
Cabinet Procurement Committee

THURSDAY, 12TH MAY, 2011 at 18:00 HRS - CIVIC CENTRE, HIGH ROAD, WOOD GREEN, LONDON N22 8LE.

MEMBERS: Councillors Goldberg (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 8 below. New items of exempt business will be dealt with at item 11 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 24 March 2011.

5. DEPUTATIONS / PETITIONS / PRESENTATIONS / QUESTIONS

To consider any requests received in accordance with Standing Orders.

6. THE MULBERRY PRIMARY SCHOOL - REMODELLING WORKS

(Report of the Director of the Children and Young People's Service): To seek approval to the appointment of a recommended contractor for re-modelling works at The Mulberry Primary School and to seek approval to the issue of a letter of acceptance prior to formal contract signature for 10% of the contract value.

7. NEW ITEMS OF URGENT BUSINESS

To consider any items admitted at item 2 above.

8. 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 which relates to the business or financial affairs of any particular person (including the Authority holding that information).

Note by the Head of Local Democracy and Member Services

Item 9 allows for the consideration of exempt information in relation to item 6 which appears earlier on the agenda.

9. THE MULBERRY PRIMARY SCHOOL - REMODELLING WORKS

(Report of the Director of the Children and Young People's Service): To seek approval to the appointment of a recommended contractor for re-modelling works at The Mulberry Primary School and to seek approval to the issue of a letter of acceptance prior to formal contract signature for 10% of the contract value.

10. NEW ITEMS OF EXEMPT URGENT BUSINESS

To consider any items admitted at 2 above.

David McNulty
Head of Local Democracy
and Member Services
5th Floor
River Park House
225 High Road
Wood Green

Richard Burbidge
Cabinet Committees Manager
Tel: 020 8489 2923
Fax: 020 8881 5218
Email: richard.burbidge@haringey.gov.uk

London N22 8HQ

4 May 2011.

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MINUTES OF THE CABINET PROCUREMENT COMMITTEE
THURSDAY, 24 MARCH 2011

Actions arising from Cabinet Procurement Committee are monitored and progress reported by Corporate Procurement. Officers must therefore ensure that all actions assigned to them, are fully addressed and signed off with the Contracts Management Officer in the Corporate Procurement Unit.

Councillors *Goldberg (Chair), *Bevan, *Kober and *Reith.

*Present

MINUTE NO.	SUBJECT/DECISION	ACTION BY
PROC70.	<p>MINUTES (Agenda Item 4)</p> <p>RESOLVED</p> <p>That the minutes of the meeting held on 24 February be approved and signed.</p>	HLDMS
PROC71.	<p>BROADWATER FARM INCLUSIVE LEARNING CAMPUS - FURNITURE, FITTINGS AND EQUIPMENT (Report of the Director of the Children and Young Peoples Service - Agenda Item 6)</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 (including the Authority holding that information).</p> <p>We noted that following a tender exercise the main contract for the Integrated Learning Centre had been awarded to Mullalley & Co Ltd and construction of the building started in July 2010. Construction of phase one of the building was anticipated to complete in July 2011 with occupation and full service delivery from September 2011. Phase two of the building was anticipated to complete and be ready for full service delivery a year later (September 2012) with some landscaping and external works continuing until December 2012.</p> <p>In order to ensure the building was ready for occupation and service delivery a substantial amount of new furniture and equipment was required to adequately resource the needs of the pupils, teachers, and the community. This requirement had been ascertained in consideration of an audit of existing legacy Furniture, Fittings and Equipment.</p> <p>The Procurement Strategy proposed involved firstly the use of an Official Journal of the European Union (OJEU) compliant framework furniture supplier to purchase the bulk of Furniture, Fittings and Equipment thus ensuring value for money and reliability of service. The quantities and size of Furniture, Fittings and Equipment order to be placed with ESPO will ensure that economies of scale could be achieved. The granting of delegated authority to place the orders for Furniture, Fittings and Equipment in due course would enable the project programme to</p>	

