three suppliers. The suppliers were asked to return their prices to Potter Raper Partnership's (cost consultant) Office for opening and recording, and the CP asked to submit a recommendation report for the Individual packages, which demonstrated value for money.

Potter Raper Partnership have reviewed each recommendation for a package of works from the contractor partner, and have concluded that the prices returned for the packages, including those noted above as having not been tendered, represent value for money. The Design Team Partner has reviewed the recommendation to ensure that they are compliant with the Council's Requirements There have been no significant derogations from the Council Requirements.

5.5.4 Final Tender

The Agreed Maximum Price was submitted and opened on 14th November 2008. The tender included the following information:

- Form of Tender
- Contractor AMP form
- Programme
- Contractor's Proposals

A Development Agreement has been agreed in principle with the Seventh Day Adventists which acknowledges that the contractor will require access to the school premises to carry out the works and that the school will liaise closely with them to support the phasing and decanting requirements of the scheme; it is proposed that this Agreement will be signed simultaneously with the building contract.

The generic Final Business Case (FBC) has been submitted to Partnership for School and has been agreed by DCFS. However, the individual project FBC is

being prepared for PFS approval.

The Agreed Maximum Price Summary (Appendix, paragraph 16.1), incorporates a full review of the professional fees required to complete the project. The figure presented in paragraph 16.1 presents the estimated costs.

5.5.5 Health and Safety Implications

During the pre-construction stage the designs have been reviewed by a Construction Design and Management Co-ordinator, (Gardiner and Theobald). Their duties have included:

- Advise and assist the client with their health and safety duties
- Notify details of the project to HSE
- Co-ordinate health and safety aspects of the design work and co-operate with others involved with the project
- Facilitate good communication between the client, designers and contractors
- Liaise with the principal contractor regarding ongoing design work
- Identify, collect and pass on pre-construction information
- Prepare and update the health and safety file

As part of their acceptance onto the Contractor's Framework for BSF the contractor partner is a member of the Contractors Health and Safety Assessment Scheme (CHAS). This has allowed the Council access to contractor partner's information on their Health and Safety record, to ensure that they are meeting the necessary regulations.

6 Other options considered

6.1 Not Applicable

7 Summary

7.1 The John Loughborough BSF project has been the subject of a 2 stage tendering process with the contractor appointed to undertake pre-construction services. This report addresses the process used to ensure value for money, identifies the anticipated costs resulting from the procurement exercise, and seeks approval to proceed to award a design and build contract for the refurbishment and selective renewal of the John Loughborough School to the contractor partner appointed for the pre-construction stage, on the terms set out in the appendix to this report.

8 Chief Financial Officer Comments

8.1 The Chief Financial Officer has been consulted on the content of this report and has no additional comments to make.

9 Head of Legal Services Comments

- 9.1 The Director of children and Young People Services is seeking Procurement Committee approval of an award of the contract for the Design and Build phase of the John Loughborough School Project (the Project), to the contractor named in paragraph 16.1 (the Contractor), and for authorisation to spend on this contract up to the sum detailed in 16.1.2, with reference to the build up of this sum in 16.1.1.
- 9.2 The Contractor was recommended to the Procurement Committee for the award of the Pre-construction contract for the Project and the opportunity to negotiate an Agreed maximum Price for the project as a whole, following a mini-competition held with four of the contractors on the BSF Contractor Partners Framework Agreement.
- 9.3 As confirmed by external legal advisers to the BSF programme, Eversheds, the BSF Construction Partners Framework Agreement was established following the correct advertisement in accordance with EU public procurement directives and regulations.
- 9.4 The Procurement Committee at its meeting of 12th June 2008 approved the award of Pre-Construction services contract to the Contractor.
- 9.5 The Construction Procurement Group have confirmed that all parties to the Pre-Construction Services contract mini-competition understood that the Council reserved the right to award the subsequent contract for the Design and Build stage of the contract to the same contractor that was awarded the contract for the Pre-construction stage of the contract provided agreement as to an Agreed Maximum Price and other terms of the D & B contract is reached with that contractor.
- 9.6 Agreement as to the Agreed Maximum Price and other terms of the Design and Build contract have now been reached with the Contractor therefore this report is seeking approval of the award of the contract for the Design and Build stage of the Project to the Contractor.
- 9.7 The value of the Agreed Maximum Price in relation to the proposed contract exceeds £250,000, the Procurement Committee is the appropriate body with the power, under CSO 11.3, to approve the award of the proposed contract.
- 9.8 As the report states (in Paragraph 5), the Council and John Loughborough School are in the process of finalising the terms of a Development Agreement with the Seventh Day Adventist Association and it is anticipated that the Development Agreement will be signed simultaneously with the proposed Design and Build contract. The Head of Legal Services has been light-touch monitoring the work of external legal advisers, Eversheds, in relation to the Development Agreement.
- 9.9 The Head of Legal Services confirms that, subject to funding, there are no legal reasons preventing Members from approving the recommendation as to the proposed contract award set out in Paragraph 4 of this report.

