

Report for: Cabinet Member Signing, scheduled 16th April 2024

Item number: N/A

Title: Hornsey School for Girls - Urgent Condition and Safety Works - Award of construction works contract

Report authorised by: Ann Graham, Director of Children's Services

Lead Officer: Joanna Heard, Major Works Project Manager, Major Projects, Tel. 07788 844329, Email: Joanna.heard@haringey.gov.uk

Ward(s) affected: Hornsey

**Report for Key/
Non Key Decision:** Key Decision

1. Describe the issue under consideration

- 1.1. This report seeks approval to award a contract to T&B (Contractors) Ltd pursuant to Contract Standing Orders 7.01.b) and 9.07.1 d) for urgent condition and safety works at Hornsey School for Girls.
- 1.2. Pursuant to Pursuant to Contract Standing Order (CSO) 9.07.3 to approve the issuance of a letter of intent in the value of £100,000.

2. Cabinet Member Introduction

- 2.1. Not applicable.

3. Recommendations

For the Cabinet Member for Children, Education and Families to:

- 3.1. Approve, pursuant to Contract Standing Order (CSO) 16.02 and 9.07.1d to award a contract to T&B (Contractors) Ltd based on their tender value of £956,302.54 for urgent condition and safety works at Hornsey School for Girls.
- 3.2. Approve a client contingency as set out in Part B of this report which will be strictly managed under change control governance arrangements. This is in addition to the award value noted in 3.1.1 Refer to Part B section 3 for the contingency value and total award value.
- 3.3. Approve the issuance of a Letter of Intent up to the value of £100,000 as allowed under Contract Standing Order 9.07.3.

4. Reasons for decision

- 4.1. Diamond Build Plc was appointed in August 2023 to carry out works to Block initial five classrooms, Block G plus and option to undertake works to the Block A hall. A variation of contract was granted in November 2023 to fully encapsulate the block A hall roof, in line with the latest DfE Guidance.
- 4.2. Diamond Build Plc placed themselves into Voluntary Liquidation on the 8th January 2024 and withdrew from site immediately The Gazette (official public record) published this as insolvency on the 25th January 2024. A default notice was issued to Diamond Build Plc on 12th January 2024 and a termination letter issued on 29th February 2024. This has resulted in the need to re-procure outstanding works. A direct award is considered to offer the Council best value in terms of minimising further disruption to service, time and cost.
- 4.3. T&B (Contractors) Ltd are on the LCP Major Works Framework, which permits a Direct Call off. The pre-tender estimate for remaining and additional works was £1,223,177.43. T&B are currently working on RAAC mitigation works at Welbourne Primary, which is progressing well, has experience of the design that we are working with to make RAAC areas safe to use, and experience of working in Haringey schools.

5. Alternative options considered

- 5.1. Do nothing – this would result in a failure by the Council to make adequate provision for catering, teaching and learning for the students at Hornsey School for Girls.
- 5.2. Relocate pupils to other schools for lessons taught in Block A 2nd Floor and the Block A hall. This option was considered but it was noted that there are no suitable alternative secondary school teaching spaces available within the vicinity of Hornsey School for Girls. It was also discounted as being detrimental to the children's education.
- 5.3. There are no resources within the Council that have the capacity along with the necessary experience, qualifications, and expertise to deliver this service in house.
- 5.4. The Council's Dynamic Purchasing System for Minor Works (DPS) does not permit a direct award. A mini competition was discounted as it was felt negotiating with a single contractor as allowed under LCP Major Works Framework would be most efficient in terms of time. A cost management consultant has been appointed to assess the tender price and confirm value for money.
- 5.5. A competitive tender exercise would have extended the procurement programme, resulting in further delays to completion of works. This would extend the impact on the operation of the school, due to closure of teaching spaces and provision of full catering facilities.

