



Haringey Council

Report for:	Cabinet 14 th July 2015	Item Number:	
Title:	Bounds Green Primary School – 3 Form of Entry Reinstatement Project		
Report Authorised by:	Jon Abbey, Interim Director of Children’s Services		
Lead Officer:	Jon McGrath, Assistant Director Property and Major Capital Projects		
Ward affected:	Bounds Green	Report for:	Key Decision

1. Describe the issue under consideration

- 1.1 To seek Cabinet Committee approval to enter into a Pre-Construction Services Agreements (“PCSA”) and separate Design and Build Contract (“D&B Contract”) with the preferred contractor to deliver construction works at Bounds Green Primary School.
- 1.2 To seek Cabinet Committee approval to issue a letter of intent to the preferred contractor prior to issuance and execution of the PCSA for the value of 10% of the contract award value.

2. Cabinet Member introduction

- 2.1 The principle of expanding Bounds Green Primary School was agreed by Cabinet Committee on the 17th March 2015. This tender process to conclude an award of contract has been undertaken in accordance with the Councils contract standing orders and the Councils new LCP W1MW14 Framework Agreement.



3. Recommendations

It is recommended that Cabinet Committee:

- 3.1 Notes the procurement and tender evaluation process and outcome of the process in section 5 below; and
- 3.2 Provide approval to enter into a PCSA with preferred contractor Lakehouse Contracts Ltd to provide pre-construction services at the agreed contract value set out in section 8.5 below.
- 3.3 Provide approval to issue a letter of intent to Lakehouse Contracts Ltd prior to issuance and execution of the PCSA for the value of 10% of the agreed PCSA contract price.
- 3.4 Note that the Lead Member for Children and Families may approve the full award on completion of the Stage 2 tender process provided that it is within the agreed maximum construction value outlined in 1.4 exempt information.
- 3.5 Provide approval for the Interim Director for Schools and Learning to issue a letter of intent to Lakehouse Contracts Ltd prior to issuance and execution of the Design and Build Contract for the value of 10% of the agreed contract price.
- 3.6 Agree a specific capital project budget, not to exceed £3,400,000, as outlined in section 6 of this report, funded from the already approved budget allocated for school expansion projects.

4. Alternative options considered

- 4.1 The proposed expansion of Bounds Green Primary School is expected to support additional cohorts from September 2016. A do nothing option would not support local demand for additional pupil places.
- 4.2 The feasibility report considered 3 design options, with emphasis on flexibility, programme, impact on the school and financial viability.
- 4.3 Options 1 and 3 were discounted by stakeholders on the basis that the design and cost did not offer the most beneficial outcomes to meet the project objectives and success criteria.
- 4.4 Option 2 was considered a preferred option and developed at RIBA Stage 2 and Stage 3.

5. Background information



- 5.1 The principle of expanding Bounds Green Primary School was agreed by Cabinet Committee in March 2015 based on previous school roll projections that showed a borough wide deficit of reception places from 2015.
- 5.2 Education Services has received its latest annual projections from the Greater London Authority (GLA). These latest projections have been informed by migration flow data that has now been made available from the 2011 (UK) Census. As a result of the Census evidence base the latest projections show a reduction in the projected number of reception places required across our borough in the next ten years.
- 5.3 Based on more locally sensitive projections for the area in and around Bounds Green Infant and Junior School, together with proven demand for places at the school (with first place preferences continuing to exceed the number of places available) we remain confident that the additional 30 places created by the expansion of the school will be needed to meet reception place demand in the local area in the future. The school draws a significant proportion of its pupils from an area to the east of the school and Haringey regeneration and other factors in this area means that, over the longer term, demand for places will exceed supply.
- 5.4 Further, the school also draws a small but significant number of pupils from across the border into Enfield (with the A406 being a natural barrier to any wider draw) and Enfield's projections have increased between 2014 and 2015 as a result of a) movement of families from Haringey into Enfield, b) retention of families within Enfield who might have previously moved between birth and starting reception, and 3) regeneration projects in the local area, including around the North Circular and the Ladderswood Estate. The position in Enfield will have a small but significant impact on the demand for places in Haringey schools, primarily at Bounds Green which sits close to the border with Enfield and which is a popular local school.
- 5.5 Finally, the latest projections show a downward trend in the demand for places but they remain open to further changes to fertility in the coming years. Further, additional demand for school places could come from migratory factors that are hard to predict and account for. Examples include the significant impact of the 2004 EU Accession and the potential impact of absorbing migrants from conflicts in Libya and Syria. We may also still be too early to assess the longer-term impact of the lifting of migration restrictions (2014) for Romania and Bulgaria. All of these factors mean that we must very carefully monitor demand for and supply of places and be able to respond quickly where unmet demand is evidenced.

