
Cabinet Procurement Committee

TUESDAY, 27TH APRIL, 2010 at 18:00 HRS - CIVIC CENTRE, HIGH ROAD, WOOD GREEN, N22 8LE.

MEMBERS: Councillors Bob Harris (Chair), Bevan, Kober and Reith

AGENDA

1. APOLOGIES FOR ABSENCE (if any)

2. URGENT BUSINESS

The Chair will consider the admission of any late items of urgent business. Late items will be considered under the agenda item where they appear. New items will be dealt with at item 21 below. New items of exempt business will be dealt with at item 35 below.

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. MINUTES

To confirm and sign the minutes of the meeting of the Procurement Committee held on 30 March 2010.

5. DEPUTATIONS / PETITIONS / PRESENTATIONS / QUESTIONS

To consider any requests received in accordance with Standing Orders.

6. CORPORATE LEARNING AND DEVELOPMENT PROGRAMME - SHORT COURSES AND IT TRAINING: FRAMEWORK AGREEMENTS

(Report of the Assistant Chief Executive – People and Organisational Development): To seek approval to the establishment of framework agreements with suppliers for the provision of corporate learning and development programmes.

7. HARINGEY PUBLIC MORTUARY

(Report of the Director of Urban Environment): To advise the final costs involved in the construction of the new mortuary for the Borough and to seek approval for variations in the construction and consultancy contracts to accommodate increased costs.

8. EXTENSION OF SUPPORTING PEOPLE CONTRACT - SIXTY PLUS

(Report of the Director of Adult, Culture and Community Services): To seek approval to a one year extension of the Supporting People Contract 60 plus. **To follow**

9. AWARD OF SUPPORTING PEOPLE CONTRACT - OFFENDER AND SUBSTANCE MISUSE SERVICES

(Report of the Director of Adult, Culture and Community Services): To seek approval to award the contract for Offender and Substance Misuse Services for a period of 2 years. **To follow**

10. BUILDING SCHOOLS FOR THE FUTURE: BSF PROGRAMME SUPPORT

(Report of the Director of the Children and Young Peoples' Service): To seek approval for the extension of an existing contract to secure additional BSF Programme Support resources required to minimise risk in completing the delivery and closure phase of BSF projects and programme.

11. BUILDING SCHOOLS FOR THE FUTURE: VARIATION TO CONTRACT FOR WOODSIDE INCLUSIVE LEARNING CAMPUS

(Report of the Director of the Children and Young Peoples' Service): To seek approval to vary the Woodside Inclusive Learning Campus contract with the main contractor subject to BSF Board approval for support for the change and affordability and demonstration that the amended scope to the contract represents value for money.

12. ROKESLY CHILDREN'S CENTRE PHASE 3

(Report of the Director of the Children and Young Peoples' Service): To seek approval to appoint a contractor for the building contract of Rokesly Nursery and Children's Centre and to the issue of a letter of acceptance for design works prior to formal contract signature.

13. NOVATION OF CONTRACT WITH LIMELIGHT PROPERTIES FOR THE PROVISION OF INTEGRATED SUPPORTED HOUSING SERVICES

(Report of the Director of the Children and Young Peoples' Service): To seek approval to implement a novation of contract which transfers legal obligations from Limelight Properties to Christopher House for the provision of integrated supported housing services.

14. PLANNED PREVENTATIVE MAINTENANCE (PPM) PARTNERING PROCUREMENT

(Report of the Director of Urban Environment): To seek agreement to procure a partnering term contract(s) for planned preventative maintenance repairs and redecoration works to Haringey Council housing stock.

15. SHELTERED HOUSING AND PARKLANDS HOSTEL

(Report of the Director of Urban Environment): To recommend an award of contract to carry out decent homes work to sheltered housing stock and the conversion of the Parklands Road hostel into 9 x 3 bed roomed flats. **To follow**

16. NORTH TOTTENHAM DECENT HOMES PROGRAMME 2009/10 - PHASE NT14A

(Report of the Director of Urban Environment): To award a contract for a detailed programme of works which relate to various properties in the North Tottenham area known as Phase NT14a within the delivery of the Decent Homes Programme. **To follow**

17. WOOD GREEN DECENT HOMES PROGRAMME 2010/11 - PHASE WG19

(Report of the Director of Urban Environment): To award a contract for a detailed programme of works which relate to various properties in the Wood Green area known as Phase WG19 within the delivery of the Decent Homes Programme. **To follow**

18. CONSULTANT FOR CONSTRUCTION WORKS FRAMEWORK AGREEMENT EXTENSION

(Report of the Director of Corporate Resources): To seek approval to extend the consultants for construction works framework agreement for a period of 1 year.

19. CONSULTANTS FOR CONSTRUCTION WORK (ADDITIONAL SERVICES) FRAMEWORK AGREEMENT EXTENSION

(Report of the Director of Corporate Resources): To seek approval to extend the Consultant for Construction Works (Additional Services) framework agreements for a period of 1 year.

20. FRAMEWORK AGREEMENTS FOR CONSERVATION BUILDING CONSTRUCTION WORKS

(Report of the Director of Corporate Resources): To seek approval to award framework agreements for the provision of conservation building construction works for buildings owned or managed by the Council.

21. NEW ITEMS OF URGENT BUSINESS

To consider any items admitted at item 2 above.

22. 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

Items 23 – 34 allow for consideration of exempt information in relation to items 6 -20 which appear earlier on this agenda where appropriate.

23. CORPORATE LEARNING AND DEVELOPMENT PROGRAMME - SHORT COURSES AND IT TRAINING: FRAMEWORK AGREEMENTS

(Report of the Assistant Chief Executive – People and Organisational Development): To seek approval to the establishment of framework agreements with suppliers for the provision of corporate learning and development programmes.

24. HARINGEY PUBLIC MORTUARY

(Report of the Director of Urban Environment): To advise the final costs involved in the construction of the new mortuary for the Borough and to seek approval for variations in the construction and consultancy contracts to accommodate increased costs.

25. EXTENSION OF SUPPORTING PEOPLE CONTRACT - SIXTY PLUS

(Report of the Director of Adult, Culture and Community Services): To seek approval to a one year extension of the Supporting People Contract 60 plus. **To follow**

26. AWARD OF SUPPORTING PEOPLE CONTRACT - OFFENDER AND MISUSE SERVICES

(Report of the Director of Adult, Culture and Community Services): To seek approval to award the contract for Offender and Substance Misuse Services for a period of 2 years. **To follow**

27. BUILDING SCHOOLS FOR THE FUTURE: BSF PROGRAMME SUPPORT

(Report of the Director of the Children and Young Peoples' Service): To seek approval for the extension of an existing contract to secure additional BSF Programme Support resources required to minimise risk in completing the delivery and closure phase of BSF projects and programme.

28. BUILDING SCHOOLS FOR THE FUTURE: VARIATION TO CONTRACT FOR WOODSIDE HOUSE INCLUSIVE LEARNING CAMPUS

(Report of the Director of the Children and Young Peoples' Service): To seek approval to vary the Woodside Inclusive Learning Campus contract with the main contractor subject to BSF Board approval for support for the change and affordability and demonstration that the amended scope to the contract represents value for money.

29. ROKESLY INFANT SCHOOL - DEVELOPMENT OF NURSERY AND CHILDREN'S CENTRE

(Report of the Director of the Children and Young Peoples' Service): To seek approval to appoint a contractor for the building contract of Rokesly Nursery and Children's Centre and to the issue of a letter of acceptance for design works prior to formal contract signature.

30. NOVATION OF CONTRACT WITH LIMELIGHT PROPERTIES FOR THE PROVISION OF INTEGRATED SUPPORTED HOUSING SERVICES

(Report of the Director of the Children and Young Peoples' Service): To seek approval to implement a novation of contract which transfers legal obligations from Limelight Properties to Christopher House for the provision of integrated supported housing services.

31. SHELTERED HOUSING AND PARKLANDS HOSTEL PROCUREMENT REPORT

(Report of the Director of Urban Environment): To recommend an award of contract to carry out decent homes work to sheltered housing stock and the conversion of the Parklands Road hostel into 9 x 3 bed roomed flats. **To follow**

32. NORTH TOTTENHAM DECENT HOMES PROGRAMME 2009/10 - PHASE NT14A

(Report of the Director of Urban Environment): To award a contract for a detailed programme of works which relate to various properties in the North Tottenham area known as Phase NT14a within the delivery of the Decent Homes Programme. **To follow.**

33. WOOD GREEN DECENT HOMES PROGRAMME 2010/11 - PHASE WG19

(Report of the Director of Urban Environment): To award a contract for a detailed programme of works which relate to various properties in the Wood Green area known as Phase WG19 within the delivery of the Decent Homes Programme. **To follow.**

34. FRAMEWORK AGREEMENT FOR CONSERVATION BUILDING CONSTRUCTION WORKS

(Report of the Director of Corporate Resources): To seek approval to award framework agreements for the provision of conservation building construction works for buildings owned or managed by the Council.

35. NEW ITEMS OF EXEMPT URGENT BUSINESS

To consider any items admitted at item 2 above.

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19 April 2010

MINUTES OF THE CABINET PROCUREMENT COMMITTEE
TUESDAY, 30 MARCH 2010

Councillors *Bob Harris (Chair), *Bevan, Kober and *Reith.

*Present

MINUTE NO.	SUBJECT/DECISION	ACTION BY
PROC82.	APOLOGIES FOR ABSENCE (Agenda Item 1) An apology for absence was submitted by Councillor Kober.	
PROC83.	DECLARATIONS OF INTEREST (Agenda Item 3) Councillor Bevan in relation to agenda item 13 – North Tottenham Decent Homes Programme 2010/11 Phase NT16 and agenda item 14 – South Tottenham Decent Homes Programme Phase ST15.	HLDMS
PROC84.	MINUTES (Agenda Item 4) RESOLVED That the minutes of the meeting held on 16 February 2010 be approved and signed.	HLDMS
PROC85.	HIGHWAYS AND STREET LIGHTING CONTRACTS - NOVATION OF CONTRACTS (Report of the Director of Urban Environment - Agenda Item 6) We noted that the Highways (Lot 1) contract and the Street Lighting (Lot 2) contract had been awarded to Volker Highways Crowley Ltd. on 28 April 2009. We also noted that in June 2009 the trade and assets of Volker Highways Crowley Ltd along with the two other highways maintenance companies in the Volker group had been consolidated into Volker Highways Ltd. and in order to streamline their operations Volker Highways Crowley Ltd wished to novate the two contracts to Volker Highways Ltd. RESOLVED That in accordance with Contract Standing Orders 11.03 and 14.01 approval be granted to the novation of the Highways (Lot 1) and Street Lighting (Lot 2) contracts from Volker Highways Crowley Ltd. to Volker Highways Ltd.	DUE
PROC86.	CONTRACTING OPTIONS FOR ADULT SOCIAL CARE (Report of the Director of Adult, Culture and Community Services - Agenda Item 7) We noted that the report provided an update on the progress of adult social care in developing a preferred contracting arrangement and that the Government's personalisation agenda was now almost two thirds the way through the three year period given to local authorities to begin transforming adult social care services.	

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	<p>We also noted that the Department of Health had issued guidance to support the Transformation of Social Care, introducing milestones that each local authority had to achieve by April 2010, October 2010 and April 2010. Further, that the Care Quality Commission Service Inspection in Adult Services in January 2009 had been critical of the Council's continued commissioning and delivery of traditional pattern of services, noting there was considerable work to do to transform this to meet the requirements of the personalisation agenda.</p> <p>We were informed that in order to successfully deliver 'personalised care', Haringey like many other local authorities were reviewing their community care contracting arrangements and that in delivering Adult Social Care (including services to carers), the role of the Council would change, from a commissioner of services on behalf of residents, service users and their carers to one of ensuring the development of the market were able to deliver services that service users and their carers would wish to purchase using their individual budgets. This transformation was expected to reduce the need for the Council to maintain the current level of 'block' contracts.</p> <p>RESOLVED</p> <ol style="list-style-type: none"> 1. That approval be granted in principle to the development of a framework arrangement, including the development of a personalised purchase agreement or contract and new support and quality monitoring functions that supported residents using an individual social care budget in making their own purchasing decisions. 2. That the Head of Procurement and the Director of Adults, Culture and Community Services work on the required processes, including the review of existing staff functions, documentation and further consultation needed to deliver the framework arrangement outlined in 1 above. 3. That a further report detailing the new framework and support functions be presented to the Committee for endorsement and agreement no later than November 2010, with the intention of having the new arrangements in place and fully operational by April 2011. 	<p>DUE/ HPr.</p> <p>DUE/ HPr.</p> <p>DUE/ HPr.</p>
<p>PROC87.</p>	<p>NEW FRAMEWORK AGREEMENT FOR ARBORICULTURAL SERVICES (Report of the Director of Adult, Culture and Community Services - Agenda Item 8)</p> <p>The Appendix to the interleaved report was the subject of a motion to exclude the press and public from the meeting as it contained exempt information relating to the business or financial affairs of any particular person.</p> <p>We noted that the report sought approval to appoint four tree works</p>	

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	<p>contractors to the new Framework Agreement for Arboricultural Services and that the four companies proposed for inclusion had been short-listed through an evaluation of tenders submitted.</p> <p>RESOLVED</p> <p>That in accordance with Contract Standing Order 11.03 approval be granted to the appointment of the following four contractors to the Framework Agreement for Arboricultural Services –</p> <ul style="list-style-type: none"> • City Suburban Tree Surgeons • London Forestry • Ruskins Tree Surgery • Ward Arboriculture 	DACCS
PROC88.	<p>EXTENSION OF WEBCASTING CONTRACT - LOCAL DEMOCRACY AND MEMBER SERVICES (Report of the Assistant Chief Executive – People and Organisational Development - Agenda Item 9)</p> <p>The Appendix to the interleaved report was the subject of a motion to exclude the press and public from the meeting as it contained exempt information relating to the business or financial affairs of any particular person.</p> <p>We noted that the report advised that as part of the process to re-tender the contract for the provision of web-casting, an extension of the existing contract was being sought for a four month period of January 2011. The value of the procurement was likely to be above European Union (EU) thresholds and the process subject to EU timescales and the extension was necessary to allow for the procurement exercise to be fully completed. We also noted that there was to be a review of which Council meetings and events would be web cast in the next municipal year.</p> <p>We asked that officers use the extension now proposed to explore the relative advantages of both a 3 and a 4 year contract and to include reference to both this element and the review in the progress report.</p> <p>RESOLVED</p> <ol style="list-style-type: none"> 1. That in accordance with Contract Standing Order 13.02 approval be granted to the extension of the Council's existing web casting contract with UK Council Ltd. (trading as Public-i) for a further four months to January 2011 to ensure compliance with EU procurement rules and timescales. 2. That a progress report on the re-tendering exercise for the provision of the Council's web-casting facility be submitted before the summer recess 2010. 	<p>ACE (POD)</p> <p>ACE (POD)</p>
PROC89.	<p>EXPANSION OF COLERIDGE PRIMARY SCHOOL FROM TWO TO FOUR FORM ENTRY (Report of the Director of the Children and Young People's Service - Agenda Item 10)</p>	