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	<p>continue without delay and without jeopardising the successful occupation and operation of the new campus from September 2011. In addition, for specialist items of Furniture, Fittings and Equipment not available via ESPO, the necessary CSO waiver procedure would be followed. Any such waivers would be reported back to the Committee at a later stage.</p> <p>RESOLVED</p> <ol style="list-style-type: none"> 1. That approval be granted to the proposed Procurement Strategy for Furniture, Fittings and Equipment for the Broadwater Farm Inclusive Learning Campus; 2. That approval be granted in principle to the purchase of Furniture, Fittings and Equipment from the Eastern Shires Purchasing Organisation (ESPO) framework agreement in accordance with Regulation 19.7(a) of the Public Contracts Regulations 2006. 3. That in accordance with Section 15 of the Local Government Act 2000, approval be granted to the delegation of authority to the Director of Children and Young People's Services to place orders and award contracts via ESPO for the supply of the majority of Furniture, Fittings and Equipment for the new Campus. 	<p>DCYPS</p> <p>DCYPS</p> <p>DCYPS</p>
PROC72.	<p>AWARD OF THE PROVISION OF ICT DATA AND VOICE STRUCTURED CABLING FRAMEWORK AGREEMENT (Report of the Director of Corporate Resources - Agenda Item 7)</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 (including the Authority holding that information).</p> <p>We noted that a restricted tender process for the ICT Data and Voice structured cabling Framework Agreement had been carried out by placing a contract notice in the Official Journal of the European Union (OJEU), Supply2gov, Competefor and on the Council's website.</p> <p>Our Chair asked to be supplied with a briefing note detailing the bidding process from the opening to the end bids.</p> <p>RESOLVED</p> <p>That in accordance with Contract Standing Order 11.03 approval be granted to the award of a four year framework agreement for the provision of ICT Data and Voice structured cabling for Council buildings to ITM Communications Ltd., Freedom Communications (UK) Ltd. and Royce Communications Ltd.</p>	<p>DCR</p> <p>DCR</p>

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<p>PROC73.</p>	<p>CONSULTANTS FOR CONSTRUCTION WORKS - EXTENSION OF FRAMEWORK AGREEMENT (Report of the Director of Corporate Resources - 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 (including the Authority holding that information).</p> <p>We noted that 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. We also noted that agreement had been granted to extend the framework agreement by 1 year in April 2010 and that the current framework agreement would expire on 27 April 2011.</p> <p>We were informed that the framework agreement provided a one-stop-shop service for the provision of project management, architecture, building surveying, mechanical, electrical, civil and structural engineering and quantity surveying. Separate framework agreements were awarded to run concurrently with the CfCW framework agreement to provide cost, quality and health and safety assurance to the work carried out by the one-stop-shop service provider.</p> <p>We were also informed that the performance of the single service provider had been satisfactory throughout the initial term of the framework agreement and the subsequent extension period. The use of this framework agreement provided a robust contract management process, with key performance indicators used to monitor performance.</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 Consultants for construction works framework agreement for NPS Property Consultants Ltd. 2. That approval be granted to the extension of the framework agreement for a further period of 1 year (as allowed within the framework agreement) with an estimated total value of £1 million. 	<p>DCR</p> <p>DCR</p>
<p>PROC74.</p>	<p>CONSULTANTS FOR CONSTRUCTION WORKS (ADDITIONAL SERVICES) FRAMEWORK AGREEMENT EXTENSION (Report of the Director of Corporate Resources - 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 (including the Authority holding that information).</p> <p>We noted that the Consultant for Construction Works (Additional services) (CfCWA) framework agreement had been awarded in March 2008 for a period of 2 years, with the option to extend for up to a further</p>	

JOE GOLDBERG
Chair



Agenda item:

[No.]

Report to Procurement Committee

12th May 2011

Report Title. **The Mulberry Primary School Remodelling Works**

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

Signed :

p.p Ian Bailey

Contact Officer :

Claire Barnes, Senior Project Manager, Children and Young People's Service

Wards(s) affected: Tottenham Hale

Report for: **Key Decision**

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

- 1.1. To seek Procurement Committee approval to appoint the recommended contractor named in Part B of this report for re-modelling works at The Mulberry Primary School.
- 1.2. To seek approval to issue letter of acceptance prior to formal contract signature for 10% of the contract value.

