



Haringey Council

Agenda item:


[No.]

Report to Procurement Committee

22nd July 2010

Report Title. **Expansion of Rhodes Avenue Primary School from two to three form entry**

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

Signed .  17/7/10

Contact Officer :

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

Wards(s) affected: **Alexandra Ward**

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 Rhodes Avenue Primary School Expansion.
- 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

- 2.1. As a local education authority one of our key responsibilities is to provide sufficient primary school places. Increasing pupil numbers across the borough has meant that we need to find a considerable number of new places to meet demand. The expansion of Rhodes Avenue school is part of our strategy to provide the necessary places. The school is popular and doing well and demand for additional places is high in the local area.

2.2. I am confident that the procurement process has been properly followed and the necessary consultation has taken place. I am happy therefore to support the recommendations in this report.

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

The project at Rhodes Avenue is designed to contribute to the Council's overall plan for the provision of sufficient primary pupil places in the borough to meet local need. The current pupil place plan indicates the need for between 4 and 6 additional forms of entry (FE) across the borough by 2011, and there is continued strong local demand in the area surrounding Rhodes Avenue. Statutory consultation was undertaken in 2009 to expand the school from 2FE to 3FE.

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:

- CO2 reduction for new build areas over 1,000 sq mtrs.
- Seek 60% carbon reduction for new builds.

Priority Two – Protecting the natural Environment:

- The landscaping design and bio-diversity has been actively managed to promote the development of local flora, fauna and wildlife. An Ecologist has been involved in generating the design and the landscaping proposal includes elements to promote biodiversity and ecological zones.
- Extended community use.

Priority Three – Managing Environmental Resources Efficiently:

- Within the school design, measures have been incorporated to minimise the utilities used on a daily basis, this includes minimising the use of water and energy through the installation of:

1. Energy efficient fixtures and fittings
2. Air source heat pump offering a renewable energy source
3. Energy efficient systems for lighting and heating
4. Lighting will be provided through a combination of daylight sensors, passive detectors and switching
5. Rain water harvesting
6. 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 (COC) timber will be used in construction.
- A site waste management plan to national WRAP standards will be produced ensuring best practice in site construction management, including maximising the recycling of site construction waste within the project.

Priority Six – Promoting Sustainable Travel:

- The schools travel plan will be reviewed and updated and will continue to promote sustainable transport.
- A detailed traffic impact assessment has been completed and recommendations for road safety improvements are expected to be implemented from April 2011.

Priority Seven – Raising Awareness and Involvement:

- The design will incorporate visual displays/energy meters to highlight to staff and pupils the energy being used within the school. This data will also be accessible online through the building management system.

3.3 The design Supports the Children & Young People's Plan:

- The successful completion of this project will be instrumental in Haringey achieving the aims and objectives of the Children and Young People's Plan which are aligned with those in the national Children's Plan 2008-2010.
- 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 community will be proud of..

- The expansion of Rhodes Avenue will continue to support current extended services provision as well as providing greater opportunity of enhancing this provision.

3.4 In addition, the following principles are being addressed within the design:

- The Haringey Extended Services Schools Strategy
- CABE Design Quality Indicators

4. Recommendations

- 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.
- 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 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 complete the expansion of Rhodes Avenue Primary School to service the increased pupil numbers in the area.

6. Other options considered

- 6.1. A total of 8 contractors on the Framework Agreement for the provision of Major Works Construction Services were invited to tender for the works. One contractor 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 Rhodes Avenue Primary School as requiring expansion to service the increased pupil numbers in the area.
- 7.2. The school will be expanded from a 2 form of entry to 3 form of entry offering

an increase in pupil places from 420 to 630.