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	<p>The Appendix to the interleaved report was the subject of a motion to exclude the press and public from the meeting as it contained exempt information relating to the business or financial affairs of any particular person.</p> <p>We noted that the report sought approval to appoint a recommended contractor for the building contract of Coleridge Primary School Expansion Phase 3 following the invitation of competitive tenders from ten firms on the Council's Framework Agreement.</p> <p>We also noted that whilst the equalities impact assessment to which reference was made in paragraph 7.10 had not been included in the report it had now been completed to the satisfaction of all relevant parties.</p> <p>RESOLVED</p> <p>That in accordance with Contract Standing Order 11.03 approval be granted to the award of the contract for Phase 3 of the Coleridge Primary School Expansion to Jerram Falkus Ltd. on the terms and conditions set out in the appendix to the interleaved report.</p>	DCYPS
PROC90.	<p>COMMISSIONING OF EXTERNAL LOOKED AFTER CHILDREN'S PROVISION (Report of the Director of the Children and Young People's Service - Agenda Item 11)</p> <p>Our Chair agreed to admit the report as urgent business. The report was late because of the need to complete necessary consultations. The report was too urgent to await the next meeting because of the need to implement the proposed framework agreement as soon as possible in the 2010/11 financial year.</p> <p>The Appendix to the interleaved report was the subject of a motion to exclude the press and public from the meeting as it contained exempt information relating to the business or financial affairs of any particular person.</p> <p>We noted that the report sought approval to award the following five Framework Agreements and to delegate to the Director of the Children and Young People's Services the final letting of the Framework Agreements.</p> <ul style="list-style-type: none"> • Fostering Care Services • Specialist Fostering Care Services – Black and Minority Ethnic Carers • Specialist Fostering Care Services – Carers for Children with Profound Disabilities • Specialist/Therapeutic Residential Care Services • Residential Family Assessment Services 	

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	<p>RESOLVED</p> <ol style="list-style-type: none"> 1. That in accordance with Contract Standing Order 11.01(b) approval be granted in principle to the establishment of 5 Framework Agreements for the provision of Fostering and Specialist /Therapeutic Residential Care Services and Residential Family Assessment Services for Looked After Children on the lines set out in the interleaved report. 2. That authority to finalise the Framework Agreements be delegated to the Director of the Children and Young People's Service. 3. That the Framework Agreements be awarded for a period of four years. 	DCYPS
PROC91.	<p>NEW TERM PARTNERING CONTRACT FOR GAS SERVICING, MAINTENANCE AND RESPONSIVE REPAIRS TO PRIVATE SECTOR LEASED PROPERTIES AND HOSTELS (Report of the Director of Urban Environment - Agenda Item 12)</p> <p>The Appendix to the interleaved report was the subject of a motion to exclude the press and public from the meeting as it contained exempt information relating to the business or financial affairs of any particular person.</p> <p>We noted that the report informed us of the procurement exercise in relation to a contract to provide gas safety and maintenance to properties in the Council's Private Sector Leased and Hostels stock and recommended the award of the contract following a competitive tendering process.</p> <p>RESOLVED</p> <ol style="list-style-type: none"> 1. That in accordance with Contract Standing Orders 11.01(b) and 11.03 approval be granted to the award of the contract for gas Safety Certification and Responsive maintenance in respect of the Private Sector Leased (PSL) Accommodation and hostels to Purdy Contract Ltd. for a term of 4 years with an option to extend for 2 further periods of 1 year each. 2. That in accordance with Contract Standing Order 13.02 approval be granted to an extension of the existing short term contract covering the PSL and Hostel stock to 1 May 2010 so that it terminates at the point that the new contract begins in order to provide continuity of cover for gas safety operations and breakdown cover. 	<p>DUE</p> <p>DUE</p>
PROC92.	<p>NORTH TOTTENHAM DECENT HOMES PROGRAMME 2010/11 - PHASE NT16 (Report of the Director of Urban Environment - Agenda Item 13)</p>	

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	<p>Councillor Bevan declared a personal interest in this item by virtue of being Chair of the London Housing Consortium.</p> <p>The Appendix to the interleaved report was the subject of a motion to exclude the press and public from the meeting as it contained exempt information relating to the business or financial affairs of any particular person.</p> <p>We noted that the report sought approval to the award of a contract for a detailed programme of works, which related to various properties in the North Tottenham Area, known as NT16 within the delivery of the Decent Homes Programme which was scheduled to commence on 19 April 2010.</p> <p>RESOLVED</p> <ol style="list-style-type: none"> 1. That in accordance with Contract Standing Order 11.03 approval be granted to the award of the contract for Phase NT16 of the North Tottenham Decent Homes Programme 2010/11 to Lovell Partnerships. 2. That the Agreed Maximum Price excluding fees as set out in the Appendix to the report be noted and that it was to be funded from the 2010/11 Decent Homes allocation. 	DUE
PROC93.	<p>SOUTH TOTTENHAM DECENT HOMES PROGRAMME 2010/11 - PHASE ST15 (Report of the Director of Urban Environment - Agenda Item 14)</p> <p>Councillor Bevan declared a personal interest in this item by virtue of being Chair of the London Housing Consortium.</p> <p>The Appendix to the interleaved report was the subject of a motion to exclude the press and public from the meeting as it contained exempt information relating to the business or financial affairs of any particular person.</p> <p>We noted that the report sought approval to the award of a contract for a detailed programme of works, which related to various properties in the South Tottenham Area, known as ST15 within the delivery of the Decent Homes Programme which was scheduled to commence on 12 April 2010.</p> <p>Arising from consideration of paragraphs 7.5.2 and 7.5.3 of the report concern was expressed about the surface water drainage problem emanating from the walkways on Edgecot Grove and the resultant water penetration being experienced in a number of dwellings there. Confirmation having been sought and given that an investigation was being conducted and that these problems would be addressed by the Decent Homes Contractor and that this aspect of work would not be charged to the decent homes budget. We asked that this be closely monitored by officers and that a progress report be submitted to the</p>	

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	<p>Committee to the Cabinet Member for Housing and to the Decent Homes Board.</p> <p>Reference was also made to the life cycle cost analysis for Pagin House which showed that the cost of converting the flat roof there to a pitched roof would be marginally less than that for a flat roof renewal and clarification was sought of whether such a conversion could be justified in this case. In this regard we noted that the difference in the relative short term costs of conversion as opposed to renewal were more marked and we were reminded of the recommendation that further conversions of flat roofs to pitch roofs should not be agreed unless they were affordable immediately and did not jeopardise the future Decent Homes Programme. In the light of the recommendation in the officer's report and also that of the Decent Homes Board we concluded that whilst, funds permitting, there might be opportunities to agree roof conversions as the Decent Homes Programme progressed the flat roof to Pagin House should be replaced with a 'cut to falls' flat roof as proposed unless savings could be identified or costs contained within the contract price.</p> <p>Having noted that no leaseholder consultation forms had been returned as a result of the consultation process we</p> <p>RESOLVED</p> <ol style="list-style-type: none"> 1. That in accordance with Contract Standing Order 11.03 approval be granted to the award of the contract for Phase ST15 of the North Tottenham Decent Homes Programme 2010/11 to Lovell Partnerships. 2. That the Agreed Maximum Price excluding fees as set out in the Appendix to the report be noted and that it was to be funded from the 2010/11 Decent Homes allocation. 	DUE
PROC94.	<p>FRAMEWORK AGREEMENT FOR MINOR BUILDING CONSTRUCTION WORKS (Report of the Director of Corporate Resources - Agenda Item 15)</p> <p>The Appendix to the interleaved report was the subject of a motion to exclude the press and public from the meeting as it contained exempt information relating to the business or financial affairs of any particular person.</p> <p>We noted that the report sought approval to award framework agreements for the provision of minor building construction works for buildings owned or managed by the Council and Homes for Haringey.</p> <p>RESOLVED</p> <ol style="list-style-type: none"> 1. That in accordance with Contract Standing Order 11.03 approval be granted to the framework agreements for minor building construction works to the following companies - 	DCR

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	<p>Up to £25,000 Moyglen Construction Ltd Diamond Build plc Saltash Enterprises Limited Crispin & Borst Limited Thomas Sinden Construction Ltd Linbrook Services Ltd Rok Building Ltd Cuttle Construction Limited</p> <p>£ 25,000 - £125,000 Moyglen Construction Ltd T&B (Contractors) Limited Saltash Enterprises Limited Lakehouse Contracts Ltd Diamond Build plc Thomas Sinden Construction Ltd Linbrook Services Ltd Neilcott Construction Ltd</p> <p>£125,000 - £250,000 Moyglen Construction Ltd T&B (Contractors) Limited Quinn London Ltd Saltash Enterprises Limited Breyer Group Plc Lakehouse Contracts Ltd Diamond Build plc Thomas Sinden Construction Ltd</p> <p>2. That the framework agreements be awarded for a period of 2 years with an option to extend for a further 2 years and with an estimated total value of £5 million per year.</p>	DCR
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The meeting ended at 19.05 hours.

BOB HARRIS
Chair

Agenda item:

[No.]

Procurement Committee

On 27 April 2010

Report Title. **Corporate learning and development programme – short courses and IT training: Framework agreements (Part A)**

Report of **Stuart Young, Assistant Chief Executive P&OD**

Signed :

Contact Officer : Karen Rowing, Employee Development Manager, Organisational Development and Learning

Wards(s) affected: **N/A**

Report for: **Non-Key Decision**

1. Purpose of the report (That is, the decision required)

- 1.1. To seek Member agreement to approve framework agreements with suppliers for the provision of the council's competency based corporate learning and development programmes.

2. Introduction by Cabinet Member (if necessary)

- 2.1. Effective employee development is critical to the achievement of the Council's aims and objectives. Organisational Development and Learning (OD&L) are responsible for commissioning a range of competency based learning and development programmes, including skills-based courses, management development courses and generic IT courses. It is proposed that such activities are supplied through a series of framework agreements.

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

- 3.1. By helping to provide employees with the skills and knowledge they need to work as efficiently and effectively as possible the learning and development work tendered for here will support the Council Plan priorities, Chapter 7: Valuing Our Staff

4. Recommendations

- 4.1. That Members agree to enter into framework agreements with the suppliers detailed in para 7.20 of the Report as identified in part B of this report as allowed under Contract Standing Order (CSO) 11,
- 4.2. That the agreement be awarded for a period of two years with an option to extend for two further periods of one year on the basis detailed in the report.

5. Reason for recommendation(s)

- 5.1. Effective employee development is key to ensuring that council staff have the skills they need to deliver excellent services. In support of this, the council wishes to source a range of suppliers who, between them, will provide a range of high-quality generic skills/competency learning and development services at competitive rates
- 5.2. Framework agreements applied across the whole Council have led to greater consistency in the way that learning and development is sourced, managed and monitored (both for performance and cost).

6. Other options considered

- 6.1 The use of one contract for OD & L services: this option was not taken up as a framework gives greater flexibility in the range of services and mitigates the risk of service failure.
- 6.2 Investigation showed that already existing frameworks available through OGC Buying Solutions did not offer better value for money

7. Summary

- 7.1 The aim of the tender is to undertake a competitive process that will ensure that the services procured represent Value for Money to the Council and provide a quality service. The approach is to continue to use framework agreements, covering all learning and development activities, including courses that are applicable across the council (ie excluding areas such as specialist, technical and professional training). The framework agreements cover two Lots:

- Short courses to support the council's Competency Framework, (Lot 1)
- IT training for standard MS office based applications or upgraded equivalents (Lot 2)

Lot 1 is a framework for multisuppliers and contains a process for call off or mini-competition. Lot 2 is a framework for a single supplier and contains a process for call-off.

- 7.2 The framework agreements will run for an initial period of two years, starting in May 2010. At the end of this period (May 2012) and again in May 2013 the Council may decide to exercise an option to continue the frameworks for another year. These decisions will be taken on the basis of the suppliers' performance and continued ability to demonstrate value for money for the services they provide.
- 7.3 In Lot 1 work will be allocated under the framework by call-off and (if required) by mini-competition. Mini-competitions will be run according to the following process: all capable providers will be invited to submit competitive bids against a statement of requirement. All bids received will be evaluated on the basis of the most economically advantageous tender and against pre-determined criteria, notified at the time of the invitation to tender.
- 7.4 Expenditure against the framework agreements will be monitored by OD&L and Corporate procurement
- 7.5 All suppliers on the frameworks have their own quality management systems
- 7.6 OD&L will collect and monitor feedback from participants on all courses and other activities provided under the frameworks.
- 7.7 OD&L will meet regularly with suppliers to discuss their performance
- 7.8 The anticipated budget for the work delivered by this tender, over the four years of the framework agreements, is £440,000. (Lot 1 £240,000, Lot 2 £200,000)
- 7.9 Most centrally provided courses will be paid for out of OD&L budget, which is charged to Directorates in proportion to their headcounts.
- 7.10 The cost of centrally provided IT courses is recharged to Directorates at a fixed rate per attendee.
- 7.11 Directorates will pay for services that they order for themselves under the framework agreements.
- 7.12 Places on courses will be available for delegates from partners and other public sector and third sector organisations. They will be charged for on a per-head basis

7.13 A restricted tender process was followed in accordance with Contract Standing Orders.

7.14 On 26 January 2010 an advert inviting expressions of interest appeared on the Haringey Website and supply2gov (www.supply2gov.uk) a government portal for SME procurement opportunities. The advert also appeared in Muswell Hill Journal, the Hornsey & Crouch End Journal and the Tottenham, Wood Green & Edmonton Journal.

7.15 81 pre-qualification questionnaires (PQQs) were received through Competefor an E prequalification portal that automatically scores prospective bidders, allowing officers to only evaluate the top scoring companies, and saving companies from submitting all their documents unless they are one of the highest scoring companies.

7.16 The PQQs were assessed according to the following criteria: organisation; capability; quality; environmental/sustainability; financial status/legitimacy; diversity; health and safety. The PQQs were evaluated by Organisational Development and Learning and Finance.

7.17 The 19 potential suppliers who satisfied the criteria were invited to submit tenders. Bids were sought on the basis of the most economically advantageous tender and not simply the lowest tender.