2. Introduction by Cabinet Member (if necessary)

- 2.1. I am happy with the recommendations in this report and believe the appropriate procedures have been followed.

- 2.2. I am very pleased that we have found the money to do these works at Mulberry primary and believe they will enhance the learning environment for pupils.

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

The project at The Mulberry Primary School aims to significantly improve the learning environment for pupils and teachers.

3.1. Council Priorities

3.1.1 Making Haringey one of London's Greenest Boroughs

3.1.1.1 The design and construction will support each of the seven Haringey Greenest Borough Strategy Priorities in the following ways:

· Priority One - Improving the Urban Environment:

- The school project will go beyond the current Haringey Council requirement of 10% CO2 reduction for new build over 1,000 sq metres.
- In the new build, we will seek 60% carbon reduction, using DfE carbon calculation.

· Priority Two - Protecting the Natural Environment:

- In the landscaping design and works, bio-diversity to be actively managed to promote the development of the local flora, fauna and wildlife.
- Extended community use of the school, exploiting the significantly improved facilities.

· Priority Three - Managing Environmental Resources efficiently:

- Within the school design, measures to be incorporated to minimise the utilities used on a daily basis.
- This will include minimising the use of water and energy through the installation of energy efficient fixtures and fittings.
- Voltage optimisation.

· Priority Four - Leading by example, managing the public sector sustainably:

- ICT design will ensure energy use is minimised by incorporating automatic switch off of all devices within the software used.

- In addition the size of each device installed will be appropriate to the required tasks and the numbers of servers used will be minimised by centralising data centres creating further energy savings.
- Where possible legacy equipment to be reused or recycled. All new “white good” appliances to be AAA energy rated.
- Through a combination of good design and school best practice achieve a 10% reduction in energy used at the school, measured per pupil per sq metre, by 2011.

· Priority Five - Sustainable design and construction:

- Based on the scope and value of this project, the new build will achieve a BREEAM rating of Very Good.
- Only certified (COC) timber will be used in construction and there will be reduced use of VOC materials.
- A Site Waste Management Plan to national WRAP standards ensuring best practice in site construction management is included.

· Priority Six - Promoting sustainable travel:

- The school design has been integrated with the school’s travel plan promoting the use of sustainable travel to school, such as cycling.

· Priority Seven - Raising awareness and involvement:

- The new building constructed to have dedicated energy metres, improving the visibility and control of energy used.

3.1.2 Creating a Better Haringey: Cleaner, Greener and Safer

3.1.2.1 The Mulberry Primary School project will improve the school, significantly enhancing the learning environment of the students. The new building will offer free and convenient access for wheelchair or pushchairs .

3.1.2.2 The project is intended to achieve BREEAM rating of very good.

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

3.1.3.1 The Primary Capital Programme will contribute to the transformation in outcomes for young people in Haringey by improving the learning environment, providing anywhere/anytime access to ICT and providing a wider range of pathways of study.

3.1.3.2 The project will promote learning through access to greater opportunities for all

within the community.

3.1.4 Promoting independent living while supporting adults and children when needed

3.1.4.1 The contractor will look to implement, wherever possible, the council's policies in respect of employing local labour, 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 this project and the Primary Capital programme is the improvement of standards in schools.

The Mulberry Primary School project will offer flexibility to meet future changes in children's and the wider community's needs to ensure delivery of an enriched curriculum

3.2 Council Strategy

The development project at The Mulberry Primary School is being carried out to improve teaching, learning and play facilities and is considered a high priority within the Capital Programme.

3.2.1 The Children & Young People's Plan

3.2.1.1 The successful completion of this project will be instrumental in Haringey achieving the aims and objectives of the Children and Young People's Plan 2006 – 2009 which are aligned with those in the national Children's Plan 2008 – 2020.

3.2.1.2 The project will help deliver the Every Child Matters agenda and provide an opportunity to transform education in Haringey by delivering a school that our young people, our teachers and our local communities deserve.