10 Head of Procurement Comments –[Required for Procurement Committee]

- 10.1 The process for assembling the Agreed Maximum Price (AMP) is based on an open book process where the sum of each package of works (such as piling and decorations) compiles the AMP.
- 10.2 The AMP has been assembled by the contractor following a series of mini competitions to their supply chain and the figures received are arithmetically checked by the Cost Consultant. The prime contractor recommends the intended sub-contractor for each package for examination by the Cost Consultant and Project Manager.
- 10.3 The Agreed Maximum Price is then received and processed by Council officers in accordance with standing orders and financial regulations.

11 Equalities and Community Cohesion Comments

- 11.1 The new build elements of the John Loughborough School project are being designed to be fully accessible to all levels of physical ability (DDA compliance). As part of the vision for the campus, the facilities have the potential to be open to the local community.

12 Consultation

- 12.1 The Construction Procurement Group has been fully consulted in the preparation of this report.
- 12.2 A wide range of internal and external stakeholders have been consulted during the course of project development. These stakeholders include the school and it's administrators, the local community, local Members, Partnerships for Schools, DCFS, and the Commission for Architecture and the Built Environment (CABE).
- 12.3 **Legal Implications (provided by Eversheds)**
 - 12.3.1 The BSF Framework Agreements with the Construction Partners were established following the correct advertisement in accordance with EC procurement directives and regulations.
 - 12.3.2 The framework incorporates a mechanism in order to score call offs and mini competitions. It anticipates that, subsequent to the appointment of a contractor to a Pre-Construction Services Agreement, a Design and Build Contract will be entered into with that contractor in substantially the same form as the draft in the framework.
 - 12.3.3 Whilst the contractor has been proceeding with the services under the Pre-Construction Services Agreement, Haringey's Construction Procurement Group, with the assistance of other professional advisers, has been progressing the process of establishing the scope and price for the Design and Build Contract."

13 Service Financial Comments

- 13.1 Appendix 1 presents the AMP Stage Cost Schedule. This table confirms all project cost elements associated with the project's design and build phases based on information from Potter Raper Partnership and confirmed by the Mace Project Manager – this table incorporates previous stages approved via delegated authority. This table shows that the Maximum Project Cost equals the cash limited budget for this project and therefore has the necessary budget provision available for this approval to be made.
- 13.2 As a VA school, John Loughborough is subject to different treatment of VAT compared to non VA schools – in overall terms, where a range of tests can be successfully confirmed, HMRC give permission for the school to issue a zero-rated certificate, so that VAT costs can be recovered. HMRC initially gave permission for this route on new build, but has recently withdrawn this permission pending completion of further tests to establish whether this 'new build' coincides with their regulations. It is anticipated that all the construction work at John Loughborough School will fail the 'new build' test, and hence a claim will be submitted to PfS for additional grant to offset the unrecoverable VAT costs. Steve Avis and Michael Edwards from PfS have both confirmed in writing that this will not represent an issue as additional grant will be forthcoming to cover the unrecoverable VAT, but a formal request cannot be submitted until discussions with HMRC are complete. An additional complication is the change in VAT rate for 17.5% to 15% on 1st December, which will require a detailed spend profile to be created to enable the VAT load to be established. Whilst impacting on the overall project funding, this will not affect the value of the contract let. However, until the VAT issue is resolved, any agreement by the Cabinet Procurement Committee must be conditional on the resolution of this issue to protect the overall affordability of the project.
- 13.3 DCSF issued a revised promissory letter on Monday 24th November 08 confirming the BSF programme FBC had successfully been signed off, and the total grant funding payable to the council. As defined in the DCSF Funding Protocol, the date of this Promissory letter defines the moment of financial close for funding purposes. This was confirmed by the discussion and minute of the 21st October BSF Programme Board.