7.18 15 valid tenders were received by the deadline, 1300 on Friday 22 March. The tenderers are listed in part B.

7.19 The tenders were assessed using the Council's agreed evaluation criteria and in compliance with Council Standing Orders. The following criteria were used:

- Understanding the Council's requirements 15%
- Technical ability 15%
- People 15%
- Working arrangements 5%
- Added value 10%
- Price 40%

Each of these criteria was judged on the following scale

- below expectation 1
- approaching expectation 2
- meets most expectation 3
- meets all expectations 4

- exceeds most expectations 5

7.20 The marks (out of 500) were as shown in Part B. Interviews were undertaken to enable the Council to clarify any areas of ambiguity in their tender. The interviews were held on 29 and 30 March and 1 April. The interview panel included officers from Organisational Development and Learning; Corporate Resources, Haringey Forward and Adult, Culture and Community Services. At the interviews each of the tenderers was asked the same set of standard questions to help check whether they could justify the marks that had been awarded on the basis of their method statements. As a result of their answers to these questions (and individual follow-up questions which were used to ensure that each of the tenderers had every opportunity to fully explain their answers to the standard questions) it was agreed by the interviewing panel that, in a number of cases, the original paper based marks should be adjusted, to reflect the actual practise of the organisations. This has all been documented to ensure a transparent process.

7.21 As a result of the tender evaluation process :

- Four suppliers (G,H, N and O) were selected for Lot 1 ;
- One supplier (E) selected for Lot 2;

Their schedules of rates are shown in Part B.

7.22 The prices quoted for delivering one day's training in Lot 1 range from £595 to £850 (including delegate material costs where these are charged for separately). These prices are overall lower than the last time this work was tendered for, three years ago, when the prices ranged from £585 to £1030

7.23 The price for Lot 2 at £495 day is higher than the last time this work was tendered for, but this tender exercise has revealed that it is highly competitive against the current market rate.

8. Chief Financial Officer Comments

8.1 The Chief Financial Officer has been consulted over the contents of this report and confirms that budgetary provision exists within the OD&L business unit for the centrally provided courses. The framework contracts do not commit the Council to set levels of spend or volumes of work within the contract period

9. Head of Legal Services Comments

- 9.1 The Services to which this report relates are Part B services for the purposes of the Public Contract Regulations 2006. Therefore it has not been necessary to advertise this contract in the Official Journal of the European Union (OJEU). Accordingly a domestic tender process was undertaken in accordance with the Council's Contract Standing Orders.
- 9.2 Tenders have been evaluated on the basis of the most economically advantageous tender in accordance with CSO 11.01 (b).
- 9.3 As the value of the frameworks is likely to exceed £250,000 they may only be awarded by Members in accordance with CSO 11.03.
- 9.4 The client has confirmed that the value of the frameworks will not exceed £500,000 and therefore this is not a key decision.
- 9.5 The Framework Agreements will be for a maximum of four years. This complies with the Public Contracts Regulations 2006 procurement legislation which states that the duration of framework agreements shall not exceed four years, except in exceptional circumstances.
- 9.6 The Head of Legal Services sees no legal reasons preventing Members from approving the recommendations in paragraph 4 of the report.

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

- 10.1 The recommendations in this report are in line with the Procurement code of Practice
- 10.2 Contract management will be undertaken by OD&L to ensure that the service is delivered in line with the service specification.
- 10.3 The setting up of a Framework for lot 1 mitigates the risk of service failure and also allows the flexibility to run mini competitions for any ad hoc requirements.
- 10.4 Lot 2 has one supplier who has been assessed as being financially secure. However, experience of this market (for generic IT training) suggests that if this supplier does fail it will be possible to arrange short term cover at reasonable cost while a longer term replacement is identified.
- 10.5 The market has been tested through this competitive process to ensure that the Council receives a Value for Money service.

11. Equalities & Community Cohesion Comments

- 11.1 The Equality & Diversity Team have been consulted in the preparation of this report and comment as follows:
- 11.2 The process included the Pre-Qualification Questionnaires (PQQ) to all the bidders and were assessed on criteria that included equality and diversity consideration.
- 11.3 Overall, the process was guided by the Council's equalities aims and objectives with regard to procurement as set out the Council's Equal Opportunities Policy document and in current Equality Public Duties Scheme.

12. Consultation

- 12.1 Feedback forms from OD&L courses were used to inform the process. Consultation with members of staff and IT was undertaken to ensure the content of the courses were correctly specified.

13. Service Financial Comments

- 13.1 The anticipated budget for the work delivered by this tender, over the four years of the agreements, is £440,000. (Lot 1 £240,000, Lot 2 £200,000). The framework agreement does commit the Council to any level of expenditure. Over the life of the agreement the expenditure against the agreement can be aligned against budgetary targets.

14 Use of appendices /Tables and photographs

- 14.1 Part B of this report contains exempt information

15. Local Government (Access to Information) Act 1985

- 15.1 Procurement Committee Report –27 April 2010. The following background papers were consulted in the preparation of this report:
- Contract specification and other contract documentation
 - Tender and tender support documents returned by tenderers
 - Evaluation assessments and other relevant papers and files

- 15.2 This report contains exempt and non-exempt information. Exempt information is

contained in Part B 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)

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

15.3 See Part B for exempt information.



Agenda item:

[No.]

Cabinet Procurement Committee

On 27th April 2010

Report Title. **Haringey Public Mortuary**

Report of the Director of Urban Environment

Signed : *W. B. Betts* . 6th April 2010 .

Contact Officer : Keith Betts , Enforcement , Frontline Services .

Tel :020 8489 5525 E Mail : keith.betts@haringey.gov.uk

Wards(s) affected: N/A

Report for: Non key decision

1. Purpose of the report

- 1.1 This report is to advise on the final costs involved in the construction of the new mortuary for the borough and seek approval for variations in the construction and consultancy contracts to accommodate increased costs.

2. Introduction by Cabinet Member

- 2.1. No introduction.

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

- 3.1. Priority 5 – Delivering excellent , customer focused , cost effective services.

The new mortuary is providing a modern facility for undertaking Coroner's post-mortems, and satisfies the requirements of the relevant licensing body , the

Human Tissues Authority. Families, relatives and friends experiencing the unexpected death of a loved one are able to visit premises that provide comfort and support to them , in pleasant and respectful surroundings.

3.2. Regeneration Strategy.

The new premises has enabled the closure of the old mortuary situated adjacent to the Hornsey Central Depot site and will enable the unaffected redevelopment of the depot site as part of the Heartlands regeneration programme. Part funding of the new mortuary was achieved from the Growth Area Fund , Round 2 , (£1.5 million) through the Department of Communities and Local Government on the basis of this regeneration and the associated housing delivery in line with Government Policy.

This level of part funding from GAF 2 was never sufficient alone to deliver this impressive building below ground and to refurbish the existing derelict historic Lodge building. As well as funding from Directorate underspends during 2008/9, additional funding from the GAF3 allocation contributed to the successful completion of this project with a garden of remembrance . The cost of the construction is seen as value for money for a highly technical building type in a below ground situation. The final result is a state of the art facility for the borough and improving a derelict vacant site within a conservation area that was an becoming an attraction for anti-social behaviour. The new use of the site and the sympathetic restoration of the Lodge and grounds has blended well into the area and contributes to this peaceful and historic part of Tottenham.

4. Recommendations

- 4.1 That approval be granted to final variations in the construction and consultancy contract sums for construction of the new public mortuary to accommodate increased costs over the amounts approved by Members on 19th February 2009.
- 4.2 That the final total project sum of £3,775,000 be noted which is an overspend of £17k on the revised budget carried over from 2008/9.

5. Reason for recommendation(s)

- 5.1. The previous reports to Procurement Committee prior to construction, dated 4th September and 20th December 2007, agreed the costs for the works and authorised construction. The project underwent a value engineering and cost savings exercise to reduce expenditure in the period between the two reports. The report of 20th December 2007 qualified these savings and highlighted two areas of financial risk . The first was a substantial reduction in the provision for

contingencies arising during construction and the second related to cost savings achieved by altering or removing elements of construction which might need to be reinstated. The architects had advised that this was a technically challenging construction on a site with varying sub-soil conditions.

5.2. Following the completion and occupation of the new mortuary, a further report came to Cabinet Procurement Committee on 19th February 2009. This identified that during construction these risks were realised and, as costs increased, there was little contingency to cover them. This resulted in an increased overall cost for the project at that time of £3.660m , a rise of £516k above the agreed funding and budget of £3.144m detailed in the report of 20th December 2007 . Within this the main construction work (Phase 2) had increased from £2.493m to £2.900m . The report of 19th February 2009 was provided prior to the final account being completed and the Committee was advised that a further report would be submitted when the final account had been agreed.

5.3. The final construction account for the new mortuary has now been agreed between the quantity surveyors, Potter Raper Partnership, and the contractors Mulalley. The final account figure for the main construction work (phase 2) stands at £2,951,312 , with the adjusted total fees, security and other costs at £725,111. The total project cost is £3,775,000 as detailed below at paragraph 7.3 and Appendix 1. The figure of £3.775m is some £115k above the figure reported to Procurement Committee in February 2009. This is detailed in the table below.

Additional Expenditure from Report of Feb 2009	£
Additional Phase 2 Main Construction costs	51,000
Additional professional & statutory fees and security	32,000
Corporate Procurement Group Fee	15,000
Consultant's fee for original GAF II bid	15,000
Commission for Built Environment (CABE) fee	2,000
Total	115,000

5.4. The available budget for the project is £3,758,000 as detailed in 7.2 below. This leaves an overspend of £17k which will be funded by a revenue contribution from the service budget .

6. Other options considered

6.1. As costs increased during construction, only those additional works deemed to be necessary for proper completion were agreed. These included matters related to the complex underground construction and extensive electrical and

mechanical systems , planning or building regulation compliance , and additional compliance requirements for licensing by the Human Tissues Authority such as the storage temperature monitoring.

- 6.2. It was necessary to complete construction in order to vacate the present mortuary premises and allow unaffected redevelopment of the Hornsey Central Depot site . In addition we had a funding contract with the Department of Communities and Local Government (CLG) under the Growth Area Funding initiative which had contributed £1.5m to this project . This required both spend full spend of the funding by 31st March 2008 , and completion of the facility . The required spend was achieved by that date and any consequent failure to complete the whole project would have required the repayment to CLG of this funding amount.

7. Summary

- 7.1 The construction of the new mortuary was a unique and high profile project that has provided the borough with an excellent mortuary facility into the future .The old mortuary and coroner's site in Hornsey is now vacant and awaits redevelopment. The new mortuary has received many compliments during it's first year of operation and a licensing audit by the Human Tissues Authority described the design and finish as one of the best they have seen during their audits of public mortuaries in England & Wales .

7.2 Overall budget sources for the construction of the new mortuary

Source	Amount	Approved By
Growth Area Funding (GAF 2)	£1,500,000	Procurement 4/9/07
Growth Area Funding (GAF 3)	£ 266,000	Procurement 19/2/09
Prudential borrowing	£ 500,000	Procurement 4/9/07
Other Council funding		
Capital Receipts , Revenue Contribution (in previous years) & PDG	£1,492,000	Procurement 4/9/07 & 19/2/09
Enforcement Service revenue contribution	£17,000	
Total	£3,775,000	

7.3 Total Expenditure breakdown for the new mortuary

Area of Expenditure	Amount	Approval by
Phase 1 construction (Lodge repair)	£99,000	Director U E
Phase 2 construction (New mortuary)	£2,951,000	£2,900k by CPC
Professional fees	£646,000	£616k by CPC .
Statutory fees (Building Regs / Planning)	£12,000	£11k by CPC
Site security	£35,000	£34k by CPC
GAF 2 bid Consultancy fee (AYH Ltd)	£15,000	
Corporate Procurement Group fee	£15,000	
Commission for Built Environment fee	£2,000	
TOTAL	£3,775,000	

7.4 Reporting the variations.

The risks highlighted in the original Procurement Committee Report of December 2007 were highlighted in each monthly report through to both the GAF Board and Regeneration Boards until the construction was completed in February 2009. These variations were reported in the Procurement Committee Report of 19th February, 2009 .

A Project Closure Report was provided to the Regeneration Board in August 2009 and the accounts have been audited by Deloitte in September / October 2009 .

The quantity surveyors and contractors did not provide the final account figure until late November 2009 on the Phase 2 construction works.

8. Chief Financial Officer Comments

8.1. This report shows the expected total cost of the mortuary project. This amount is £3,775,000, which consists of £3,635,000 cost to date plus £140,000 of retention payments. Although total costs have increased since the amount projected in the last report to this committee, funding was identified as part of the closure of the 2008-09 accounts and thus the final position is only £17,000 above the revised budget. This can be funded from a revenue contribution from the service.

8.2. A breakdown of the total cost of £3,775,000 is shown in Paragraph 7.3, with a more detailed analysis in Appendix 1. The funding for the project is detailed in Paragraph 7.2.

9. Head of Legal Services Comments

- 9.1 The Head of Legal Services notes the contents of the report which includes a recommendation for approval of additional costs for construction and consultancy works on the new mortuary contract, over and above the sums reported to Procurement Committee in February 2009.
- 9.2 Cabinet Procurement Committee has power under CSO 13.02 to approve variations to a contract, provided that to do so is consistent with the Public Contracts Regulations 2006 and the Council's Financial Regulations.
- 9.3 The Head of Legal Services confirms that there are no legal reasons preventing Members from approving the recommendations in this report.

10. Head of Procurement Comments

- 10.1 The project has utilised a two stage tender process to appoint the most suitable contractor enabling the Council to engage the contractor early in the design.
- 10.2 A value engineering exercise was carried out at the design stage and during the early stages of the construction period.
- 10.3 The overall increased costs are due to unforeseen works below ground and that a number of the value engineered items had to be reinstated for example guardrails, railings , green roof and mechanical and electrical works.
- 10.4 The consultant's fees are based on the agreed final account value for the works. The overall costs are shown in paragraph 7.3. The additional costs contained in this report are therefore greater than those originally reported to Procurement Committee in February 2009 and which are now being brought to Members attention.
- 10.5 The completed building has delivered a quality unique outcome with a unique construction process that will provide an excellent mortuary facility into the future.

11. Equalities &Community Cohesion Comments

- 11.1. The new mortuary will support the Coroner in providing good service to various faith communities where postmortems may need to be undertaken immediately.
- 11.2. The premises are fully Disability Discrimination Act (DDA) compliant throughout ; for the bereaved in the public and viewing areas , for pathologists ,

police and other visitors in the clinical and office areas and for our own pathology technicians .