6. Background information

- 6.1. Following an inspection of the school by a structural engineer, Reinforced Autoclaved Aerated Concrete (RAAC) was discovered in the roof of teaching Block A. An immediate recommendation was provided on 2nd June 2023 that identified 4 fully specified Science laboratories, a science preparation room and an access corridor should be vacated immediately. The school responded to this immediately, with support from Haringey's Corporate Landlord team. A detailed report was provided on the 26th of June 2023 which identified additional RAAC panels to the top floor of Block A and the Block A hall, known as the Community Theatre, that were deteriorated to an extent that remedial action was required within 3-6 months, if those spaces were continued to be used.
- 6.2. An architect was appointed to work with the school to ascertain the minimum space requirements and proposed a solution using space within the existing school buildings without the need of temporary accommodation. This included 4 laboratories in Block A, with a 5th classroom repaired to provide a science prep area, 10 general teaching classrooms in Block G, an ICT classroom in block G, and 2 subject offices in block G together with necessary repairs to the Block A hall.
- 6.3. Interim teaching arrangements were in place at the school from Monday 5th June 2023, when advice was received from surveyors in advance of their report to close 4 teaching spaces in Block A immediately. The school responded with support from Haringey Council's Corporate Landlord team to close these areas, which was deemed possible due to exams taking place in other areas of the school.
- 6.4. Due to the urgency of providing this solution for autumn term 2023, a Cabinet Member signing was requested and approval for award of a contract was granted, based on a bid from Diamond Build Plc to provide the proposed solution to meet space requirements for teaching and learning and minimise the disruption to the school flowing from the loss of this accommodation. A link to this paper and minutes is set out in section 11 below.
- 6.5. Works were carried out to encapsulate RAAC in 5 Science labs in block A, of which one has been repurposed as a Science Prep room with 4 Science teaching labs and the Science prep room back in use in early September 2023.
- 6.6. This included works to Block G relating to fire safety to enable it to be used as a teaching space from early September 2023 which have also been practically completed.
- 6.7. Following a change in policy by the Department for Education (DfE), announced on 29th August 2023 that all RAAC panels were to be treated, therefore, a revised design was required to encapsulate the entire hall roof.
- 6.8. A further policy update was advised on 13th October where the DfE advised that all RAAC end bearings require reinforcement as part of the encapsulation.

A variation to Diamond Build's contract was granted via Delegated Approval on 21st November 2023. A link to the published location of this report is included in section 11 below.

- 6.9. On 14th November 2023, RAAC panels were discovered in the school kitchen and one third of the school dining room, which had not previously been identified in the original survey. The kitchen was closed immediately, with hoarding installed to close off the section of dining room identified as containing RAAC and a temporary catering facility has been provided until these RAAC panels can be encapsulated.
- 6.10. The DfE has agreed with the school for further RAAC encapsulation works to take place to provide a total of 7 Science teaching labs and associated prep room space. This will provide the school with sufficient Science classroom space to provide a full curriculum.
- 6.11. Works to Block A hall were approximately 60% complete when Diamond Build Plc filed for liquidation and ceased work on site. Additional Science labs and prep space and works to the kitchen and dining areas had not yet been instructed.
- 6.12. T&B (Contractors) Ltd were instructed with two enabling works packages, under delegated authority; to complete a scope of validation works in April 2024 to open up areas and test services to confirm works completed to date, to provide scaffolding for access for validation works, and a temporary office for a staff member whose office space is within the domain of the temporary kitchen. The combined value of these awards was approved under delegation for £55,245.41. Further details are set out in Part B section 6 of this report.
- 6.13. The defects liability period (rectification period) is 12 months.
- 6.14. The contract is to be awarded on a fixed price basis.
- 6.15. The procurement route is based on a traditional (full design) form of contract – JCT Standard Building Contract without Quantities 2016 edition with Contractor's Design Portion (SBC/XQ 2016).
- 6.16. Completion of the remaining works is projected to be end of August 2024.
- 6.17. All works have been specified and measured by independent design and cost consultants to ensure the price returned by T&B (Contractors) Ltd can be adequately assessed to ensure value for money for the Council.
- 6.18. A Pre-tender Estimate construction costs for this project was prepared following an assessment of works completed by Diamond Build to date and work remaining. Details of this are included in Part B section 6.
- 6.19. A tender pack was prepared based on remaining works and additional scope and issued to T&B via the LCP Major Works electronic tendering portal. T&B has submitted a fixed offer of £956,302.54, excluding validation surveys and

scaffolding, which have been instructed as enabling works. A detailed breakdown of T&B's offer, together with a proposed contingency, total contract value and estimated total project cost are set out in Part B section 6 of this report.

- 6.20. The quantity surveyor for this project has undertaken a thorough and detailed review of the tender and provided a detailed tender report with confirmation that the tender offer is in line with current market rates.
- 6.21. A planning application is not required. Applications to Building Control have been submitted for urgent consideration.
- 6.22. RAAC encapsulation works are being funded by the Department for Education. Information has been provided to them to support reimbursement of the project costs and engagement will remain ongoing up to completion of the works.

7. Contribution to the Corporate Delivery Plan 2022-2024 High level Strategic outcomes'?

- 7.1. It is acknowledged the borough plan has been superseded by the Corporate Plan 2022/23 – 2023/24. The client team are presently realigning the previous objectives of the Borough Plan with this. In the interim this project proposal supports outcomes as outlined in the Borough Plan 2019-23, in particular:
 - 7.1.1. All projects commissioned by Officers of the Council are expected to align with this plan and will be reflected in key capital project documentation.
- 7.2. The project will contribute to meeting the following Borough Plan Outcome:
 - 7.2.1. People - our vision is a Haringey where strong families, strong networks and strong communities nurture all residents to live well and achieve their potential.