6. Scope of Work Intended

- 6.1 As noted in section 4.4 of this report, the design option developed at RIBA design stage 2 and 3 includes:



Haringey Council

- Demolition of the existing Site Managers Block which adjoins the existing junior block.
- Replace the Site Managers Block with a new 2 story building to accommodate 2 new classrooms, library, toilets, administration, storage and group rooms.
- Extension to the existing kitchen.
- Refurbishment existing teaching and staff spaces to support reinstatement works.
- Attend to a number of existing condition issues as defined in the project initiation document (PID).
- Development of the external space to support and enhance teaching, learning and play.

7. Consultation & Communication

7.1 Governors, Staff and Pupils of Bounds Green Primary School have been fully consulted and involved in the design process. Pupils recently participated in a design quality workshop which included the launch of a design competition. The results of the competition are being considered with a view to incorporating some of the ideas within the landscape design.

7.2 An initial period of consultation took place with the School Community from September 2014. This followed a formal Public Notice published in January 2015. During these events design information was displayed and supported by additional open house events and coffee mornings.

7.3 A formal Steering Group was established which incorporates a wide range of stakeholders including Education, Capital Projects and Bounds Green Primary School.

8. Procurement Process

8.1 The procurement strategy outlined in each RIBA stage design report recommended a two stage Design and Build tendering process.

8.2 The first stage of the tendering process procures pre-construction services, and provides an outline bid based on pre-construction fees alongside preliminaries, post-construction design fees, overheads and profit. The second stage enables open book discussions with the appointed contractor to proceed to construction within a maximum construction contract value.

8.3 On completion of RIBA Stage 3 design, contractors from the Councils LCP W1MW14 Framework Agreement Lot 5 (Education and Others including Administrative, Leisure, Care, Health) were invited to submit an expression of interest form. This process was based on the short listing process outlined in the LCP W1 MW14 Framework Agreement Section B 'Operation of the Framework Agreement' including the ITT process and framework conditions.



8.4 The short listing process resulted in the selection of four contractors who were invited to participate in the formal two stage, design and build tender process.

8.5 The below tables summarises the value of the tender returns received on the 2nd June 2015:

Contractor	Value of PCSA	Stage 2 Tendered Target Price
Lakehouse Contracts Limited	£53,760.82	£2,167,693.71
Tender B	£84,360.54	£2,178,877.52
Tender C	£72,695.46	£2,211,220.78
Tender D withdraw based on availability of resources		

8.6 Tenders were evaluated on a 60 % quality and 40 % price bid.

8.7 The Qualitative Delivery Proposals (QDP) were in response to a set of pre-determined quality questions relevant to the works intended at Bounds Green Primary School. Each QDP was assessed by an Evaluation Panel, comprising of the LBH Project Manager, Lead Design Consultant, Client Side Design Advisor, BREEAM Assessor and Head Teacher.

8.8 The project's cost consultant undertook a preliminary compliance check and independently assessed the Stage 1 Pricing Proposals.

8.9 Following a detailed cost and quality evaluation the results can be summarised as:

Contractor	Price 40%	Quality 60%	Total
Lakeshouse Contracts LTD	40.0%	41.3%	81.3%
Tender B	39.5%	32.3 %	71.8%
Tender C	39.4%	39.1%	78.5%

8.10 Quality and cost queries addressed through the clarification process with the contractor have been satisfied.

8.11 The recommended tender bid offered by Lakehouse Contracts Ltd scored the highest marks for both cost and quality and is within the budget allowances.

8.12 Lakehouse Contracts Ltd tender is compliant and is considered to offer good value for money. The design is in accordance with their tender submission and meets the employers' requirements as defined in the tender documents.

8.13 It is recommended that the PCSA be awarded to Lakehouse Contracts Ltd as summarised in 5.14. It is also recommended that the D&B contract be awarded to



Haringey Council

Lakehouse Contracts Ltd within a maximum construction contract value. The maximum construction contract value is set out in 1.4 exempt information.