12. Use of appendices /Tables and photographs

12.1. A single appendix in the form of a spreadsheet provides further detail of the cost of the project.

13. Local Government (Access to Information) Act 1985

13.1. The background papers relating to this report are :

Cabinet Procurement Committee Report 19th February 2009

Procurement Committee Report 20th December 2007.

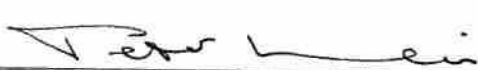
Procurement Committee Report 4th September 2007

13.2 This report contains exempt and non-exempt information . Exempt information is contained in Appendix 1 to this report and is NOT FOR PUBLICATION as it contains information under the following category (identified in the amended Schedule 12A of the Local Government Act , 1972) , namely :

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

Agenda item

[No.]

PROCUREMENT COMMITTEE		On 27th April 2010
Report Title.		
Building Schools for the Future: BSF Programme Support		
Report authorised by : Director of the Children & Young People's Service		
Signature : 		
Contact Officer : Jon McGrath 020 8489 1818 jon.mcgrath@haringey.gov.uk		
Wards(s) affected: Various	Report for: Key Decision	
1. Purpose of the report 1.1 To seek Procurement Committee approval for the extension of an existing contract to secure additional BSF Programme Support resources required to minimise risk in completing the delivery and closure phase of BSF projects and programme.		
2. Introduction by Cabinet Member 2.1 I am happy to support the recommendations in the report in order to secure the smooth completion of the BSF programme. I am satisfied that the appropriate procedures have been followed.		
3. State link(s) with Council Plan Priorities and actions and /or other Strategies: 3.1 Council Priorities 3.1.1 Making Haringey one of London's Greenest Boroughs 3.1.1.1. The Council's Programme Support function supports the Building Schools for the Future programme in exhibiting a number of sustainability features. They play a supporting role in ensuring that the appointed Construction Partners are working in accordance with the Council's policies and the Councils Requirements for each individual project, and that the projects achieve their BREEAM and renewables targets.		

3.1.2 Creating a Better Haringey: Cleaner, Greener and Safer

3.1.2.1. The Programme Support function is involved in supporting the Construction partners conform to sustainable greener methods of working.

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

3.1.3.1. The Programme Support function works closely with the BSF Transformation stream in contributing towards providing schemes which will transform 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.

3.1.3.2. 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 project is proposing a new hall which could potentially be used for community use out of hours.

3.1.4 Promoting independent living while supporting adults and children when needed

3.1.4.1. The Programme Support function supports the BSF Programme in ensuring the Construction Partners implement, wherever possible, the Council's policies on local labour employment, and creating apprenticeships for local people.

3.1.5 Delivering Excellent, Customer Focussed, Cost Effective Services

3.1.5.1. Key to the success of the BSF programme is high quality finished school spaces to improve standards within schools. The Programme Support function play a role in supporting the work of the construction team to ensure that work delivered is consistent with the standards expected by the Council.

3.2 Council Strategies

3.2.1 Safer for All

3.2.1.1. 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) Resources

3.2.2 Value for Money

3.2.2.1. Discussions have been carried out and agreement reached within the terms and cost rates of the original OGC Catalist framework contract with Qedis which provides ongoing value for money to the Council, at 2006/7 rates.

3.2.3 **Engagement of the Community**

3.2.3.1. The designs of the projects have been made available prior to the construction stage. These initiatives will continue through the construction period.

3.2.4 **Risk Management**

3.2.4.1. 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. BSF Project Management Assurance Audits (undertaken by Deloitte & Touche Public Sector Internal Audit Limited) completed in January and October 2009 and gave an overall programme rating of 'Substantial Assurance'.

4. **Recommendations**

4.1 It is recommended that the Procurement Committee approve:

- The contract extension and the additional expenditure for the BSF Programme Support provider to the extent as detailed in Appendix 1, paragraph 16 for the first six months of the remaining phase of the BSF programme.
- Exploring during the first three months of the extension (with a view to confirming the full twelve months extension at the end of that three month period) the possibility of securing the transfer of knowledge and the expansion of in house capacity by the appointment of two graduate trainees. In the event that it is possible for the Council to fund and appoint the graduates, the Qedis resource will assume responsibility for the training of and knowledge transfer to the Council Officers.

5. **Reason for recommendation(s)**

5.1 The BSF programme includes circa £214m of investment across 12 projects covering 16 secondary and special schools. The programme is a non LEP (Local Educational Partnership), meaning that the delivery of the programme is managed in house. This results in Haringey Council being required to manage the programme delivery and the complex interfaces across ICT, construction contractors and facilities management for the life of the BSF programme.

5.2 The performance of the programme to date has been very good, with some particular highlights outlined below:

- The initial two projects at Highgate Wood and John Loughborough Schools have reached practical completion on or within budget and the programme overall is projecting to finish on time and on budget.
- The ICT provider (RM) has been delivering Interim Service since September 2008 and preparatory work to switch to Full Service over the summer 2010 is

progressing well.

- The integration of ICT, FF&E and building works has significantly improved with appropriate governance and resourcing in place to keep focused in this area.
- There has been significant progress towards the transition of functions away from consultant and contractor staff towards permanent members of staff. The Programme Director role is now fulfilled by a permanent member of staff and a transition plan for ongoing handover is in place.
- The transfer of capabilities and practices for managing the Primary and Pre-School programme based on those built up for managing the BSF programme has been completed.
- Additionally, the Council is increasingly looking to use the capabilities built up within the team to help deliver other capital projects including Hornsey Town Hall and the Ice Rink at Alexandra Palace (although delivery of these activities do not form part of this proposal).

5.3 In April 2009, Cabinet Procurement Committee approved the procurement of the existing BSF Programme Support provider for programme management and programme office support services to the BSF programme. The main reasons for the change in the project increase to the April 2009 profile are:

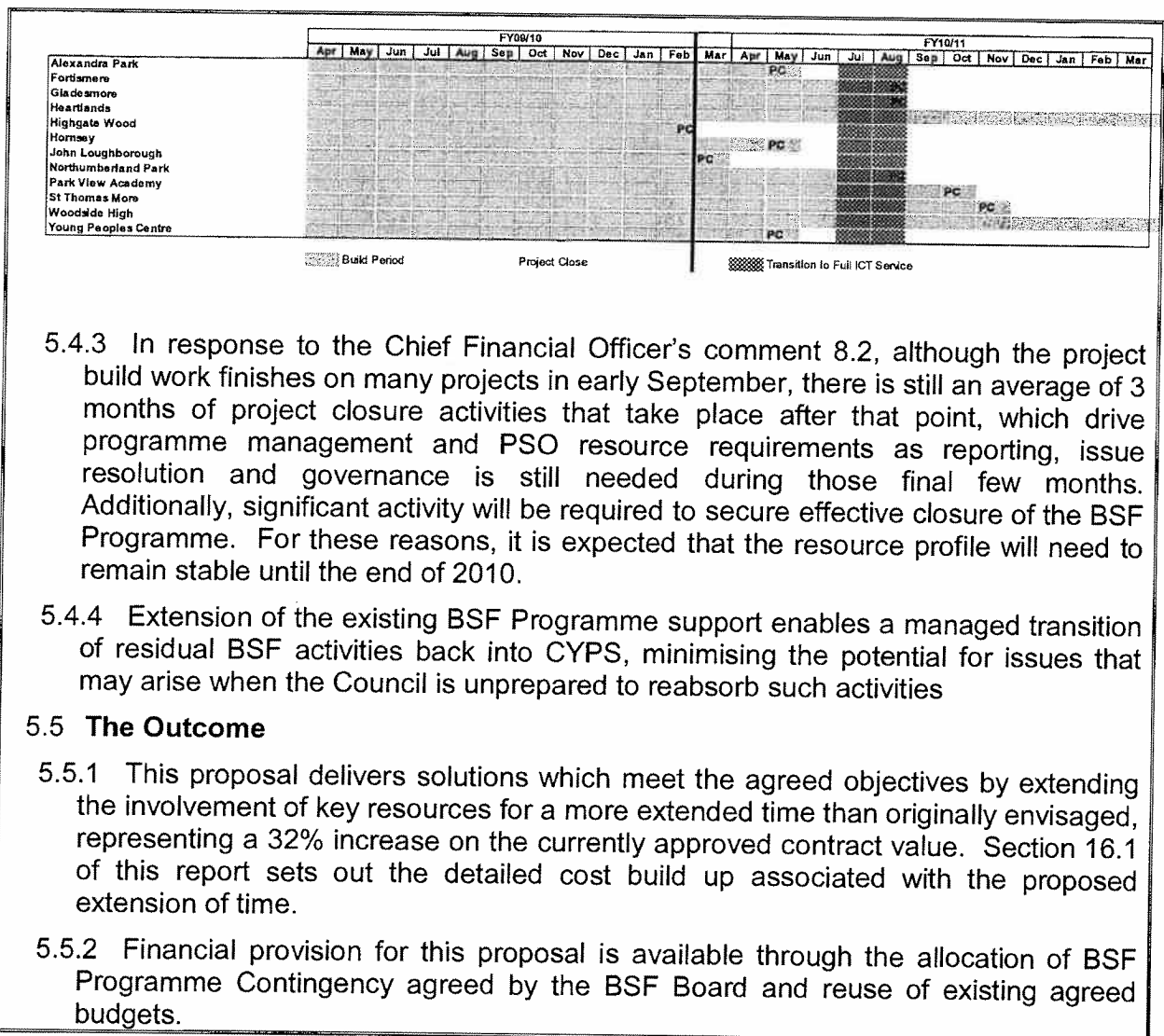
- Increased focus on the Summer 2010 period of works, in particular now that the move to ICT Full Service is planned to happen at all schools during the Summer holiday period rather than at Practical Completion. This increases the programme resourcing required through to September.
- Increased requirement for resource to focus on minimising the ability for building contractors to table claims against the Council and thus cost overrun.
- Increased pressure on Council revenue budgets resulting in less ongoing permanent posts once BSF is completed than originally anticipated, and the need to retain contractors and consultant staff through the delivery of the major BSF tranche of work.

5.4 How the Proposal Mitigates Risk

5.4.1 Efforts to replace consultancy based Programme Support staff with directly employed staff has been successful to some degree, but two factors have restricted a full transfer of the function:

- Continuity of service plays a key part in ensuring that the long-term BSF Programme can continue to be managed and developed effectively to ensure it can meet its core objectives.
- Securing the appropriate expertise to lead the BSF Programme Support function has proven problematic.

5.4.2 Continuity of the existing BSF Programme Support provider mitigates risk by ensuring that key challenges are managed on a consistent basis through to March 2011 when 10 projects will be fully closed and the remaining two in their final phases. This is detailed in the table below:



5.4.3 In response to the Chief Financial Officer's comment 8.2, although the project build work finishes on many projects in early September, there is still an average of 3 months of project closure activities that take place after that point, which drive programme management and PSO resource requirements as reporting, issue resolution and governance is still needed during those final few months. Additionally, significant activity will be required to secure effective closure of the BSF Programme. For these reasons, it is expected that the resource profile will need to remain stable until the end of 2010.

5.4.4 Extension of the existing BSF Programme support enables a managed transition of residual BSF activities back into CYPS, minimising the potential for issues that may arise when the Council is unprepared to reabsorb such activities

5.5 The Outcome

5.5.1 This proposal delivers solutions which meet the agreed objectives by extending the involvement of key resources for a more extended time than originally envisaged, representing a 32% increase on the currently approved contract value. Section 16.1 of this report sets out the detailed cost build up associated with the proposed extension of time.

5.5.2 Financial provision for this proposal is available through the allocation of BSF Programme Contingency agreed by the BSF Board and reuse of existing agreed budgets.

6. Other options considered

6.1 Not Applicable

7. Summary

7.1 The BSF programme will benefit from the proposed contract extension by:

- Ensuring sufficient resources are available to manage the ongoing risks associated with managing the BSF Programme through the delivery and project closure phases.
- Enable planning for the transition of residual BSF Programme functions back into CYPS in a controlled manner

8. Chief Financial Officer Comments

8.1 This report requests an extension to the BSF Programme Support contract with QEDIS resulting in a cost increase of 32%. QEDIS were appointed to this role around a year ago and the rationale for now extending the contract further are set out substantially in paragraph 5.3. The rates implicit in this extension flow from the agreed schedule of rates in the original contract with QEDIS and it is in this way that value for money has been tested.

8.2 Given the stage that the project has reached and the inherent risks with changing project support at this stage no other options have been considered. However, it would appear that after August 2010 the number of construction projects falls from Seven to Four and that the transition to full ICT services is also complete. Given this the maintenance of the full project support function at a monthly cost of £51,800 for Four members of staff seems high. This support is maintained for Seven months until February and only at that time do resources decrease. (A response to this query regarding the continued level of use of consultants post August 2010 can be found in sections 4.1 and 5.3).

9. Head of Legal Services Comments

9.1 The Procurement Committee has power under CSO 13.02 to approve the recommendation, provided that to do so is consistent with the provisions of the Council's Financial Regulations and the Public Contract Regulations 2006.

9.2 The existing contract to which this variation relates was procured off a framework established under the Public Contract Regulations 2006 and in compliance with the Councils Contracts Standing Orders, approved by the members on 28 April 2009. As such the variation of the contract would only be permissible by use of the negotiated procedure without prior publication of a contract notice to other parties under Public Contract Regulations 2006 regulation 14(d)(i).

9.3 Under the Public Contract Regulations 2006, this may be done where the additional services have become necessary and cannot for technical or economic reasons be

provided separately from those under the original contract or are strictly necessary to the later stages of the performance of that contract, as highlighted in paragraph 5.4 above, and the value of the additional works do not exceed 50% of the original contract value.

9.4 The Head of Legal Services confirms there are no legal reasons preventing the recommendations contained in this report being accepted.

10. Head of Procurement Comments

10.1 The Head of Procurement reviews the performance of Qedis on a 6 weekly basis, receiving client comments as part of this process. Satisfaction levels with Qedis have remained consistently very high throughout the BSF programme.

10.2 Qedis daily charge rates were established at the start of the BSF programme and have been effectively pegged at 2006/7 rates - which also applies to the recommended extension period

10.3 It would therefore be in the Council's overall best interests to extend the current contract with Qedis to ensure continuity of high quality services and avoid unnecessary risks inherent with any change of service provider.

11. Equalities and Community Cohesion Comments

11.1 Detailed Equalities Impact Assessments (EIAs) have been carried out for each of the BSF projects. Each has been approved by the Director of CYPS prior to Procurement Committee approval of contracts.

12. Consultation

12.1 Internal consultations have been undertaken to ensure that the necessary steps to procure the BSF Programme Support function have been followed.