14 Use of appendices /Tables and photographs

- Agreed Maximum Price Summary (16.1)
- Provisional sum schedule (16.2)
- Programme Milestones (16.3)
- Construction awards to date (16.4)

15 Local Government (Access to Information) Act 1985

15.1 The following documents were used in the compilation of this report:

a. The Council's Standing Orders


15.2 Appendix 1 of this report contains exempt information and is **not for publication**. The exempt information is under the following category (identified in the amended Schedule 12A of the Local Government Act 1972):

Information relating to the financial or business affairs of any particular person (including the authority holding that information) (Ground 3).

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Agenda item

[No.]

PROCUREMENT COMMITTEE		On 18 December 2008
Report Title.		
Building Schools for the Future: Award of Contract for Woodside Inclusive Learning Campus		
Report authorised by Director of the Children & Young People's Service		
 IAN BAILEY		
Contact Officer :		
David Bray		
020 8489 1824		
david.bray@haringey.gov.uk		
Wards(s) affected: Woodside	Report for: Key Decision	
1. Purpose of the report		
1.1 To seek Procurement Committee approval to award the main works design and build contract following completion of the Pre-Construction Stage		
2. Introduction by Cabinet Member		
2.1 Woodside Inclusive Learning Campus is one of the twelve schools in the Building Schools for the Future programme that has completed its pre-construction stage and is moving to the main stage of the Design and Build programme.		
2.2 The campus will bring together students from Woodside High and from a new special school created from the upper schools of Moselle School and William C Harvey.		

3. State link(s) with Council Plan Priorities and actions and /or other Strategies:

3.1 Making Haringey one of London's Greenest Boroughs

The Woodside ILC BSF Project exhibits a number of sustainability features, as follows:

- Biomass Boiler
- Rainwater harvesting
- Measures to min. water use
- Energy efficient lighting
- Lighting daylight sensing
- Lighting occupancy sensing
- sub-metering
- school travel plan
- Recycled construction materials
- Certified Timber (CoC)
- Reduced VOC materials
- Sustainable measures visible to students

An initial BREEAM (Building Research Establishment Environmental Assessment Method) review indicated that the project would achieve a "Very Good" rating, which is the aspirational rating contained in the OBC.

The project will assist in ensuring the appropriate renewal and refurbishment of property assets in the Borough, and address issues of maintenance, all of which will contribute to the optimum use of resources in the long term.

3.2 Creating a Better Haringey: Cleaner, Greener and Safer

The Woodside ILC Project will renew, improve and extend the fabric of the school significantly enhancing the learning environment of the students. This will improve their safety both on site and moving to, from and within the site, and create defined areas for specialised student activities which can be supervised. This will be further reinforced by an extension of the security measures around the school.

Encouraging Lifetime Well Being, at Home, Work, Play and Learning

3.2.1 The BSF programme will contribute to the transformation in outcomes for young people in Haringey by improving the learning environment, providing anywhere/anytime access to ICT, increasing inclusion and providing a wider range of pathways of study.

- 3.2.2 The BSF programme will improve access to extended services in and around schools and contribute to improving community cohesion. Examples include access to out of hours study support for children and families, sports and the arts. This particular school will have new art and sports provision and will continue to improve its connection with its local community. Improved access and site security will ensure that children, families and the building will be safer.
- 3.2.3 Promoting independent living while supporting adults and children when needed
- 3.2.4 The Construction Partner has undertaken to implement wherever possible the Council's policies in respect of employing local labour, and creating apprenticeships for local people.
- 3.3 Delivering Excellent, Customer Focussed, Cost Effective Services
 - 3.3.1 Key to the success of the BSF programme is to improve standards in schools. William C Harvey and Moselle schools provide an excellent education for pupils with special needs and Woodside High school has made good progress to improve at GCSE level in recent years. The BSF programme will add to the learning environment for all young people to enable further progress to be made.
 - 3.3.2 The BSF work to the school's reception area will bring about much needed improvements to the way in which visitors are greeted, and ensure the schools can make more cost-effective use of staffing resources, allowing prioritisation of staff use to further drive up standards.
 - 3.3.3 The new Woodside High School teaching block will support further raising of educational standards by creating purpose-build teaching accommodation for its key subjects; standards at the special school will also benefit where students can access these. The new Learning Resource Centre will support improvements in standards, and post 16 stay-on rates by promoting more effective independent learning by mainstream and special school students; community access to this facility will also benefit community cohesion, and improvements in adult learning
 - 3.3.4 The new special school base will further improve provision for special school students, by providing state-of-the-art facilities, and will address one of the key OfSTED issues relating to accommodation deficits, identified in one of the predecessor school's last inspection report,
 - 3.3.5 The reconfigured social spaces on the campus will promote improved behaviour and social cohesion for all the students; their location will allow more cost-effective staff supervision
 - 3.3.6 With improved zoning resulting from the BSF investment, community access to the schools' facilities can be delivered on a more cost-effective basis, with discussions already underway about widening the current offer.
- 3.4 Council Strategies
 - 3.4.1 Safer for All