8. Carbon and Climate Change

- 8.1. All timber used will be Forest Stewardship Council (FSC) compliant and new insulation is being installed above new classroom ceilings to minimise heat loss in the classrooms where RAAC is being repaired.

9. Statutory Officers comments (Director of Finance (procurement), Head of Legal and Governance, Equalities)

9.1. Finance

- 9.1.1. The recommendation of the report is to award a contract to T&B Contractors Limited in the sum of £0.956m (excluding a contingency) which is set out in the part b report. There are additional costs that will be incurred and are set out in the part b report. The costs of the works and certain professional fees will be covered by a grant from the DfE to

remediate the RAAC discovered in this school. There is ongoing discussion with the DfE over whether or not they will cover the costs of Haringey staff working on the project. If there is no resolution, then it is possible that Haringey will have to cover these costs.

9.2. Procurement

- 9.2.1. Strategic Procurement (SP) note that this report relates to the approval of award for Hornsey School for Girls Reinforced Autoclaved Aerated Concrete (Construction Contract Award) to T&B (Contractors) Ltd.
- 9.2.2. Diamond Build was initially appointed to undertake these works, however following appointment they filed for voluntary liquidation.
- 9.2.3. Due to the importance of this project and the urgent need for work to be completed within the estimated time, a direct award option was recommended to avoid any potential delays to the project.
- 9.2.4. The LCP Major Works framework was used for the direct selection of T&B Contractors Ltd. T & B has confirmed they have the required capacity and skills to deliver these works.
- 9.2.5. A due diligence check conducted via Experian on 27/03/2024 showed very low risk providing assurance on their financial stability.
- 9.2.6. SP supports the recommendation in this report to approve the award in accordance with CSO 9.07.1(d) and 16.02.

9.3. The Assistant Director for Legal & Governance (Monitoring Officer)

- 9.3.1. The Assistant Director of Legal and Governance (Monitoring Officer) has been consulted in the preparation of the report which is proposing the award of a contract.
- 9.3.2. Under CSO 9.07.1(d), contracts valued over £500,000 must ordinarily be awarded by Cabinet but in accordance with CSO 16.02 the relevant lead Cabinet Member may be allocated by the Leader to make the decision.
- 9.3.3. Under CSO 9.07.3 approval may also be granted for issue of a letter of intent for £100,000.00, as proposed in the recommendation in section 3.4 of this report.
- 9.3.4. The Assistant Director of Legal and Governance (Monitoring Officer) is not aware of any legal reasons preventing the Cabinet Member from approving the recommendations in section 3 of the report.

9.4. Equality

- 9.4.1. The Council has a Public Sector Equality Duty under the Equality Act (2010) to have due regard to the need to:
- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act
 - Advance equality of opportunity between people who share those protected characteristics and people who do not
 - Foster good relations between people who share those characteristics and people who do not.
- 9.4.2. The three parts of the duty applies to the following protected characteristics: age, disability, gender reassignment, pregnancy/maternity, race, religion/faith, sex and sexual orientation. Marriage and civil partnership status apply to the first part of the duty. Although it is not enforced in legislation as a protected characteristic, Haringey treats socioeconomic status as a locally protected characteristic.
- 9.4.3. As an organisation carrying out a public function on behalf of a public body, T&B (Contractors) Ltd will be obliged to have due regard for the need to achieve the three aims of the Public Sector Equality Duty as stated above.
- 9.4.4. It is not envisaged that there will be any impact on people with protected characteristics (e.g., disabled people or others who have reduced mobility). There is an access lift in block A which will not be affected by these works. It should remain operational for the remainder of the building during the works and will provide access to 2nd floor Block A science rooms on completion. There are no other anticipated impacts to the layout or access of the buildings.
- 9.4.5. Appropriate contract management arrangements will be established to ensure that the delivery of the major works does not result in any preventable or disproportionate inequality.

10. Use of Appendices

- 10.1. Appendix A – Part B

11. Background papers

- 11.1. This report contains exempt and non-exempt information. Exempt information is under the following categories (identified in amended Schedule 12A of the Local Government Act 1972): Information relating to financial or business affairs of any particular person (including the statutory holding that information).
- 11.2. Diamond Build Contract Award report and minutes have been published here: <https://www.minutes.haringey.gov.uk/ieListDocuments.aspx?CId=773&MId=10738&Ver=4>
- 11.3. Diamond Build Variation of Contract decision has been published here: <https://www.minutes.haringey.gov.uk/ieDecisionDetails.aspx?id=3012&LLL=0>