13. Service Financial Comments

13.1 Appendix 1 presents the costs of extending the BSF Programme Support function contract to enable ongoing support until March 2011, when the BSF Programme will be largely complete. The tables in Appendix 1 confirm the additional costs associated with the proposal.

13.2 Section 16.1.1 confirms that the budget provision available for this cost item is equal to the projected costs, so it is confirmed that budget provision exists for the extension of the BSF Programme Support function set out in this report and detailed in section 16.1.

13.3 DCSF issued a revised promissory letter on Monday 24th November 2008 confirming the BSF programme Final Business Case 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 2008 BSF Programme Board.

14. Use of appendices /Tables and photographs

14.1 Budget Profile (16.1)

14.2 Summary of Additional Costs (16.2)

15. Local Government (Access to Information) Act 1985

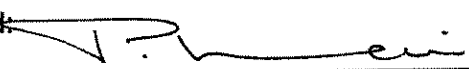
15.1 The following documents were used in the compilation of this report:

- The Council's Standing Orders
- 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).

[No.]

Agenda item

PROCUREMENT COMMITTEE		on 27th April 2010
Report Title. Building Schools for the Future: Variation to Contract for Woodside Inclusive Learning Campus		
Report authorised by Director of the Children & Young People's Service		
Signed: 		
Contact Officer : Jon McGrath 020 8489 1818 jon.mcgrath@haringey.gov.uk		
Wards(s) affected: Woodside	Report for: Key Decision	
1. Purpose of the report 1.1 To seek Procurement Committee approval to vary the Woodside Inclusive Learning Campus contract with the Main Contractor by the amount detailed in Section 16 subject to BSF Board Approval for support for the change and affordability and demonstration that the amended scope to the contract represents Value for Money. 1.2 The variation is being raised to build a new block to cater for Music, Art, Drama and the LRC, rather than refurbishing an existing block, as specified in the original contract. This will provide better educational and community benefits, improved Value for Money and reduced lifecycle costs.		
2. Introduction by Cabinet Member 2.1 Having considered the alternative proposals I am satisfied that in the long term the recommended option is the most cost effective and sustainable way of proceeding. The new block will deliver a huge improvement for the school and this will impact positively in assisting the learning of existing pupils but will also improve the image of the school which will help attract pupils into the future.		

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

3.1 Council Priorities

3.1.1 The scheme will contribute to Haringey's Greenest Borough priority by replacing an old building with one that is significantly more energy efficient, environmentally friendly and sustainable

3.1.2 The construction partner has undertaken to implement the Council's policies in respect of employing local labour and creating apprenticeships for local people.

3.2 Resources

3.2.1 Value for Money

3.2.1.1. Overall Value for money is achieved by the procurement methodology to prove the economy, efficiency and effectiveness of each project as it is tendered.

3.2.1.2. The PRP Stage C cost plan has been benchmarked against the tender sum and market tested quotes and rates received for new build in other parts of the school site and as this was a competitive tender PRP believe this demonstrates VFM at this stages.

3.2.1.3. The design of the building will also have a number of design workshops / VE workshops to ensure best and most economic design solution. This can already be demonstrated by the debate around the positioning of the building in relation to both the underground services and the relationship with surrounding buildings. Moving forward into resolution of a tender sum, PRP are looking for a mixture of negotiation with various sub contractors using their rates from Block Y and at the same time also market testing any revised requirements.

3.2.1.4. As a further check CPG will carry out a full audit on the final tender sum as agreed with the Main Contractor. By applying this methodology, PRP are confident VFM can be demonstrated at all stages.

3.2.2 Engagement of the Community

3.2.2.1. Extensive consultation has been undertaken with the Schools and other key stakeholders to inform the Stage C design. Further consultation will take place through subsequent design development stages.

3.2.3 Risk Management

3.2.3.1. 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 in accordance with the Public Contract Regulations 2006 and the Councils Contract Standing Orders and advice is taken from legal advisers to ensure compliance.

4. Recommendations

- 4.1 That procurement committee gives outline approval to vary the construction contract for Woodside Inclusive Learning Campus to enable a new block to be built for Music, Art, Drama and the library, rather than refurbishing an existing block, as specified in the original contract. This will provide better educational and community benefits, improved value for money and reduced lifecycle costs.
- 4.2 A further information report will be provided to the procurement committee to confirm the final price agreed by BSF Board.

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 (CPs) to provide construction services on the BSF programme. The construction work on the twelve school projects in the BSF programme was sourced using the CPs in compliance with relevant procurement legislation and the framework terms.
- 5.2 The Procurement Committee considered the recommendation for award of the Main Contract for the Woodside Learning Campus BSF works on 18th December 2008 and awarded the contract to the Main Contractor disclosed in section 16 of this report based on the outcome of the mini competition.
- 5.3 The original scope of works for the Woodside Inclusive Learning Campus was predominantly new build. However, at concept design stage (Stage A/B), initial high-level cost estimates showed that a new building to replace Block C (an ageing building in poor condition housing nine classrooms, the Learning Resource Centre and many offices) would be unaffordable. Therefore, it was decided to proceed with the affordable option of refurbishing Block C and this formed the agreed basis of the remaining design development and subsequent contract negotiations.
- 5.4 In Autumn 2009, the Main Contractor signalled that compliance with current building regulations to secure adequate heating and ventilation in Block C would require substantial internal ventilation ducting works and equipment on the roof. Additional ducting would restrict the already limited headroom in the classrooms, creating a less than ideal teaching environment. A further on-going maintenance problem would also be created, as it would be necessary to incorporate numerous 'holes' through the structure for the ductwork to pass down through the roof and into the building. The additional equipment on the roof would require further planning permission having regard to its overall impact and could also cause structural problems; as the roof is considered to be structurally inadequate to take the weight of the associated plant and equipment that would be required, without the inclusion of significant additional structural works. Proceeding with the works in Block C carried significant additional costs that would not create a conducive learning environment, as a consequence a joint process was engaged in December 2009 to establish the best

alternative solution. Historically, the early design for the Learning Campus had included demolition of Block C and building of new facilities, this concept was revisited and developed further with the Main Contractor.

5.5 In December 2009, the Main Contractor tabled a proposal to build a new block (known as Block W) with a gross internal area of just under 1,500 square metres instead of re-furbishing Block C. The proposal is predicated upon construction of Block W taking place concurrently with the construction of the new Special School (Block Z) which is due to commence on site in July 2010, and involves demolition of the existing Block C once the new block is completed.

5.6 In order to meet this challenging timescale, BSF Board gave approval at its meeting on 9th March 2010 to commission Penoyre & Prasad, the design team partner, to develop designs for Block W through to Stage D in time for the appropriate Planning Application to be submitted and approved prior to the commencement of construction on site.

5.7 The Stage C Design was reviewed by the BSF Design Stage Review Group on 10th March and approved with comments. This was approved by the BSF Board meeting on 23rd March 2010, confirming that this design could progress to Stage D.

5.8 The Main Contractor has indicated that a formal instruction to vary the Contract will need to be issued by mid June 2010 in order to remain on programme for concurrent construction of Block W and Block Z.

5.9 Pending that instruction, the BSF Board agreed at its meeting on 9th March 2010 to instruct the Main Contractor to de-scope all works to Block C from the Contract resulting in the savings detailed in section 16. By taking Block C out of scope, other potential costs (e.g. temporary accommodation, roof repairs, design fees) have been avoided, the net result of which is that the additional contract sum now required to deliver Block W is as detailed in section 16.

5.10 Varying the exiting contract with the main Contractor is the most economical, time efficient and technical manner of delivering Block W. Other options, would incur substantial costs including prelims, additional costs of building Block W after Block Z rather than concurrently. Technically this would raise concerns over the consistency of build, finishes and integration with existing buildings and the programme would be significantly extended by up to 18 months and may invalidate warranties.

5.11 Potter Raper Partnership (PRP), the Council's Cost Consultants, produced the cost plan for the Stage C report and have based their elemental figures on the known costs of Block Y which is due for completion in June 2010. PRP will continue to monitor the Main Contractor's costs to ensure that Value for Money can be demonstrated (as detailed in sections 3.2.1 and 16 of this report) up to and including the agreement of the AMP. Approval for variance of the contract with the Main Contractor is based on the value indicated by the Stage C cost plan and it can be

confirmed that any subsequent cost drift will be managed back within the value set out in section 16. The final design will be subject to confirmation of design and funding by the BSF Board within project and contingency funds making up the agreed BSF Programme budget total.

6. Other options considered

6.1 The BSF Board considered 3 options during the meeting on 9th February:

- Option A : continue with the refurbishment of Block C as per the Employer's Requirements;
- Option B : do not re-furbish Block C – just make cosmetic improvements; and
- Option C: provide new build Block W, then demolish Block C.

The Board preferred Option C, as Block W would provide increased transformational benefits and Block C would be expensive to maintain with a relatively short shelf life. The Board requested that the programme progress Block W design to RIBA stage D to understand the design further and get greater cost certainty. If the stage D costs are not affordable and/or do not provide Value for Money, then Option B will be pursued (Option A was considered by Board to be a high cost for relatively little benefit).

7. Summary

7.1 The Procurement Committee are asked to approve the recommendations in paragraph 4 above because:

- The additional costs associated with adapting heating and ventilation solutions in Block C carried a substantial cost. Analysis of this and costs avoided by demolishing Block C are detailed in section 16.
- The quality of the teaching and learning environment will be significantly improved not only in this particular teaching block but across the whole campus. This will enhance the opportunities for increasing achievement and attainment for all students on campus.
- Lifecycle, maintenance and energy costs will be significantly lower for Block W compared to a re-furbished Block C. (potential savings as detailed in section 16) and environmental sustainability will be increased.
- Space in dining/assembly areas will become more versatile and the new Learning Resource Centre will have the potential to become a valuable facility for the local Community.

8. Chief Financial Officer Comments

8.1 The lifecycle savings set out in section 16.3 of the report are savings which will accrue to the school through its delegated revenue budget.

9. Head of Legal Services Comments

- 9.1 The Procurement Committee has power under CSO 13.02 to approve the recommendation, provided that to do so is consistent with the provisions of the Council's Financial Regulations and the Public Contract Regulations 2006.
- 9.2 The existing contract to which this variation relates was procured off a framework established under the Public Contract Regulations 2006 and in compliance with the Council's Contracts Standing Orders, approved by the Procurement Committee on 18 December 2008. As such the variation of the contract would only be permissible by use of the negotiated procedure without prior publication of a contract notice to other parties under Public Contract Regulations 2006 regulation 14(d)(i).
- 9.3 Under the Public Contract Regulations 2006, this may be done where the additional services have become necessary and cannot for technical or economic reasons be provided separately from those under the original contract or are strictly necessary to the later stages of the performance of that contract, as highlighted in paragraph 5.10 above, and the value of the additional works do not exceed 50% of the original contract value.
- 9.4 The Head of Legal Services confirms there are no legal reasons preventing the recommendations contained in this report being accepted.

10. Head of Procurement Comments

- 10.1 At the meeting on 18th December 2008, the Procurement Committee approved a contract sum of £22,322,037 with Apollo Property Services Group Ltd.
- 10.2 The recommendation to demolish block C and rebuild a new block W will result in significant lower life cycle, maintenance and energy costs as well as the improved learning space.
- 10.3 The cost consultant has prepared life cycle costings regarding the cyclical maintenance and demonstrable savings are shown in these calculations.
- 10.4 The Head of Procurement supports this variation to the initial agreed maximum price as value for money.

11. Equalities and Community Cohesion Comments

The Woodside Inclusive Learning Campus (ILC) will be the culmination of years of consultation and planning to improve the quality of provision for students at the current Woodside High, Moselle and William C Harvey Haringey schools. Moselle and William C Harvey schools are already Outstanding schools, which deliver appropriate outcomes to all equalities groups. Woodside High has moved from being a school in an Ofsted measure to improve category, to one of London's most rapidly-improving schools, with strong evidence of effective action to promote equalities. The BSF project will support this by providing the following benefits

- High quality provision in all areas of the curriculum to promote personalised learning for all, especially in English and mathematics

- Excellent accessibility to all parts of the building for all disabilities
- High quality ICT provision, including 'anywhere, anytime access' to reduce the 'digital divide' which affects low income families disproportionately
- Specialist provision for pupils at risk of exclusions to enable a more personalised curriculum to get them back on track
- Access to excellent facilities for the local community, managed by leisure services and targeted especially to groups under-represented in data on sports and physical activity participation
- for special school pupils, a purpose-built accommodation block, with state of the art facilities, augmented by access to a wider range of teaching accommodation (in the mainstream school) than is currently available

The above will be monitored through a wide range of performance indicators, in particular:

- The School Evaluation Form (SEF) which the school completed annually and which covers the areas above
- Performance data published annually on standard tests
- Regular Ofsted visits
- The School's Equality Scheme (SES) will allow the school to monitor issues in relation to race, gender, age, disability, religion and sexual orientation. The SES will also identify the key Equality Impact Assessments that the school proposes to undertake and will link in with the key issues raised in the BSF programme.

An EIA is currently being completed, to detail the impact on all equalities groups, which will be submitted by the normal Council approvals routes.

12. Consultation

12.1 The Construction Procurement Group has been fully consulted in the preparation of this report.

12.2 Extensive consultation with the Schools and other key stakeholders has informed the Stage C design. This consultation will be continued and extended throughout future design development stages.

13. Service Financial Comments

13.1 The Woodside Learning Campus BSF project budget is under substantial pressure associated with negotiation of additional heating and ventilation works at Block C to meet building regulations, and the cost of residual maintenance works associated with Block C to bring it up to an acceptable standard. The details of this are set out in section 16 of this report.

13.2 The BSF Board will consider a detailed business case for this variation to the Woodside Learning Campus project in mid April. This will consider the benefits of an alternative solution in cost and educational terms. The BSF Board will also consider the affordability of this variation, which will require careful integration with key decisions associated with other BSF Projects.

13.3 Subject to the discussion set out above, approval of this recommendation based on details set out in section 16 of this report will be subject to availability of funding

approved by the BSF Board. This will be considered by the BSF Board on 13th April 2010, so the outcome of those discussions will be known on the date of the Procurement Committee.

13.4 In summary, the variation set out in this report can only continue if a package of funding is approved by the BSF Board at its meeting on 13th April 2010.

14. Use of appendices /Tables and photographs

14.1 Appendix 1 (16)

14.2 Stage C Cost Plan (16.2)

14.3 Lifecycle Costs (16.3)

14.4 Programme Milestones (16.6)

15. Local Government (Access to Information) Act 1985

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

15.2 The Council's Standing Orders

15.3 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).*



Harlingey Council

Agenda item:

[No.]