In all our work we will pay particular attention to:•

- Young people and crime
- Mental health issues
- Support for victims and witnesses of crime
- Working with and through communities (Community Engagement)

3.5 Resources

3.5.1 Overall Value for money is achieved by the procurement methodology to prove the economy, efficiency and effectiveness of each project as it is tendered. Six suitable contractors formed a BSF contractor framework to serve each project in the programme, by means of mini competitions. The successful contractor worked through the design stage ultimately producing costed packages of work. The exercise is “open book”, allowing the project manager and cost manager to see the sub consultants tenders and confirm the price meets scope and quality criteria.

3.5.2 Due to the nature of the works within a live school site, Criminal Records Bureau (CRB) checks will be submitted and monitored by the London Borough of Haringey for the Construction Partners “on site” staff. Supervisors from sub-contractors will also be subjected to CRB. This will bring to the Council's attention anyone unsuitable to work with children and other vulnerable members of society.

3.5.3 Designers are briefed to ensure the new build elements comply to the highest level of energy saving. The school is adopting Haringey's sustainability policy. (see 3.1 above)

3.5.4 A thorough analysis of pupil place planning has been carried out to ensure that the school accommodation is appropriate for both current needs and the foreseeable needs of the future. Governors have signed an agreement to maintain the property in good order once the BSF work is completed. The FM aspect of the PFI contract will be reviewed at the end of the BSF works.

3.5.5 Work streams within the programme incorporate people from the Haringey work force where practical.

3.5.6 A workforce development programme is already in place to ensure the skills, knowledge and experience of the staff match the needs of an effective school.

3.6 Engagement of the Community:

3.6.1 The designs have been made available prior to the construction stage for resident drop in sessions, school parents and school governors' review days, school council assemblies and information has been posted through the doors of local residents (also available on line for viewing). These initiatives will continue through the construction phase.

3.6.2 Full consultation has been undertaken as part of the BSF Stage approvals; this included consultation with Partnership for Schools, Commission for Architecture

and the Built Environment (CABE), Council planners and building control, the Fire Officer and the Police (Secured by Design).

3.6.3 Full planning permission has been received for the scheme.

3.6.4 The selected construction partner will have a Customer Liaison Officer (CLO) whose role is to actively engage with the community through drop in sessions, leaflet drops, open evenings and many more stakeholder engagement activities to allow for comment and feedback during the construction process.

3.6.5 During the construction phase of the works the construction partner will be expected to set up apprenticeships from the community for the Woodside ILC project to encourage the use of locally based labour, unemployed persons etc. These apprenticeships will be within various positions, for example, trades, administration and management. These will be monitored as a Key Performance Indicator.

3.7 Risk Management

3.7.1 Risks are managed within the governance of the BSF programme. This includes Stream Lead meetings and reporting to the Programme Board. The projects are managed within Prince 2 methodology and Managing Successful Programmes. Procurements are managed to European Legislation and advice is taken from legal advisers to ensure compliance. An audit of the programme completed satisfactorily.

4. Recommendations

4.1 The Procurement Committee award the design and build contract, with a value set out in Appendix 16.1, and with a 142 week programme to 24th August 2011.

4.2 The procurement committee authorise spending on this contract up to the sum detailed in 16.1.2, with reference to the build up of this sum on 16.1.1.

5. Reason for recommendation(s)

5.1 In April 2007, following an Official Journal of the European Union (OJEU) process, Haringey's Procurement Committee agreed a framework of six Constructor Partners (CP's). These CP's would be used to source the twelve school projects in the BSF programme.

5.2 In May 2008 it was agreed with the Leader of the Council that, in order to give full Member involvement in the BSF Design and Build process, the pre-construction stage would be reported to Procurement Committee for approval. Subsequently the main award with an Agreed Maximum Price (AMP) would also be presented to Procurement Committee.

