

Report Title: Crowland Primary School Re-instatement works – Waiver of contract Standing Orders (CSO) 8.02 as allowed under CSO 7.01

Forward Plan reference number (if applicable): **[add reference]**

Report of: Director of The Children's Service

Wards(s) affected: **South Tottenham**

Report for: **Key**

1. Purpose

- 1.1 The purpose of this report is to inform Members of the action plan for the re-instatement of the fire damaged teaching block in Crowland Primary School.
- 1.2 The Report seeks a waiver of standing orders to allow a single tender action to be undertaken that is in the Council's overall interest

2. Introduction by Executive Member

- 2.1 On 4th October 2005, an accident caused a fire to start on Crowland School which spread rapidly. All children and staff swiftly evacuated the building to safety.
- 2.2 The Children's Service has provided teaching to the pupils at temporary locations. This will have to be maintained until the completion of the re-instatement works at the fire damaged block scheduled for May 2007.
- 2.3 The exceptional circumstances surrounding the delivery of this project are such that contract award has to allow for the earliest possible start of works on site.
- 2.4 To expedite the process the approval to delegate authority for contract award up to a maximum of £3.3m is critical, and in the best interests of the Council.

3. Recommendations

- 3.1 To approve the Waiver of contract Standing Orders (CSO) 8.02 as allowed under CSO 7.01 thus allowing a single tender action with a contracting organisation from the Council's approved Framework Agreement.

Report Authorised by: Director of The Children's Service

Contact Officer: Contact officer: Brendan Wells

Telephone: 020 8489 3805

4. Executive Summary

4.1 A fire seriously damaged Crowland primary School on 4 October 2005.

4.2 The Council has moved quickly to provide education in temporary arrangements, and will continue to provide services until the re-instated block is available for occupation in May 2007.

4.3 Design work for the re-instatement work has progressed to a stage where a lump sum tender can be invited

4.4 Corporate Procurement Unit has developed a Major Works Framework Agreement, that has been approved by the Council however the contracts have not yet been executed. Therefore this report seeks a waiver of CSO 8.02 (competition) allowed under CSO 7.01. The value of the works is below the EU works value threshold of £3.5m

4.5 The Loss Adjustor is satisfied that the competitive element of the Major Works Framework Agreement is an acceptable arrangement for this project given the recent timing of the tender.

4.6 The award of the contract for the works to a maximum sum of £3.3m will be subject to a separate report to Committee.

4.7 The early start date for the construction contract will allow the earliest re-occupation of the teaching block by the School, a benefit to the children and parents affected

5. Reasons for any change in policy or for new policy development (if applicable)

5.1 [click here to type]

6. Local Government (Access to Information) Act 1985

6.1 [List background documents]

6.2 [Also list reasons for *exemption or confidentiality (if applicable)]

7.0 Background

7.1 The Primary School teaching block was seriously damaged by a fire that occurred on 4th October 2005. The fire occurred at roof level and led to extensive damage to first and ground floor areas. The building was rendered unusable.

7.2 The Council moved quickly to equip an alternative venue – the Professional Development Centre (PDC) – as a temporary school, although this was only ever intended to be a short term solution.

7.3 The Council is currently constructing a purpose built temporary school that will provide accommodation for all displaced Crowland Primary School pupils. The temporary school is located on land adjacent to Crowland School, and will be available for occupation after Easter 2006.

7.4 The Council is proposing to re-instate the fire damaged block at Crowland School. Currently design work is progressing. The re-instated building will comply with current building regulations and construction standards.

- 7.5 The council will need to select and appoint a main contractor to carry out the re-instatement works. The Council's Corporate Procurement Unit (CPU) has provided names of eligible contractors through its major capital projects framework arrangement. This has been approved by the Council however the contracts have not yet been executed.
- 7.6 The purpose of this report is to seek a waiver of CSO 8.02 (competition) allowing the use of a framework qualifying contractor to be considered for the Crowland project.

7.7 Under the exceptional circumstances surrounding the Crowland Primary School such delegated authority will allow the Council to adhere to its critical timetable to re-occupy the re-instated teaching block by June 2007.

8.0 Works at the fire damaged block

- 8.1 The Children's Service is managing a series of contracts for demolition and stripping out of the damaged building. These works are scheduled for completion in March 2006 allowing the re-instatement contractor a cleared site for the installation of new works.
- 8.2 Site investigations including a measured survey of the structures have been completed with the information being used by the design team.
- 8.3 The demolition contractors working at the site are providing the council with health & safety, and security services. They have also been able to remove further equipment and possessions from the fire damaged block, and provided access to additional areas previously limited by the fire.

9.0 Design solutions

- 9.1 The appointed design team, led by Architects Barron and Smith, has developed a full re-instatement solution. This has been worked up in partnership with the School management team, parents and Governors.
- 9.2 The Council's Loss Adjustor has confirmed that the insurance arrangements will provide a capital sum for a re-instatement of the block plus updating the building to comply with current building regulations and standards. This will include double glazed units, higher levels of thermal insulation, greater energy efficiency, and access arrangements.