Report to Procurement Committee

27 April 2010

Report Title. Rokesly Infant School - Development of Nursery and Children's Centre

Report of : Peter Lewis, Director of Children and Young People's Service

Signed :

Contact Officer :

Brendan Bannister, Senior Project Manager, Children and Young Peoples Service

Wards(s) affected: Crouch End

Report for: **Key Decision**

1. Purpose of the report

- 1.1. To seek Procurement Committee approval to appoint the recommended contractor named in Part B of this report for the building contract of Rokesly Nursery and Children's Centre.
- 1.2. To seek approval to issue letter of intent for design works prior to formal contract signature as allowed under Contract Standing Orders CSO. 12.02, not to exceed 10% of the construction value.

2. Introduction by Cabinet Member

- 2.1. These plans will bring much needed Children's Centre services to families in Crouch End and the level of public interest indicates that the proposals are well supported.
- 2.2. I am satisfied that the appropriate procedures have been followed and am happy to support the recommendations

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

3.1. The design applies the five principles of the Primary Strategy for Change:

- Principle One – We want the children to enjoy their learning and to make good progress
- Principle Two – We want to promote learning through access to greater opportunities for all within the community
- Principle Three – We want to secure the health and well-being of our children and young people and safeguard their welfare, especially the more vulnerable
- Principle Four – We want to further develop the leadership capacity in our schools
- Principle Five – We want to integrate ICT throughout as part of the transformation of learning experiences for children, young people and the community.

3.2. The design and construction supports each of the seven Haringey Greenest Borough Strategy priorities in the following ways:

Priority One – Improving the Urban Environment

- Seek 60% carbon reduction for new builds.

Priority Two – Protecting the natural Environment

- Bio-diversity will be actively managed to promote the development of local flora, fauna and wildlife.
- Extended community use.

Priority Three – Managing Environmental Resources Efficiently

- Air source heat pump offering a renewable energy source
- Energy efficient systems for lighting and heating
- Lighting will be provided through a combination of daylight sensors, passive detectors and switching
- Voltage Optimisation

Priority Four – Leading by example – managing the public sector sustainably

- Aims to reduce energy usage and support best practice regarding use of equipment existing and new equipment.

Priority Five – Sustainable design and construction

- With a combination of new and refurbishment, BREEAM very good will be achieved throughout.
- Only certified timber will be used in construction.
- Site waste management plan.

<p>Priority Six – Promoting Sustainable Travel</p> <ul style="list-style-type: none"> • The schools travel plan will be reviewed and updated and will continue to promote sustainable transport. <p>Priority Seven – Raising Awareness and Involvement</p> <ul style="list-style-type: none"> • The design will enable the school to monitor energy used <p>3.3 In addition, the following principles are being addressed within the design:</p> <ul style="list-style-type: none"> • The Haringey Extended Services Schools Strategy • DCSF 'Every Child Matters'
<p>4. Recommendations</p> <p>4.1. That Members agreed to award the contract for the above project to the contractor named in Part B as allowed under Contract Standing Order CSO.11.03</p> <p>4.2. That members agree to the issuing a letter of intent as allowed under Contract Standing Order CSO.12.02.</p>
<p>5. Reason for recommendation(s)</p> <p>5.1. The contractor named in Part B was evaluated on cost (40%) and quality (60%). The combined scoring is considered to represent the best value for money and is considered to be satisfactory as the basis for a contract.</p>
<p>6. Other options considered</p> <p>6.1. A total of 10 contractors on the Framework Agreement for the provision of Major Works Construction Services were invited to tender for the works. 8 Contractors submitted a tender and details of this are contained in Part B – Appendix A.</p>
<p>7. Summary</p> <p>Background</p> <p>7.1. As part of Haringey's Phase 3 Children's Centre development programme, Rokesly Infants School, Hermiston Avenue, London N8 8NH is identified as a possible Children Centre Main Site. The intention is to offer access to children's centre services to the population of children under 5 and their families, living in the Crouch End ward. It will also incorporate a permanent nursery provision and a basis for supporting childminders and local Private</p>

Voluntary Independent (PVI) providers.

The existing prefabricated Nursery was installed in 2006 as a temporary structure and is currently on lease but will be removed on completion of the new development.

- 7.2. Nursery places will remain as existing at 26 morning and 26 afternoon.
- 7.3. The project will be carried out in a single phase with minimal disruption to the school and will complete by November 2010.
- 7.4. The scope of works conforms to the planning application granted in February 2010.
- 7.5. Funding has been agreed by Cabinet.
- 7.6. The key decision is included in the Forward Plan.
- 7.7. The Children and Young People's Service is project managing this project. Norfolk Property Services were appointed as employer's agent and lead designer in September 2009 from the Consultants for Construction Works Framework.
- 7.8. An equalities impact assessment has been commissioned and will be ready for inclusion in this report before 27th April 2010.

Procurement Process

- 7.9. Competitive tenders were invited from ten firms from the Framework Agreement for the Provision of Major Construction Works value in the range £250,000 to £999,999.
- 7.10. Tenderers were invited from the Framework Agreement for Major Construction Works on the following basis:
 - Experience of new build – both traditional and modular construction
 - Experience on Design and Build (D&B) contracts
 - Working within an occupied site
- 7.11. The defects liability period is 12 months.
- 7.12. Tenders were invited on a quality/price basis of 60%/40%.
- 7.13. Two of the contractors invited to tender did not submit a tender.
- 7.14. The contract is to be awarded on a fixed price basis.

7.15. The LHC (London Housing Consortium) Network offers a selection of products, services and contractors through pre-tendered framework arrangements. A review of the LHC framework arrangements is attached as Appendix A

7.16. A letter of intent will be issued to support design works prior to mobilisation of the contractor.

Programme

7.17. The work is scheduled to commence on site in June 2010 and complete in November 2010.

7.18. The construction period will be 24 weeks

7.19. As this is a Design & Build contract and the works are due to commence in June 2010, we have requested that the Contractor be permitted to proceed with the design works to mitigate the risk of delays to construction works.

Sustainability

7.20. A Site Waste Management Plan has been incorporated into the Contract and will be monitored for adherence throughout the project.

7.21. The design aims to achieve BREEAM 'very good'.

7.22. The design demonstrates good sustainable practice, economically and environmentally to achieve maximum life expectancy.

7.23. Timber will be obtained from certified sustainable sources.

7.24. The design includes:

- Air source heat pump offering a renewable energy source
- Energy efficient systems for lighting and heating
- Rain water harvesting
- Voltage Optimisation

7.25. The design compliments the existing structures.

8. Chief Financial Officer Comments

8.1. This project is confirmed as being fully funded from secured resources and is contained within the approved CYPS capital programme. The funding sources are identified in Part B item 3.4.

9. Head of Legal Services Comments

- 9.1. This report is seeking Procurement Committee approval to award a contract, following a mini-competition, to the recommended contractor named in Part B of this report for the building contract of Rokesly Nursery and Children's Centre.
- 9.2. The Framework Agreements were tendered in the EU and selection of the Framework contractors was undertaken in compliance with the Public Contracts Regulations 2006.
- 9.3. The Contractor named in Part B was appointed to the Framework in respect of the value band £250,000 to £999,999.
- 9.4. The value of the proposed contract exceeds £250,000 therefore the award requires the approval of the Procurement Committee in accordance with CSO 11.03.
- 9.5. The contract is also a key decision and, as such, needs to be and has been included in the Council's Forward Plan (in accordance with CSO 11.04).
- 9.6. The Head of Legal Services sees no legal reasons preventing Members from approving the recommendations in paragraph 4 of the report.

10. Head of Procurement Comments

- 10.1. The contractors invited to tender have been selected from the Council's Framework agreement for Major Construction works 2006.
- 10.2. The tender has been prepared and tendered on a quality/price basis of 60%/40% and evaluated as the most economically advantageous tender for this award.
- 10.3. The selected contractor as recommended in Part B Exempt Information (paragraphs 1 and 4.7) represents best value for the Council.

11. Equalities & Community Cohesion Comments

- 11.1. The Equalities Impact assessment will be completed by 27th April 2010.

12. Consultation

- 12.1. Extensive consultation has been carried out with end users in arriving at the agreed layouts.
- 12.2. Consultation and drop in events have taken place at RIBA Plan of work design stages B and D, which invited comments and debate. The Children and Young People's Service, Governors, the school head, teachers and school staff have all had input in agreeing the scheme. Information and feedback from the consultation event was collated and incorporated into the design.

<p>12.3. All questions raised at drop in sessions and those received electronically were collated into a Question and Answer document.</p> <p>12.4. A project website for the Rokesly Nursery and Children's Centre Project has been established and is regularly updated.</p> <p>12.5. We envisage design displays will be made available within the school reception lobby.</p>
<p>13. Service Financial Comments</p> <p>13.1. The budget for this project is included in the CYPS approved capital programme and is fully funded from secured resources.</p> <p>13.2. The total cash limit budget for this project is identified in Part B (item 3). There is sufficient provision within the budget for the works which are the subject of this report</p>
<p>14. Use of appendices /Tables and photographs</p> <p>14.1. Appendix A – LHC framework</p> <p>14.2. Part B of this report contains exempt information.</p>
<p>15. Local Government (Access to Information) Act 1985</p> <p>15.1. List of background documents: Framework Agreement for Major Works, January 2006.</p> <p>15.2. This report contains exempt and non-exempt information. Exempt information is under the following category (identified in amended Schedule 12A of the Local Government Act 1972). s. (3) Information relating to financial or business affairs of any particular person (including the authority holding that information).</p>

Appendix A - LHC Framework, Rokesly Development

LHC Category	Specification/ Supplier included in project	Reasons for non inclusion i.e Vfm/Quality – evidence to be summarised	Comments
Aluminium windows and doors	Performance specification provided for Contractor's Choice.	To obtain value for money.	Performance spec route for D&B agreed with Client.
External doorsets	Performance specification provided for Contractor's Choice.	To obtain value for money.	Performance spec route for D&B agreed with Client.
External envelope repairs	As Project Specification.	Choice of external materials was as required by the School and Planner to blend with its surroundings.	Client agreement with chosen external materials.
Heating management services	As Project Specification.	Part of brief to comply with achieving use of sustainable energy source.	
Insulation and associated works	Performance specification provided for Contractor's Choice.	To obtain value for money.	Performance spec route for D&B agreed with Client.
Integrated property and security services	N/A	N/A	N/A
Kitchen and bathroom replacement works	N/A	N/A	N/A
Kitchen units and worktops	Performance specification provided for Contractor's Choice.	To obtain value for money.	Performance spec route for D&B agreed with Client.
PVC-U windows and doors	N/A	N/A	N/A
Steel, timber and concrete fencing	Performance specification provided for Contractor's Choice.	To obtain value for money.	Performance spec route for D&B agreed with Client.
Timber windows	Performance	To obtain value	Performance

and doors	specification provided for Contractor's Choice.	for money.	spec route for D&B agreed with Client.
Window and door maintenance	N/A	N/A	N/A
Roofing	Performance specification provided for Contractor's choice but have suggested Sarnafil single ply membrane as a preferred product.	High performance material whilst allowing foot traffic for maintenance.	

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Haringey Council

Agenda item:

[No.]**Cabinet Procurement Committee Meeting****On 27th April 2010**

Report Title: Novation of Contract with Lime Light Properties Limited for the provision of Integrated Supported Housing Services

Report of: Peter Lewis, Director for Children and Young Peoples Service

Signed:

Contact Officer: Wendy Tomlinson

Head of Service, Resources and Placements (Children in Care)

Telephone: 0208 489 3635

Wards(s) affected: All

Report for: Key Decision

1. Purpose of the report

- 1.1. For Cabinet Procurement Committee to grant approval to implement a Novation of a contract as allowed under Contract Standing Order (CSO) 14.01, which transfers legal obligations from Lime Light Properties Limited to Christopher House (London) Limited for the provision of Integrated Supported Housing Services.

2. Introduction by Cabinet Member

- 2.1. I support the recommendation to implement a novation to transfer obligations from one company to another as this is in the best interests of the young people using the supported housing service.
- 2.2. I am confident that the appropriate procedures have been followed.

3. State links with Council Plan Priorities and actions and /or other Strategies:

- 3.1. This Novation is pertinent to the Children and Young People's Service Business Plan.
- 3.1.1 **Objective - The Children and Young People's Service has a duty to provide Supported Housing Services to young people aged between 16-18 years old.**
The contracted providers are expected to provide quality accommodation and support to vulnerable young people. This should enable the young people to achieve the five Every Child Matters outcomes and prepare them for independent living.



Haringey Council

4. Recommendation

- 4.1. For Members to grant approval to implement a novation of contract in line with the CSO 14.01, which transfers legal obligations from Lime Light Properties Limited to Christopher House (London) Limited.

5. Reasons for recommendation

- 5.1. See Part B for exempt information.

6. Other options considered

- 6.1. See Part B for exempt information.

7. Summary:

- 7.1. Following a Tendering exercise a Framework Agreement for Provision of Integrated Support Housing Service was awarded to 12 organisations in June 2005. At present six of the original providers remain within the framework one of which is Lime Light Properties Limited.
- 7.2. Integrated Support Housing Service consist of key working support and accommodations for young people age 16 plus. The accommodation includes shared, studios and 1 bedroom flats that are situated within the community. The provider supplies an individual keyworking support package to each young person as part of the young person's Pathway Plan/Care Plan to enable the resident to prepare for independence.
- 7.3. Integrated Support Housing Services are not currently governed by any official body such as Ofsted or CSCI therefore it is essential that the local authority ensure that the provisions that are used are 'quality' provisions. The current framework allows the local authority to closely monitor all placements and improve the standards of service delivery.
- 7.4. The Council has developed a good working relationship with Limelight as a result there has been an improvement in the quality of the support offered to the young people placed with them.
- 7.5. The Director of Lime Light Properties Limited has taken voluntary administration and has now reorganised itself into a new company called Christopher House (London) Ltd. The changeover from one legal entity to another involves a transfer of the contract from one company to another. In line with the Contract Standing Orders this requires the Council to undertake a novation of the contract which will transfer the legal obligations under the current contract to the new company. The total estimated value of the Framework Agreements for 12 organisations were calculated at £3 million at the time of the award.
- 7.6. The Administrators overseeing the company's administration have confirmed that they have no objection to the transfer of the Framework Agreement to Christopher House



Haringey Council

(London) Ltd.