5.3 All the CP's on the framework were invited to submit proposals for the Woodside ILC project, via a mini-competition. The mini-competition process for Woodside High ILC was completed on 12th November 2007 and a preconstruction agreement

was awarded to Apollo London Ltd.

5.4 The Pre Construction stage was undertaken as follows:

5.5 Council's Requirements

5.6 The Design Team Partner developed the level of design up to RIBA Stage D+ (detailed design) which formed the basis of the Council's Requirements. To allow the contractor partner to formulate an AMP the following information was sent to them:

- Drawings (architectural, structural and civils, mechanical and electrical, landscape and acoustic)
- Specifications
- ICT proposals
- Waste management proposals
- Statutory requirements
- Programme
- Planned maintenance programme
- Key performance indicators
- Contract terms and conditions

5.7 Pre Construction Services /Contractor's Proposals

The Contractor Partner undertook the following services in order to submit an AMP:

- Pre-construction design
- Supply chain management/works package tendering with full cost management
- Value engineering/open book accounting
- Procurement of surveys
- Quality assurance
- Method statements
- Procurement of material samples
- Insurances/warranties and bonds

The Contractor Partner received the Council's Requirements on 23rd June 2008 and then worked with the Design Team Partner and stakeholders to develop their Contractor's Proposals in response.

5.8 Review

The majority of the works package items within the design were tendered by the Contractor Partner (The exceptions were builders work, external furniture, materials, fall arrest and utilities). The CP was instructed to send out individual work

packages to a minimum of three suppliers. The suppliers were asked to return their prices to Potter Raper Partnership's (cost consultant) Office for opening and recording, and the CP asked to submit a recommendation report for the Individual packages, which demonstrated value for money. As a result, Potter Raper Partnership (PRP) confirmed that over 96% of the works received three tenders; the remainder were qualified, but PRP have confirmed these demonstrated value for money.

The Design Team Partner has reviewed the recommendation to ensure that they are compliant with the Council's Requirements There have been no significant derogations from the Council Requirements.

Final Tender

The AMP was submitted and opened on 3rd November 2008. The tender included the following information:

- Form of Tender
- Contractor AMP form
- Programme
- Contractor's Proposals

5.10 Health and Safety Implications

- During the pre-construction stage the designs have been reviewed by a Construction Design and Management Co-ordinator, (Gardiner and Theobald). Their duties have included:
 - Advise and assist the client with their health and safety duties
 - Notify details of the project to HSE
 - Co-ordinate health and safety aspects of the design work and co-operate with others involved with the project
 - Facilitate good communication between the client, designers and contractors
 - Liaise with the principal contractor regarding ongoing design work
 - Identify, collect and pass on pre-construction information
 - Prepare and update the health and safety file

As part of their acceptance onto the Contractor's Framework for BSF the contractor partner is a member of the Contractors Health and Safety Assessment Scheme (CHAS). This has allowed the Council access to contractor partner's information on their Health and Safety record, to ensure that they are meeting the necessary regulations.

6 Other options considered

6.1 Not Applicable

7 Summary

7.1 The Woodside ILC BSF project has been the subject of a 2 stage tendering process with the contractor appointed to undertake pre-construction services. This report addresses the process used to ensure value for money, identifies the anticipated costs resulting from the procurement exercise, and seeks approval to proceed to award a design and build contract for the Woodside ILC project to the Contractor Partner appointed for the pre-construction stage, on the terms set out in the appendix to this report.

8 Chief Financial Officer Comments

8.1 The Chief Financial Officer has been consulted on the content of this report and has no additional comments to make.

9 Head of Legal Services Comments

9.1 The Director of children and Young People Services is seeking Procurement Committee approval of an award of the contract for the Design and Build phase of the Woodside Inclusive Learning Campus School Project (the Project), to the contractor named in paragraph 16.1 (the Contractor), and for authorisation to spend on this contract up to the sum detailed in 16.1.2, with reference to the build up of this sum on 16.1.1.

9.2 The Contractor was recommended to the Procurement Committee for the award of the Pre-construction contract for the Project and the opportunity to negotiate an Agreed maximum Price for the project as a whole, following a mini-competition held with the contractors on the BSF Contractor Partners Framework Agreement.

9.3 As confirmed by external legal advisers to the BSF programme, Eversheds, the BSF Construction Partners Framework Agreement was established following the correct advertisement in accordance with EU public procurement directives and regulations.