- 7.3. Nursery places will remain as existing at 26.
- 7.4. The project will be carried out in 3 phases aimed to minimise disruption to the school and provide additional accommodation for additional cohorts from September 2011 onwards
 - Phase 1: New foundation building (nursery and reception)
 - Phase 2: Demolition of the existing KS1 building (reception, year 1, year 2). New 2 storey building for KS2 (years 3 to 6). Extension to the existing office accommodation.
 - Phase 3: Part demolition of the existing KS2 building, extensive refurbishment of retained areas and provision of additional classrooms.
 - External spaces will be developed during each phase
- 7.5. An enabling work contract was awarded as allowed under contract standing orders CSO 11.02 by the Director of Children & Young People's Service in June 2010. This work will commence from the 26th July.
- 7.6. The scope of the project aims to improve existing suitability and condition issues.
- 7.7. The scope of works conforms to the planning application granted on the 12th April 2010 covering all phases.
- 7.8. An amendment to the planning application was submitted in May 2010 for an extension to the infant hall. The scope of this work is included within the contract.
- 7.9. Building control application has been submitted and consent is programmed to be granted prior to works starting on site.
- 7.10. To meet insurance requirements the design includes the provision of a sprinkler system.
- 7.11. Funding has been agreed by Cabinet.
- 7.12. The key decision is included in the Forward Plan.
- 7.13. The Children and Young People's Service is project managing this project. Norfolk Property Services were appointed as contract administrator and lead designer in November 2008 from the Haringey Design Framework.
- 7.14. An equalities impact assessment was completed in November 2009 and remains a live document to be monitored through the life of the project.

Procurement Process

- 7.15. Competitive tenders were invited from eight firms from the Framework Agreement for the Provision of Major Works Construction Services value exceeding £3,499,000.
- 7.16. Tenderers were invited from the Framework Agreement for Major Works on the basis of their financial capability to undertake the project.
- 7.17. The defects liability period is 12 months.
- 7.18. Seven tenders were received, one contractor declined during the tender period.
- 7.19. The contract is to be awarded on a fixed price basis.
- 7.20. Tenders include site establishment and management costs, contractors design costs, overhead and profit in accordance with the Framework Agreement.
- 7.21. Agreement of the works cost will be achieved by competitive tendering of the supply chain as described within the framework. The contract is to be awarded on an agreed maximum price.
- 7.22. A letter of acceptance will be issued for 10% of the contract value.
- 7.23. 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

- 7.24. The work is scheduled to commence on site in October 2010 and completed in August 2012.
- 7.25. The construction period will be 94 weeks, in stages of sectional completion.

Sustainability

- 7.26. A Site Waste Management Plan has been allowed within the project/ And has been produced ready to be taken forward by the contractor.
- 7.27. The design aims to achieve BREEAM 'very good'.
- 7.28. 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.

7.29. Timber will be obtained from certified sustainable sources.

7.30. The design includes:

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

7.31. The design compliments the existing structures.

8. Chief Financial Officer Comments

(caveat – comments are provided as at 20th June 2010 and are subject to final approval of S151 Officer and Cabinet revision of Capital Programme scheduled for 13th July)

- 8.1. The CFO confirms that the revised CYPS capital programme as approved by Cabinet on 13th July includes budgetary provision of £8.49m for the future completion costs of the Rhodes Avenue project, which has a total cash limit budget of £8.97m
- 8.2. The CFO has reviewed the indicative funding plan for the project as shown in Section 13, and confirms that these resources have been approved within the overall 3 year capital programme, and that the revenue costs of the borrowing required to support the CYPS programme have been factored into the Council's medium term financial strategy.
- 8.3. The school has responsibility for containing the future revenue running costs within the school's delegated budget.

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 works.
- 9.3. Because of the value of the contract the award must be approved by the Procurement Committee in accordance with Contract Standing Order 11.03.
- 9.4. 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 Services Directorate has confirmed that this has taken place.

- 9.5. The Head of Legal Services confirms that there are no legal reasons preventing the approval of the recommendations.