- 7.7. Lime Light Properties Limited currently have approximately 15 Leaving Care and Unaccompanied Minor young people placed with them. For continuity of care and placement stability for these young people a novation of the framework agreement is required.
- 7.8. Since 2009 there has been a massive increase in the number of referrals for Integrated Support Housing accommodations following the 'Southwark Ruling'. The Council requires as many contracted providers as possible to enable the Council to adequately provide quality placements for the young people age 16 plus known to Leaving Care and Unaccompanied Minor teams.
- 7.9. Christopher House (London) Limited (trading as Limelight Properties) is a Haringey Housing Department preferred provider for Temporary accommodations and currently has approximately 150 placements of accommodations across the Council.
- 7.10. The Council is also aware of that other local authorities such as Camden, Barnet, Bedfordshire, Hackney have already moved over to Christopher House (London) Ltd and have been making placements with them.

8. Chief Financial Officer Comments

- 8.1 See Part B for exempt information.

9. Head of Legal Services Comments

- 9.1. As stated in the report, Christopher House (London) Limited has approximately 150 placements of accommodations across the Council. However, at present the Council has no formal legal relationship with them as our contract is with Lime Light Properties Limited. Accordingly, it would be in the Council's interest to novate the contract in order that the legal obligations transfer from Lime Light Properties Limited to Christopher House (London) Limited.
- 9.2. CSO 14.01 states that, in appropriate circumstances, the Council may agree to the novation of a contract. The decision must be taken based on the value of the contract at the date of award.
- 9.3. The value of the framework at the date of award exceeded £250,000 therefore the novation requires the approval of the Procurement Committee in accordance with CSO 11.03.
- 9.4. The novation is also a key decision and, as such, has been included in the Council's Forward Plan (in accordance with CSO 11.04).
- 9.5. Subject to the comments contained in the exempt part of the report, the Head of Legal Services sees no legal reasons preventing Members from approving the recommendations in paragraph 4 of the report.
- 9.6. Also see Part B for more comments



Haringey Council

10. Head of Procurement Comments

- 10.1. The original Framework agreement was let in accordance with the Procurement Code of Practise
- 10.2. The recommendations as set out in paragraph 4 of the report will minimise the risk of any service failure as it puts in place a contractual relationship to ensure compliance with service standards.

11. Equalities & Community Cohesion Comments

- 11.1 Equalities implications were incorporated in the tendering process and the monitoring of contract performance.

12. Consultation

- 12.1. Consultation undertaken with relevant internal Council departments and the Administrators overseeing the administration of Lime Light Properties Ltd.

13. Service Financial Comments

- 13.1 See Part B for exempt information.

14. Use of appendices /Tables and photographs

- 14.1. See Part B for 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 Part B 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 (3) information relation to the financial or the business affairs of any particular person (including the authority holding that information)



Haringey

Agenda item:

Procurement Committee Meeting

On 27th April 2010

Report Title: Planned Preventative Maintenance (PPM) Partnering Procurement

Report authorised by: Niall Bolger, Director of Urban Environment

Niall Bolger . 27th April 2010 .

Contact Officer : Elena Wilmot, Project Manager Tel: 020 8489 1018
Email: Elena.wilmot@homesforharingey.org

Wards(s) affected: All

Report for: **Key Decision**

1. Purpose of the report (That is, the decision required)

1.1 This report is seeking Procurement Committee agreement to procure a Partnering Term Contract/s for Planned Preventative Maintenance repairs and redecoration works to the Haringey Council housing stock.

2. Introduction by Cabinet Member

2.1 This report makes recommendations for a separate planned preventative maintenance and decorations Partnering Term contract to be established in order to obtain 'best value' for Council funds by taking advantage of the current economic climate.

2.2 As this proposed new Partnering Term contract will clearly be closely monitored by the Corporate Procurement Group, it should provide this Council value for money within the ambit of stated Council strategic priorities as long as clear Quality Control (fitness for purpose) measures are put in place, right from the start of the contract, which will give assurance that the contract will, actually deliver optimum benefits, for Haringey residents.

3. Links with Council Plan Priorities and actions and /or other Strategies:

3.1 Homes for Haringey supports the Council's Housing Strategy and is committed to providing an excellent housing service while effectively delivering an external decorations programme for the residents of Haringey. As its strategic delivery partner, Homes for Haringey is committed

to ensuring that the PPM programme meets the aspirations of residents and Members.

3.2 Homes for Haringey have in place an Asset Management Strategy which provides a strategic framework for delivery of the PPM programme. The objectives of these strategies are closely linked to the Council's, the Sustainable Procurement Strategy and Asset Management Plan.

3.3 The PPM programme will contribute to the achievement of Council Priorities by:

- Improving the life, condition and appearance of Council Housing stock
- Providing an improved environment for residents
- Delivering cost effective services through partnering

4. Recommendations

4.1 To facilitate the procurement of the PPM Programme, Members of the Procurement Committee are requested to agree:

The procurement of a 5 Year Partnering Term Contract/s with the provision of a one year extension to carry out External Decorations & Repairs to the Council's housing stock.

4.2 The scheme is to be funded from the Housing Capital Programme.

5. Reason for recommendation(s)

5.1 The intention is to enter into a long term contract/s in the current 'depressed' climate are likely to obtain a competitive price. The Procurement of a 5 year programme (with the option of a one year extension subject to satisfactory value for money checks) would provide continuity of service and cost certainty over the contract period with regard to profit and overheads and schedule of rates if these are used.

5.2 The objective of the PPM programme is to deliver a cyclical planned maintenance programme to the Council owned dwellings that have not been externally decorated for over 5 years. It would allow a full 5 year cycle of external decorations and prevent deterioration of the external components of the dwellings. The contractor will become familiar to residents and it will be easier to maintain quality as defective works would be rectified by the term contractor at their own cost. It would therefore be in the interest of the contractor to ensure that the quality of the work is maintained throughout the contract period.

5.3 The proposal is to appoint between one and four term contractors. The strategy for this will be agreed with the Corporate Procurement Group and Legal Sections.

5.4 The partnering term contract would be procured under an OJEU notice and follow a formal process to select contractors for the term. A summary of the main tasks incorporated into the process are:- Consultation with leaseholders, preparation of EU Advertisement, pre-qualification questionnaires (PQQ), analysis of contractor applications, evaluation panel, contractor interviews, contractor shortlists, agreement of Key Performance Indicators (KPIs), tendering exercise, evaluation of tenderers and approval.

6. Other options considered

- 6.1 Corporate Procurement Group and Legal were consulted on a proposal to utilise the Major Works Framework for the PPM Programme, however it was felt that the scope of works was not clearly specified within the tender documents and therefore could be open to possible challenge.
- 6.2 Another option considered was the establishment of a framework for the PPM programme works where a number of contractors are appointed to carry out the work and are appointed by a call off process or mini competition for each work package.. This arrangement would not allow one contractor to work in a given area, a mini procurement exercise has to be carried out for each package of work, there is no cost certainty over the duration of the framework and there is no guarantee of work for the contractor.

7. Summary

- 7.1 This report seeks to obtain Members approval to enter into a long term contract/s (5 years with the option of a one year extension) for the delivery of the PPM programme.

7.2 Background

- 7.2.1 The Audit Commission inspection report for Homes for Haringey highlighted the importance and need for a cyclical decorations programme to discharge the landlord's obligations. The implementation of the PPM programme is necessary for Homes for Haringey to deliver routine external decorations and associated repairs to the external and internal communal areas of the Council's housing stock

7.3 Detailed below is a summary of contractor details:

Total estimated construction cost (excluding fees)	Approximately £25m
Anticipated Contract start on site	April 2011
Anticipated Contract completion	March 2016
Contract duration	5 years
Contractor/s	to be confirmed

7.4 Property address location

- 7.4.1 The PPM programme includes all the properties within the Councils housing stock which is circa 20,608.

7.5 Schedule of works

- 7.5.1 The scope of improvements works will include external repairs and decorations to the building envelope and repairs and decorations to the internal communal parts of the dwellings.

7.6 Planning Approval

- 7.6.1 The works do not require the involvement of the Planning Department

7.7 Life Cycle Costing Analysis

7.7.1 The PPM works are cyclical maintenance works and life cycle costing analysis is not applicable.

7.8 Environmental Improvements

7.8.1 The works will improve the general external environment around the properties that are decorated.

7.9 Sustainability

7.9.1 The procurement of materials and components to be used during the PPM programme will involve the selection of products that have a positive impact on the environment. The painting of the exterior of the dwellings will increase the life of the components as well as reduce future maintenance costs.

7.9.2 The scheme will be carefully designed where possible to allow for minimising waste during the work.

7.10 Conservation Areas

7.10.1 In administering the PPM programmes due regard will be shown for areas that are subject to specific consents relating to conservation.

8. Chief Financial Officer Comments

8.1 The 2010-11 budget for this work within the Housing Capital Programme is £3,000,000. It is expected that the budget would be of a similar size in years to come. Thus the total budget available for the 5 year life of this contract would be around £15,000,000.

8.2 If spend on preventative maintenance is thought likely to exceed this amount over the life of the contract then a revised budget would need to be agreed in later years.

9. Head of Legal Services Comments.

9.1 The Head of Legal Services notes the contents of the report.

9.2 The proposed procurement must be conducted in accordance with EU procurement regulations (The Public Contracts Regulations 2006) and Contract Standing Orders.

9.3 The Head of Legal Services confirms that there are no legal reasons preventing Members from approving the recommendations in this report.

10. Head of Procurement Comments.

- 10.1. The establishment of this contract will enable value for money to be considered across the five year cycle of redecorations of the housing stock.
- 10.2 This work due to the five cycle is considered to be separate to the recent awarded Major Works Building Contractors framework agreement. However any works which fall outside of these should be tendered through the Major Works Building Contractors Framework.
- 10.3 Homes for Haringey are expected to work closely with the Corporate Procurement Unit including the Construction Procurement Group with regard to the EU process, checking of tender documentation etc.
- 10.4 The Head of Procurement therefore acknowledges the recommendations in this report for a separate planned preventative maintenance and decorations Partnering Term Contract as value for money in the current economic climate.

11. Equalities and Community Cohesion Comments

- 11.1 Homes for Haringey's Asset Management Strategy, 2007/2017, covers all investment in the Councils housing stock. In drawing up the Strategy, an Equalities Impact Assessment was undertaken. The findings have been incorporated into Homes for Haringey's planning processes for the delivery of the PPM Programme. This includes ensuring that all residents receive the same standard of work, and consideration of specific language and other needs are identified and addressed when drawing up programmes of work.

12. Consultation

Internal

- 12.1 Homes for Haringey have consulted with council officers in the preparation of the proposed programme and further consultation will be carried out with The Leader of the Council and the Cabinet Member for Housing. Ward member comments will also be considered.

External

- 12.4 Homes for Haringey will carry out detailed consultation with residents and leaseholders affected by the works set out in this report.

12.5 Leasehold Implications

- 12.6 It is the intention of the Project Team to carry out full consultation with leaseholders throughout the procurement of the PPM Term Contract.

13. Service Financial Comments

In previous years budget provision has been made available within the Housing Capital Programme for this type of work. The PPM budget provision for 2010/2011 is £3m.

14. Use of appendices /Tables and photographs

14.1 n/a

15. Local Government (Access to Information) Act 1985

15.1 There are no current background papers relating to this project.

15.2 This report contains exempt and non exempt information. Exempt information is contained in Appendix A of this report 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).

[No.]

Agenda item:

Cabinet Procurement Committee

On 27th April 2010

Report Title. **Consultants for Construction Works framework agreement extension**

Report of **Director of Corporate Resources**

Signed :

Contact Officer : David Mulford, 020 8489 1037

Wards(s) affected: **All**

Report for: **Key Decision**

1 Purpose of the report

- 1.1 To seek Cabinet Procurement Committee approval to extend the Consultants for construction works framework agreement for a period of 1 year.

2 Introduction by Cabinet Member

- 2.1 I concur with the recommendations set out in this report.

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

- 3.1 The procurement of long term agreements for construction consultancy fits in with the Council's Category Management strategy.

4 Recommendations

- 4.1 In accordance with CSO 13.02 that the Consultants for construction works framework agreement be extended for NPS Property Consultants Ltd.
- 4.2 That the framework agreement be extended for a period of 1 year with an estimated total value of £2.5million.

5 Reason for recommendation(s)

- 5.1 The extension of the existing framework agreement will enable the Construction Procurement Group to conduct a procurement exercise for the subsequent arrangements to be put in place for the provision of construction consulting. Consultation with key client groups has already begun in order to shape the structure of mechanism to be used under these arrangements.

6 Other options considered

- 6.1 The Construction Procurement Group examined the option of using other public sector arrangements for the provision of construction consulting. There are public sector framework agreements in place that may be used for the provision of construction consulting, whereby the user can select consultants through a tender competition. However, the current framework agreement provides the opportunity for consultant performance to be monitored closely through regular programme review meetings with the single service provider. The single service provider has been trained in the Council's internal processes and procedures, so the use of the in-house framework also provides efficiency savings in terms of the time officers would otherwise spend training new consultants.

7 Summary

- 7.1 The Consultants for construction works (CfCW) framework agreement was awarded in March 2008 for a period of 2 years, with the option to extend for up to a further 2 years subject to satisfactory performance. The current framework agreement expires on 27th April 2010.
- 7.2 The framework agreement provides a one-stop-shop service for the provision of project management, architecture, building surveying, mechanical, electrical, civil and structural engineering and quantity surveying.
- 7.3 Separate framework agreements were awarded to run concurrently with the CfCW framework agreement to provide cost, quality and health & safety assurance to the work carried out by the one-stop-shop service provider.
- 7.4 The performance of the single service provider has been satisfactory throughout the initial term of the framework agreement.
- 7.5 The use of this framework agreement provides a robust contract management process, with key performance indicators used to monitor performance.

8 Chief Financial Officer Comments

The Chief Financial Officer has been consulted over the contents of this report and has no further comments to add.

9 Head of Legal Services Comments

- 9.1 The framework agreement which the report relates to was advertised in the Official Journal of the European Union in accordance with the Public Contracts Regulations 2006.
- 9.2 As stated in paragraph 7.1 above the framework has provision for extension for up to a further 2 years.
- 9.3 The value of the extension which this report relates to is above £250,000 therefore it may only be approved by Members in accordance with CSO 13.02.
- 9.4 The Head of Legal Services sees no legal reasons preventing Members from approving the recommendations in paragraph 4.

10 Head of Procurement Comments

- 10.1 The current framework for Consultants for Construction works (CfCW) was procured following an advert in the Official Journal of the European Union and subsequent award by Cabinet Procurement Committee in March 2008.
- 10.2 The framework allows for extending for up to two further years subject to satisfactory performance.
- 10.3 The framework is monitored through a number of meetings including a core group of key directorates.
- 10.4 The Head of Procurement therefore supports the extension of this framework for a further year.

11 Equalities &Community Cohesion Comments

- 11.1 NPS were evaluated in terms of equality and diversity in the original procurement process used to select them to the framework agreement.
- 11.2 The framework agreement will benefit all wards within the borough.