9.4 The Pre-Construction services contract was awarded to the Contractor under delegated authority on 18th December, 2007 .

9.5 The Construction Procurement Group have confirmed that all parties to the Pre-Construction Services contract mini-competition understood that the Council reserved the right to award the subsequent contract for the Design and Build stage of the contract to the same contractor that was awarded the contract for the Pre-construction stage of the contract provided agreement as to an Agreed Maximum Price and other terms of the D & B contract is reached with that contractor.

- 9.6 Agreement as to the Agreed Maximum Price and other terms of the Design and Build contract have now been reached with the Contractor therefore this report is seeking approval of the award of the contract for the Design and Build stage of the Project to the Contractor.
- 9.7 As the value of the Agreed Maximum Price in relation to the proposed contract exceeds £250,000, the Procurement Committee is the appropriate body with the power, under CSO 11.3, to approve the award of the proposed contract.
- 9.8 The Head of Legal Services confirms that, subject to funding, there are no legal reasons preventing Members from approving the recommendation as to the proposed contract award set out in Paragraph 4 of this report.

10 Head of Procurement Comments

- 10.1 The process for assembling the Agreed Maximum Price (AMP) is based on an open book process where the sum of each package of works (such as piling and decorations) compiles the AMP.
- 10.2 The AMP has been assembled by the contractor following a series of mini competitions to their supply chain and the figures received are arithmetically checked by the Cost Consultant. The prime contractor recommends the intended sub-contractor for each package for examination by the Cost Consultant and Project Manager.
- 10.3 The Agreed Maximum Price is then received and processed by Council officers in accordance with standing orders and financial regulations.

11 Equalities and Community Cohesion Comments

- 11.1 The new build elements of the Woodside ILC project are being designed to be fully accessible to all levels of physical ability (DDA compliance). As part of the vision for the campus, the facilities have the potential to be open to the local community.

12 Consultation

- 12.1 The Construction Procurement Group has been fully consulted in the preparation of this report.
- 12.2 A wide range of internal and external stakeholders have been consulted during the course of project development. These stakeholders include the school and its administrators, the local community, local Members, Partnerships for Schools, DCFS, and the Commission for Architecture and the Built Environment (CABE).
- 12.3 A Governing Body Agreement has been agreed in principle with the Woodside School which acknowledges that the Contractor Partner will require access to the school premises to carry out the works and that the school will liaise closely with them to support the phasing and decanting requirements of the scheme.

- 12.4 Legal Implications (provided by Eversheds)
- 12.5 The BSF Framework Agreements with the Construction Partners were established following the correct advertisement in accordance with EC procurement directives and regulations.
- 12.6 The framework incorporates a mechanism in order to score call offs and mini competitions. It anticipates that, subsequent to the appointment of a contractor to a Pre-Construction Services Agreement, a Design and Build Contract will be entered into with that contractor in substantially the same form as the draft in the framework.
- 12.7 Whilst the contractor has been proceeding with the services under the Pre-Construction Services Agreement, Haringey's Construction Procurement Group, with the assistance of other professional advisers, has been progressing the process of establishing the scope and price for the Design and Build Contract."

13. Service Financial Comments

- 13.1 Appendix 1 presents the AMP Stage Cost Schedule. This table confirms all project cost elements associated with the project's design and build phases based on information from Potter Raper Partnership and confirmed by the Mace Project Manager – this table incorporates previous stages approved via delegated authority. This table shows that the Maximum Project Cost equals the cash limited budget for this project and therefore has the necessary budget provision available for this approval to be made.
- 13.2 DCSF issued a revised promissory letter on Monday 24th November 08 confirming the BSF programme FBC had successfully been signed off, and the total grant funding payable to the council. As defined in the DCSF Funding Protocol, the date of this Promissory letter defines the moment of financial close for funding purposes. This was confirmed by the discussion and minute of the 21st October BSF Programme Board.

14. Use of appendices /Tables and photographs

- Agreed Maximum Price Summary (16.1)
- Provisional sum schedule (16.2)
- Programme Milestones (16.3)
- Construction awards to date (16.4)

15. Local Government (Access to Information) Act 1985

- 15.1 The following documents were used in the compilation of this report:

a. The Council's Standing Orders

15.2 Appendix 1 of this report contains exempt information and is **not for publication**. The exempt information is under the following category (identified in the amended Schedule 12A of the Local Government Act 1972):

Information relating to the financial or business affairs of any particular person (including the authority holding that information) (Ground 3).

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