3.2.1.3 The development project will meet local need for extended, youth and community services by providing an extended service, including childcare, to the children and their families as well as services for the wider community

3.2.2 The Primary Strategy for Change

3.2.1 The planned design and construction programme for the school expansion will support and contribute towards the following five principles of Haringey's Primary Strategy for Change:

- **Principle 1:** We want all children to be able to enjoy their learning and to make good progress;
- **Principle 2:** We want to promote learning through access to greater opportunities for all within the community;
- **Principle 3:** We want to secure the health and well-being of our children and young people and safeguard their welfare, especially the more vulnerable;
- **Principle 4:** We want to further develop the leadership capacity in our schools;
- **Principle 5:** We want to integrate ICT throughout as part of the transformation of learning experiences for children, young people and the community.

4. Recommendations

- 4.1. That Members agree to award the contract for the above project to the contractor named in Part B as allowed under Contract Standing Order CSO.11.03.
- 4.2. That Members agree to the issue of a letter of acceptance at 10% of the contract value.

5. Reason for recommendation(s)

- 5.1. The contractor named in Part B paragraph 2.12 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.
- 5.2. To enhance the learning environment of both pupils and teachers at The Mulberry Primary School.

6. Other options considered

- 6.1. A total of eight contractors on the Framework Agreement for the provision of Major Works Construction Services were invited to tender for the works. Two contractors declined during the tender period. Details of this are contained in Part B, exempt information.

7. Summary

Background

- 7.1. The London Borough of Haringey identified The Mulberry Primary School requiring much need improvements to enhance teaching and learning.

- 7.2. The project will be carried out in 6 phases aimed to minimise disruption to the school :
- **Phase 1:** Landscape the nursery playground and remove a mezzanine floor in the gym which aims to maximise space for indoor sports.
 - **Phase 2:** New build and associated landscaping. 2 classrooms, 1 crèche and 1 multi purpose room. Its intended that the multi purpose room support's both school and community learning..
 - **Phase 3:** Demolition and removal of two temporary classrooms. Form openings from year 1 classrooms offering direct access to outside learning and play.
 - **Phase 4:** Landscape all external spaces maximising use of space and learning opportunities.
 - **Phase 5:** Replacement of lighting throughout existing buildings and other minor additional mechanical and electrical items as recommended within the condition survey.
- 7.3. The scope of works conforms to the planning application granted on the 11th February 2010 covering all phases.
- 7.4. Building control application will be submitted by the contractor.
- 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 from the Haringey Design Framework. As lead designer in November 2008 and will progress the project to completion as employers agent.
- 7.8. An equalities impact assessment was completed in December 2010 and remains a live document to be monitored through the life of the project.

Procurement Process

- 7.9. Competitive tenders were invited from eight firms from the Framework Agreement for the Major Building Construction Works banding value £1,000,000 to £3,499,000 on the basis of their financial capability to undertake the project.
- 7.10. The defects liability period (rectification period) is 12 months.
- 7.11. Six tenders were received for Tender A, two contractors declined during the tender period: Two alternative Tender B's were received.
- 7.12. The contract is to be awarded on a fixed price basis.

- 7.13. The procurement route is design and build.
- 7.14. Tenders include site establishment and management costs, contractors design costs, overhead and profit in accordance with the Framework Agreement.
- 7.15. The contract is to be awarded on an agreed maximum price.
- 7.16. A letter of acceptance will be issued for 10% of the contract value.
- 7.17. The London Housing Consortium (LHC) Network offers a selection of products, services and contractors through pre-tendered framework arrangements. A review of the LHC framework arrangements has been carried out and goods and services, where applicable, have been applied. This was reference in the tender documents. This document is appended to Part B, appendix A.

Programme

- 7.18. The work is scheduled to commence on site in July 2011 and complete in August 2012.
- 7.19. The construction period will be 57 weeks, in stages of sectional completion.