10.0 Procurement of contractor for re-instatement works

- 10.1 CPU has developed a series of framework agreements with main contractors for capital works. Children's Service Property & Contracts has been working with CPU to select a tenderer from their framework agreement since November 2005. CPU has now proposed the name of a suitable contractor for this project at the end of February 2006. Whilst the framework agreements have been approved by the Council the contracts have not yet been executed.
- 10.2 The Children's Service and CPU have agreed to use a JCT standard form of contract as the basis of the formal arrangement between the council and the contractor.
- 10.3 The design development will allow the council to invite the preferred contractor to submit a schedule of rates for all the works before a contract is awarded.
- 10.4 The Loss Adjustor has confirmed that this approach is acceptable, and the use of a single preferred contractor from the framework agreement is acceptable given the recent tender action that process involved.
- 10.5 The Children's Service aims to place a contract for the re-instatement contract at the earliest opportunity, preferring to allow access to the site in early April 2006.

10.6 The forecasted completion date for the re-instatement contract is April 2007 allowing the Children's Service to fit-out and furnish the teaching block ready for re-occupation of the school by June 2007. If Children's Service can improve on these dates it will be beneficial to pupils, parents, staff, and the Council.

11.0 Costs of re-instatement contract

- 11.1 Current cost estimate for the re-instatement works is in the order of £2.95m (excluding fees). Development of design and revisions of cost estimates will continue to be produced until the scope of the works is frozen.
- 11.2 A cost estimate has been prepared for the re-instatement works that includes bringing the building up to DfES guidelines in the sum of £ 3.15m. The value of meeting these standards is approximately £200 000 – a sum that will be funded from Children's Service approved capital programme for 2006/7.
- 11.3 This report seeks a waiver of CSO 8.02 (competition) that will allow the Children's Service to invite a single source tender from a suitable contractor selected from the Framework Agreement. The value of the works is below the £3.5m EU value threshold

12.0 Consultation

- 12.01 There has been widespread consultation on all aspects of this project with individuals and organisations including:
1. The significant local Jewish community
 2. General public
 3. Governors
 4. Staff
 5. Head teachers and support staff
 6. Specialist ICT advisors
 7. Insurers and loss adjustors
 8. Corporate meetings inside council including:
CPG, Legal Services, Insurance Section, School Standards, Education
ICT, Building Control, Planning Department, Finance, Parks and
Recreation, health & safety, catering
 9. Gladesmore School – Head Teacher and School management
 10. City Community College
 11. The Executive Member for The Children's Service Cllr George Meehan

13.0 Summary and Conclusions

- 13.1 The Council has moved rapidly to provide an alternative venue for teaching of pupils of Crowland Primary School.
- 13.2 The Children's Service is demolishing and clearing the fire damaged block ready for a re-instatement contractor to start work.
- 13.3 The Children's Service has worked with CPU to identify a suitable contractor that can be invited to provide rates for works in re-instatement from the Council's approved framework agreement. The value of the works is below the EU threshold of £3.5m
- 13.4 The programme for the re-occupation of the block is geared around the re-instatement contractor moving onto site in April 2006. This is required if the school is to re-occupy the block in June 2007.
- 13.5 The award of the contract will be subject to a separate report to Committee.

14.0 Recommendations

- 14.1 That CSO 8.02 is waived under CSO 7.01 allowing a single source tender action to be undertaken with a suitable contracting organisation from the council's approved Major works Framework Agreement

15.0 Comments of the Director of Finance

- 15.1 The programme for the re-occupation of the block is geared around the re-instatement contractor moving onto site in April 2006. This is required if the school is to re-occupy the block in June 2007
- 15.2 The financing of this project will be underwritten by the council, however the full cost, will be recouped from insurance and poses no financial risk to the council.
- 15.3 Given the exceptional circumstances surrounding this project, the Director of Finance has no objection to the award of the contract with a ceiling value of £3.3m to the contractor named above.

16.0 Comments of the Head of Legal Services

- 16.1 The estimated value of the Contract is below the threshold for tendering in the EU under the Public Contracts Regulations 2006, the threshold is £3,611,474
- 16.2 The Children's Service seeks a waiver of standing orders under contract standing order 6.4, namely the requirement to tender.
- 16.3 The request is made on the ground there are circumstances which are genuinely exceptional (CSO 7.3d) and it is in the Council's overall interest (CSO 7.3e)
- 16.4 Because of the value of the contract, the waiver must be approved by the Procurement Committee under CSO 11.3
- 16.5 The Head of Legal Services confirms that there is no legal reason preventing members from approving the recommendations set out in paragraph 14 above

17.0 Comments of the Head of Procurement

- 17.1 The Children's Service seeks a waiver of contract standing order 6.4, namely the requirement to tender.
- 17.2 An appropriate contractor has been selected from the Council's framework agreement contractor category for this value of project. However, because contracts are not yet in place for the framework agreements, the contractor cannot be appointed directly from the framework.
- 17.3 Contractors have been fully evaluated during the framework agreement evaluation process. During this process, the contractors have all been evaluated on an extensive basis, and price and quality have been fully considered via a complex pricing mechanism, method statements and interviews.
- 17.4 In this instance, the decision to seek a waiver is due to the exceptional circumstances of this reinstatement project, and the time pressures under which the project is working.
- 17.5 Although the Children's Service is seeking a waiver to tender this project, the Council can be confident that the market has been fully tested via the framework agreement mechanism.
- 17.6 The Head of Procurement therefore supports the recommendation at para. 14.

18.0 Equalities Implications

- 18.1 Throughout these processes the equalities implications have been considered and included where appropriate.

19.0 Use of Appendices / Tables / Photographs

[List any Appendices and their titles]