- 8.14 To enable the contractor to commence with discharging the pre-construction service requirements without delay, pending the execution of the PCSA, it is recommended that a letter of intent is issued immediately to the value of 10% of the agreed PCSA contract price.
- 8.15 The defects liability period (rectification period) is 12 months.
- 8.16 The contract is to be awarded on a fixed price basis.
- 8.17 A planning application has been submitted with a committee meeting scheduled for the 6th July 2015.
- 8.18 The London Housing Consortium (LHC) Network will be considered by the successful contractor named in exempt information.
- 8.19 Regeneration, Planning and Development will continue to project manage the works through to completion, final accounts and 12 month defect period.

9. Programme

9.1

Cabinet Committee Meeting – 1 st Stage Tender	14 th July 2015
Award Letter of intent followed by a PCSA	28 th July 2015
Finalise stage 2 tender process concluding with an agreed maximum price	10th November 2015
Report considered by Lead Member for Children and Families for the award of a D&B Contract and letter of intent	30 th November 2015

10. Comments of the Chief Finance Officer and financial implications

10.1 The approved CYPS capital programme includes budgetary provision for this scheme. The expected profile of expenditure, including early design work carried out since 13/14 is as follows:

Bounds Green - School Expansions permanent - SAP 10003180					
Planned expenditure					
Project Life	Actual	Actual	Projected	Projected	Outturn



	2013/14	2014/15	2015/16	2016/17	forecast (all years)
	£	£	£	£	£
Projected Expenditure	30,600	122,400	1,624,000	1,623,000	3,400,000
Funded by :					
Schools capital funding	30,600	122,400	1,624,000	1,618,000	3,395,000
School contribution				5,000	5,000
Total funding	30,600	122,400	1,624,000	1,623,000	3,400,000

10.2 The school have agreed a contribution of £5k towards refurbishment works within the Staff room, Junior Block (KS2).

11. Comments of the Assistant Director of Corporate Governance and legal implications

11.1 The Council has recently established a London wide Framework Agreement for major construction works (the London Construction Programme).

11.2 The Council has carried out a mini-competition under Lot 5 of the London Construction Programme. This process is compliant with the Public Contracts Regulations 2015 and also the Council's Contract Standing Orders.

11.3 The Council now wishes to award the PCSA to Lakehouse Contracts Limited. Cabinet has power to approve the award under Para 9.06.1 (d) of the Council's Contract Standing Orders. Cabinet also has power to approve the issue of a letter of intent for the PCSA.

11.4 The award of the contract is a Key Decision and as such has been included in the Council's Forward Plan as required under CSO 3.01 (d).

11.5 The Assistant Director of Corporate Governance confirms that there are no legal reasons preventing Members from approving the recommendations in this report.

11.6 Please see additional legal comments in the exempt part of the report.

12. Equalities and Community Cohesion Comments

12.1 A satisfactory EqIA has been carried out for the Bounds Green Reinstatement project. No negative consequences are identified for the protected characteristics and it is concluded that the project will have a positive impact by removing barriers - most notably the installation of a lift to improve disabled access and improved facilities for SEN provision. A strong evidence base (2013 School Data Dashboard) is used to demonstrate that there are only minor differentials in the educational outcomes achieved by pupils of different gender, race and religion. The multiple ways in which stakeholders have been consulted are listed and the



Haringey Council

key points of feedback are detailed. Suitable detail is provided on how the equalities will be monitored by the School and by CYPS going forwards.

13. Head of Procurement Comments

13.1 The contractors have been selected from the Councils LCP W1MW14 Framework Agreement Lot 5 (Education and Others including Administrative, Leisure, Care, Health).

13.2 The tender has been prepared and tendered on a 60% quality 40% price basis for this award and represents value for money.

13.3 The compilation of the final agreed maximum price will be carried out under an open book methodology.

14. Policy Implication

14.1 This contract supports the Councils responsibility to provide pupil places.

15. Reasons for Decision

15.1 To award a contract which will enable the timely mobilisation and construction of works to Bounds Green Primary School which, aims to support the Councils requirement for additional school places from September 2016.

16. Use of Appendices

16.1 None

17. Local Government (Access to Information) Act 1985

List of background documents:

17.1 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).