Sustainability

- 7.20. A Site Waste Management Plan has been allowed within the project and has been produced ready to be taken forward by the contractor.
- 7.21. Based on the size of the project and financial investment available, the design aims to achieve BREEAM very good.
- 7.22. The design demonstrates good sustainable practice, economically and environmentally to achieve maximum life expectancy. This has been tested through completion of a life cycle costing exercise undertaken at each design stage of the project and reviewed at each gateway approval.
- 7.23. Timber will be obtained from certified sustainable sources.
- 7.24. The design includes:
- Low grade, energy efficient, low carbon air source heat pump serving under floor heating.
 - Energy efficient systems for lighting
 - Voltage Optimisation
- 7.25. The design of the new build compliments existing structures.

8. Chief Financial Officer Comments

- 8.1. The CFO confirms that the approved 11/12 capital programme for CYPS includes provision for this project at a total cost of £3m. It is noted that the total cost of the project is now projected to be £2.43m, offering a saving of £0.57m to the CYPS capital programme.

9. Head of Legal Services Comments

- 9.1 The Framework Agreement for Major Works was tendered in Europe in compliance with EU procurement regulations i.e the Public Contracts Regulations 2006.
- 9.2 Eight contractors from the Council's Framework Agreement for Major Works were invited to tender for the remodelling works at Mulberry School. This included an option to submit a Tender B as a variant bid.
- 9.3 Children and Young People's Service Directorate (CYPS) now wishes to award the contract to the contractor named in Part B of the report.
- 9.4 Because of the value of the contract the award must be approved by the Procurement Committee in accordance with Contract Standing Order 11.03.
- 9.5. The contract is also a key decision and as such needs to be included in the Council's Forward Plan in accordance with Contract Standing Order 11.04. Children's and Young People's Services Directorate has confirmed that this has taken place.
- 9.6 The Head of Legal Services confirms that there are no legal reasons preventing the approval of the recommendations.

10. Head of Procurement Comments

- 10.1. The contractors invited to tender have been selected from the Council Framework agreement for Major works.
- 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 tender offers value for money for the project as offered in tender B (variants) for the project.

10.4. The selected contractor as recommended in Part B represents best value for the Council.

11. Equalities & Community Cohesion Comments

11.1. An Equality Impact Assessment has been completed on this project and it established that there would be a positive impact across the equality strands, and that all pupils will benefit from this project.

12. Consultation

12.1. Stage events have taken place at design stages B,C,D & E, which invited comments and debate from pupils, parents, teachers and members of the local community. Feedback from the consultation event was collated and incorporated into the design.

12.2. The Children and Young People's Service, Governors, the school head, teachers and school staff have all had input in agreeing the scheme. Information through design quality sessions and steering groups meetings.

12.3. All questions raised at drop in sessions were collated into a Question and Answer document.

12.4. A monthly steering group was established with representatives from the School's Governing Body, Staff and C&YPS Officers of the Council.

12.5. A press release was issued in preparation for the final stage presentation which was held at the school on Tuesday 30th March 2010.

12.6. Project newsletters will be issued to update the school and the local community on progress.

12.7. A project website for The Mulberry Primary School Project has been established and is regularly updated. Design displays have been made available within the school. This included 2D visuals.

12.8. Regular progress updates have been placed within the school newsletter.

12.9. A design stage review group was established with client officers to appraise the design at each key stage. Stage approval was obtained prior to proceeding to

the next stage.

13. Service Financial Comments

- 13.1. The approved CYPS capital programme for 11/12 includes a budget of £3m for this project.
- 13.2. The current projected total cost of the project is now £2.43m. It is therefore proposed to revise the cash limit budget for this project to this level, offering a saving to the CYPS capital programme of £0.57m. This saving will revert to the overall programme contingency pending the approved allocation to future projects awaiting commissioning.
- 13.3. The project is fully funded from secured resources, and will be financed from a combination of Primary Capital Grant and contributions from private developers (Education pooled S106 receipts).
- 13.4. The cash flow profile for the revised project budget will be reviewed as part of the normal project monitoring process and the approved capital programme updated accordingly.

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. List of background documents: Framework Agreement for Major Works, January 2006.
- 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).

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