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

- 10.1. The contractors invited to tender have been selected from the Councils 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 the best programme for the project as offered in tender B alternative period for the project.
- 10.4. The selected contractor as recommended in Part B Appendix A paragraph 2.15 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.
- 11.2. In particular it found that it improved opportunities for inclusion and better facilities for ICT, sports, and teaching and learning. The project also improved specialist rooms and provided improved opportunities for tracking and monitoring pupil progress.

12. Consultation

- 12.1. Extensive consultation has been carried out with end users in arriving at the agreed layouts.
- 12.2. Stage events have taken place at design stages B,C,D and F, 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.
- 12.3. All questions raised at drop in sessions and those received electronically were collated into a Question and Answer documents.
- 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 member of Rhodes Avenue Residents Association was invited to attend Design Quality Indicator Workshops.
- 12.6. Rhodes Avenue Residents Association and Friends of the Park have been included in communications.
- 12.7. An area development meeting was established with representatives from Rhodes Avenue Primary School, Alexandra Park Secondary School, Friends of the Park, Extended Services, Transformation and C&YPS Project Manager. This event takes place on a monthly and is aims to provide information and co-ordination of local works.
- 12.8. Project newsletters have been established, the first copy being issued post Stage D approval. A second newsletter is expected in July 2010.
- 12.9. A project website for the Rhodes Avenue Expansion Project has been established and is regularly updated.
- 12.10. Design displays have been made available within the school reception lobby. This included a 3D flythrough at design stage D.

13. Service Financial Comments

(caveat – comments are provided as at 20th June 2010 and are subject to final approval of S151 Officer and Cabinet revision of Capital Programme scheduled for 13th July)

- 13.1. The project at Rhodes Avenue has capital and revenue implications.

Capital

- 13.2. The project is included in the original capital programme approved by Cabinet in January 2010. [The CYPS programme has recently been revised and the revised programme has been approved by Cabinet on 13th July. The revised programme includes full budgetary provision for the completion of the Rhodes Avenue project.]
- 13.3. The total cash limit budget for the project is £8.97m. The projected cash flow and indicative funding plan are as follows:

Rhodes Avenue - Project Life								
2007/08								
	Cash Limit Budget	Actual 2008/09	Actual 2009/10	2010/11	2010/12	2012/13	2013/14	Outturn forecast (all years)
	£	£	£	£	£	£	£	£
Cash Limit Budget	8,970,000	88,400	412,255	2,398,277	3,937,028	2,014,885	141,155	8,970,000
Funding plan:								
Capital Grant	1,978,000	96,400	412,255	1,497,346				1,976,000
School contribution	70,000			35,000		35,000		70,000
Borrowing	6,924,000			865,932	3,937,028	1,979,885	141,155	6,924,000
	8,970,000	66,400	412,255	2,398,277	3,937,028	2,014,885	141,155	8,970,000

13.4. The school have agreed to provide a contribution of £70,000 towards the project, in accordance with CYPS policy. The contribution will be invoiced in two equal instalments, at start on site and on practical completion.

13.5. The approved CYPS programme overall is funded by a mix of capital grant funding, other specific capital contributions, and Council borrowing. It should be noted that the mix of funding for this project is indicative at this stage, as the Council applies its available capital finance annually in accordance with its overall treasury management policies and the prudential borrowing framework.

Revenue

13.6. The additional intake of pupils as the school moves from 2FE to 3FE will generate additional support for the school's budget in the form of increases in dedicated schools grant for both curriculum support and general school overheads. Our school funding formula also includes specific factors to support schools undergoing expansion, until the transition to full capacity is complete.

13.7. Any additional floor area of the school that will be created is also included as a factor in the funding formula for school budgets. The school will need to be mindful of the requirement to make sufficient provision in the future for any additional facilities management and maintenance costs as a result of the expansion from within the schools delegated budget.

13.8. The expansion of the school, and the associated modernisation and improvement of the school environment will provide the school with new opportunities to enhance the value for money of service delivery for their pupils and the local community.

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).