12 Consultation

- 12.1 The Construction Procurement Group will consult with key client groups from all directorates in order to shape the contract mechanism for the arrangements that will be procured to replace this framework agreement.
- 12.2 Clients regularly provide feedback on the service provided by NPS and are involved in regular progress meetings held between the Construction Procurement Group and NPS.

13 Service Financial Comments

- 13.1 The costs involved in the use of the framework agreement for future minor construction works may come from external funding, revenue or capital budgets for the directorates for which work is being carried out.
- 13.2 The framework agreement was awarded against a schedule of rates based on percentage rates against construction cost. Hourly rates will be adjusted in line with the average Retail Price Index (RPIX) figure from 1st April 2009 to 31st March 2010.
- 13.3 From the inception of the framework agreement in April 2008 to March 2010 NPS has been awarded work worth £5.01million against 325 commissions. Assuming a similar level of commissioning over the next year the amount to be spent will total approximately £2.5million.

14 Use of appendices /Tables and photographs

- 14.1 N/A

15 Local Government (Access to Information) Act 1985

- 15.1 N/A



Agenda item:

[No.]

Cabinet Procurement Committee

On 27th April 2010

Report Title. **Consultants for Construction Works (Additional services) framework agreement extension**

Report of **Director of Corporate Resources**

Signed :

Contact Officer : David Mulford, 020 8489 1037

Wards(s) affected: **All**

Report for: **Key Decision**

1 Purpose of the report

- 1.1 To seek Cabinet Procurement Committee approval to extend the Consultant for Construction Works (Additional services) framework agreements for a period of 1 year.

2 Introduction by Cabinet Member

- 2.1 I concur with the recommendations set out in this report.

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

- 3.1 The procurement of long term agreements for construction consultancy fits in with the Council's Category Management strategy.

4 Recommendations

- 4.1 In accordance with CSO 13.02 that the Consultants for Construction Works (Additional services) framework agreements be extended for the following companies:

<ul style="list-style-type: none"> ▪ Gardiner & Theobald ▪ Frankham Consultancy Group ▪ Keegans ▪ Potter Raper Partnership ▪ John Burke Associates <p>4.2 That the framework agreements be extended for a period of 1 year with an estimated total value of £500,000.</p>	<p>5 Reason for recommendation(s)</p> <p>5.1 The extension of the existing framework agreements will enable the Construction Procurement Group to conduct a procurement exercise for the subsequent arrangements to be put in place for the provision of construction consulting. Consultation with key client groups has already begun in order to shape the structure of mechanism to be used under these arrangements.</p>
<p>6 Other options considered</p> <p>6.1 The Construction Procurement Group examined the option of using other public sector arrangements for the provision of construction consulting. There are public sector framework agreements in place that may be used for the provision of construction consulting, whereby the user can select consultants through a tender competition. The service providers under the existing framework agreements have been trained in the Council's internal processes and procedures, so the use of the in-house frameworks also provides efficiency savings in terms of the time officers would otherwise spend training new consultants. The use of the existing framework agreements also provides a consistency of service that would not be provided by an external arrangement.</p>	<p>7 Summary</p> <p>7.1 The Consultant for Construction Works (Additional services) (CfCWA) framework agreement was awarded in March 2008 for a period of 2 years, with the option to extend for up to a further 2 years subject to satisfactory performance. The current framework agreement expires on 27th April 2010.</p> <p>7.2 The framework agreements provide the following services:</p> <ul style="list-style-type: none"> ▪ CDM (Construction Design & Management) co-ordinator services – Gardiner & Theobald ▪ Quantity surveying – Frankham Consultancy Group, Keegans and Potter Raper Partnership ▪ Clerk of works services – John Burke Associates <p>7.3 The framework agreements were awarded to run concurrently with the Consultants for Construction Works framework agreement to provide cost, quality and health &</p>

<p>safety assurance to the work carried out by the one-stop-shop service provider.</p> <p>7.4 The performance of the service providers has been satisfactory throughout the initial term of the framework agreement and client satisfaction has been satisfactory.</p>
<p>8 Chief Financial Officer Comments</p> <p>8.1 The Chief Financial Officer has been consulted over the contents of this report and has no further comments to add.</p>
<p>9 Head of Legal Services Comments</p> <p>9.1 The framework agreements which the report relates to were advertised in the Official Journal of the European Union in accordance with the Public Contracts Regulations 2006.</p> <p>9.2 As stated in paragraph 7.1 above the framework has provision for extension for up to a further 2 years.</p> <p>9.3 The value of the extensions which this report relates to is above £250,000. Therefore they may only be approved by the Procurement Committee in accordance with CSO 13.02.</p> <p>9.4 The Head of Legal Services sees no legal reasons preventing Members from approving the recommendations in paragraph 4 of the report.</p>
<p>10 Head of Procurement Comments</p> <p>10.1 The current framework agreements for Consultants for Construction works (Additional Services) (CfCWA) was procured following an advert in the Official Journal of the European Union and subsequent award by Cabinet Procurement Committee in March 2008.</p> <p>10.2 The framework allows for extending for up to two further years subject to satisfactory performance.</p> <p>10.3 The framework is monitored through a number of meetings including a core group of key directorates.</p> <p>10.4 The Head of Procurement therefore supports the extension of these frameworks for a further year.</p>
<p>11 Equalities & Community Cohesion Comments</p> <p>11.1 The selected suppliers were evaluated in terms of equality and diversity in the original procurement process used to select them to the respective framework</p>

<p>agreements.</p> <p>11.2 The framework agreements will benefit all wards within the borough.</p>
<p>12 Consultation</p> <p>12.1 The Construction Procurement Group will consult with key client groups from all directorates in order to shape the contract mechanism for the arrangements that will be procured to replace these framework agreements and the Consultants for Construction Works framework agreement.</p>
<p>13 Service Financial Comments</p> <p>13.1 The costs involved in the use of the framework agreements may come from external funding, revenue or capital budgets for the directorates for which work is being carried out.</p> <p>13.2 The framework agreement was awarded against a schedule of rates based on percentage rates against construction cost. Hourly rates will be adjusted in line with the average Retail Price Index (RPIX) figure from 1st April 2009 to 31st March 2010.</p> <p>13.3 Since the inception of the framework agreement the following work has been commissioned to the appointed companies:</p> <ul style="list-style-type: none"> ▪ John Burke Associates - £185k ▪ Gardiner & Theobald - £539k ▪ Frankham Consultancy Group - £78k ▪ Potter Raper Partnership - £69k ▪ Keegans – £174k <p>The total value spent across all companies is approximately £1.04million. Assuming a similar level of commissioning over the next year the amount to be spent will total approximately £500,000.</p>
<p>14 Use of appendices /Tables and photographs</p> <p>14.1 N/A</p>
<p>15 Local Government (Access to Information) Act 1985</p> <p>15.1 N/A</p>



Agenda item:

[No.]

Cabinet Procurement Committee

On 27th April 2010

Report Title. **Framework Agreement for Conservation Building Construction Works**

Report of **Director of Corporate Resources**

Signed :

Contact Officer : David Mulford, 020 8489 1037

Wards(s) affected: **All**

Report for: **Key Decision**

1 Purpose of the report

- 1.1 To seek Cabinet Procurement Committee approval to award framework agreements for the provision of conservation building construction works for buildings owned or managed by the Council.

2 Introduction by Cabinet Member

- 2.1 I concur with the recommendations set out in this report.

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

- 3.1 The opportunity to procure long term agreements for conservation building construction works was identified through the Council's Category Management strategy.

4 Recommendations

- 4.1 In accordance with CSO 11.03 that framework agreements for conservation building construction works be awarded to those companies listed in Appendix 1.

- 4.2 That the framework agreements be awarded for a period of 2 years with an option to extend for a further 2 years and with an estimated total value of £600,000 per year.

5 Reason for recommendation(s)

- 5.1 Framework agreements for minor and major building construction works were awarded in January 2006 for a period of 2 years, with the option to extend for up to a further 2 years. Framework agreements were awarded for a period of 2 years from April 2006 and have subsequently be extended twice. The current framework agreements are due to expire on 31st March 2010.
- 5.2 A number of projects for conservation construction works have been procured through these framework agreements, with selection of contractors based on experience of conservation work. However, key client departments expressed a need for specialist conservation work contractors to undertake this type of work in future. The decision was taken to procure a separate framework agreement for the provision of conservation work contractors.
- 5.3 The framework agreements will provide a mechanism for the procurement of building contractors for individual conservation building projects of value less than £500,000.
- 5.4 Selection of contractors will either be through a mini-tender or call-off process. Selection of contractors through a call-off process will be on the basis of the most economically advantageous tender (MEAT) based on the results of the procurement process for the framework agreement and performance measured through key performance indicators (KPI).
- 5.5 The use of a framework agreement will provide a robust contract management process, with key performance indicators used to monitor contractor performance.

6 Other options considered

- 6.1 The Construction Procurement Group examined the option of using other public sector arrangements for the provision of conservation building construction works. No such arrangements exist which cover the form of contract and extent of this procurement.

7 Summary

- 7.1 The procurement followed an EU tender process. A contract notice was published on 20th February 2009 via the Official Journal of the European Union (OJEU).
- 7.2 A consultant was commissioned to act as an additional resource to CPG and Council officers in the evaluation of pre-qualification questionnaires and to prepare

the pricing mechanism for the tender document for the procurement. The consultant was commissioned from the Council's framework agreement for the provision of construction consultants with NPS London Ltd.

- 7.3 Pre-qualification Questionnaires (PQQ) were received from 44 companies. The pre-qualification questionnaires were assessed by officers from CPG, Economic Regeneration and the commissioned consultant.
- 7.4 The 12 companies with the highest scores following evaluation of pre-qualification questionnaires were invited to tender for the framework agreement on 04/11/09. One tenderer declined the opportunity to tender. Tenders were received from 11 companies.
- 7.5 Tenders were assessed on a 60% Quality: 40% Price basis.
- 7.6 Quality evaluation was based on tenderers' responses to questions relating to their proposed delivery of the framework agreement (see Appendix 1, 1.2 for questions). The potential marks available for each question were specified in the tender documents. The total marks awarded were converted to a percentage of the maximum marks available. This was then multiplied by 60% to obtain the quality score for each company. The quality responses were evaluated by officers from CPG and economic regeneration.
- 7.7 Price was evaluated using a schedule of rates submitted by each tenderer. The pricing mechanism consisted of overheads, preliminaries (site based overheads), profit and measured work items.
 - 7.7.1 Tenderers were asked to submit percentage values for overheads and profit for the different types of work that may be encountered under each value band.
 - 7.7.2 Similarly, tenderers were asked to submit rates for preliminaries, comprising a list of specified items.
 - 7.7.3 Tenderers were asked to price schedules of measured work items, i.e. defined tasks under each project scenario.
 - 7.7.4 The total prices for each of the defined scenarios were built up using figures from 7.7.1 – 3 above.
 - 7.7.5 The tenderer who submitted the lowest total price received a maximum 40% score for price. The other tenderers' received a score out of 40%, calculated by multiplying the variation between their submitted price and the lowest price by 40%.
- 7.8 The 6 companies with the highest overall scores following the tender evaluation are recommended to be appointed under the framework agreements discussed in this report. See Appendix 1, 1.1 for details of the recommended companies

8 Chief Financial Officer Comments

- 8.1 The recommended number of contractors should enable sufficient competition

between contractors to deliver on-going efficiencies and provide sufficient capacity.

- 8.2 The Chief Financial Officer can confirm that the resources to monitor and performance manage the contract are built into existing procurement budgets.

9 Head of Legal Services Comments

- 9.1 The EU Directive on public procurement (the Consolidated Directive), as implemented in the UK by the Public Contracts Regulations 2006 (“Regulations”), allows local authorities to enter into framework agreements with contractors, and to select contractors in respect of specific projects from amongst those contractors with which it has concluded framework agreements.
- 9.2 The framework agreement to which this report relates has been tendered in the EU in accordance with the Regulations, using the restricted procedure, a tendering procedure whereby expressions of interest are invited by advertisement in the Official Journal of the EU, with a selection of the contractors who have expressed an interest being invited to submit tenders.
- 9.3 This report is recommending award of the framework agreement to the contractors named in Appendix 1. These contractors have been selected based on the most economically advantageous tenders submitted, in accordance with Regulation 30 of the Regulations.
- 9.5 As the total estimated value of the contracts to be awarded under the framework agreement is likely to exceed £250,000, the proposed award must be approved by Members pursuant to CSO 11.3.
- 9.6 The award of this framework agreement is a key decision and the client has confirmed that it has been included in the Forward Plan.
- 9.7 The Head of Legal Services sees no legal reasons preventing Members from approving the recommendations in paragraph 4 of the report.

10 Head of Procurement Comments

- 10.1 Framework Agreements provide a mechanism whereby “approved” contractors are selected but there is no commitment at this stage on the Council to place any orders.
- 10.2 When a construction need arises, Council officers invite all capable contractors on the framework to either submit a tender under mini-competition or if the nature of the works is such, a “call-off” procedure is used based on pricing schedules submitted during the initial selection process. These processes are defined within Public Procurement Regulations.

- 10.3 The new framework agreement being proposed has been competitively evaluated and provide the Council with a good range of contractors that should serve the Council well over the next 2-4 years.
- 10.4 Key benefits of using framework agreements are to reduce costs for the Council and Contractors and enable quicker time to site, because 80% of the necessary contractor evaluations and pricing schedules etc are done once (at the time of selection onto the framework) and all subsequent mini-competitions or “call-offs” are project specific.
- 10.5 The framework agreements put before Members for approval offer good Value for Money for the Council and are designed to include known best practice and compliance with current legislation.

11 Equalities &Community Cohesion Comments

- 11.1 All pre-qualification questionnaires were evaluated in terms of equality and diversity. The companies to be appointed under this framework agreement have demonstrated a commitment to equalities and diversity.
- 11.2 The framework agreement will benefit all wards within the borough.

12 Consultation

- 12.1 The procurement process for the framework agreement has been undertaken in consultation with Economic Regeneration and Corporate Legal Services.

13 Service Financial Comments

- 13.1 The costs involved in the use of the framework agreements for future minor construction works may come from external funding, revenue or capital budgets for the directorates for which work is being carried out.
- 13.2 The prices submitted by the successful tenderers have been assessed and are competitive against the current market. The option for the use of mini-competition for the award of work is available for projects covered by this framework agreement. This will provide further competition in terms of price.

14 Use of appendices /Tables and photographs

- 14.1 Appendix 1 of this report contains information exempt from public viewing. The information contained relates to the evaluation process for this procurement.

15 Local Government (Access to Information) Act 1985

15.1 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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