

**Report for:** Cabinet Member for Children and Families  
10<sup>th</sup> December 2015

**Item number:** 3

**Title:** **Bounds Green Primary School – 3 Form of Entry Reinstatement Project**



**Report authorised by :** Jon Abbey, Director of Children's Services

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**Ward(s) affected:** Bounds Green

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

**1. Describe the issue under consideration**

1.1 To seek Cabinet Member approval to enter into contract with Lakehouse Contracts Ltd to deliver construction works at Bounds Green Primary School.

**2. Cabinet Member Introduction**

2.1 The principle of expanding Bounds Green Primary School was agreed by Cabinet Committee on the 17<sup>th</sup> March 2015 in response to the increasing number of children requiring primary school places in this area.

**3. Recommendations**

3.1 Provide approval to enter into contract with Lakehouse Contracts Ltd at the agreed contract value of £2,171,634.88 for a contract period of 38.5 weeks.

3.2 For the issuance of formal contracts based on the satisfactory completion of supporting Contractors Proposals.

3.3 Provide approval to instruct Haringey Council's Legal Services to issue a Letter of Intent permitting orders to be raised by Lakehouse Contracts Ltd with their supply chain; up to and not exceeding 10% of the contract sum as allowed under CSO 9.07.3 whilst formal works contracts are being prepared.

#### **4. Reasons for decision**

- 4.1 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.

#### **5. Alternative options considered**

- 5.1 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.
- 5.2 The feasibility report considered 3 design options, with emphasis on flexibility, programme, impact on the school and financial viability. The Cabinet Report presented in July 2015 outlined reasons for discounting options 1 and 3 and the Councils preference to proceed based on design option 2.
- 5.5 A Pre Construction Services Agreement was awarded by Cabinet Committee in July 2015. It would not be beneficial in terms of time and cost to initiate a new tender exercise.

#### **6. Background information**

- 6.1 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.
- 6.2 Based on a two stage Design and Build procurement exercise, the stage one tender process concluded with an award by Cabinet Committee in July 2015 for the issuance of a Pre Construction Services Agreement to Lakehouse Contracts Ltd.
- 6.3 This award was based on a Pre Construction Services Agreement contract sum of £53,760.82 and a stage two tender target price of £2,167,693.71.
- 6.4 The second stage tender exercise aimed to develop initial design proposals and undertaken open book tendering on work packages which would conclude with an agreed contract sum.
- 6.5 A stage two tender price of £2,171,634.88 was received from Lakehouse Contracts Ltd on 3<sup>rd</sup> November 2015.
- 6.6 Sweett Group completed a mathematical check of the Stage 2 tender which was found to be correct.
- 6.7 When comparing the Pre-Tender Estimate with the Stage 2 tender, it can be seen that whilst there are obvious significant differences between some individual items, the difference between the two totals is in the region of 3%, which shows the two figures to be very close. The value of the pre tender estimated was noted in the July 2015 Cabinet Committee Report, Pre Construction Agreement Section 3.0 Exempt Information.

- 6.8 The adjustment in cost is reflected in the works undertaken during the design development stage (pre construction agreement). A number of adjustments have been made to the design in order to (1) comply with building control requirements (2) ensure compliance with the project brief (3) adjustments to employers requirements.
- 6.9 The Stage 2 tender includes an allowance of £67,410 of provisional sums for utility providers (including builders work in connection with), existing condition works and landscaping. The Client retains the risk on the value of these works.
- 6.10 The Tender Report included a list of clarifications which have been shared with the project team. All clarifications have been closed out.
- 6.11 The Stage 2 tender from Lakehouse Contracts Ltd is within the budget and the Pre-Tender Estimate, and in the opinion of Sweett Group, appears to reflect the works as tendered, is competitive and represents good value to the Employer.
- 6.12 The design is in accordance with their tender submission and meets the employers' requirements as defined in the tender documents.
- 6.13 The contract is to be awarded on a fixed price basis.
- 6.14 Construction work is scheduled to commence from January 2016 and complete in September 2016 offering a 38.5 week contract period.
- 6.15 Planning consent is granted with conditions. These conditions issued are not onerous and are in the process of being discharged.
- 6.16 Lakehouse Contracts Ltd are responsible for seeking building control approval.
- 6.17 Regeneration, Planning and Development will continue to project manage the works through to completion, final account and 12 month defect period.

## **7. Contribution to strategic outcomes**

- 7.1 The project supports the council in adhering to its statutory duty to provide school places for all the borough's children and will also support Haringey's key priorities, principally;
- 7.1.1 Corporate Plan 2015-18 – Priority One: Outstanding for all enable every child and young person to have the best start in life with high quality education.

## **8. Statutory Officers comments (Chief Finance Officer (including procurement), Assistant Director of Corporate Governance, Equalities)**

## **8.1 Finance Comments**

- 8.1.1 As outlined in the cabinet report for the award of a Pre Construction Services Agreement the approved CYPS capital programme includes budgetary provision for this scheme.
- 8.1.2 The expected profile of expenditure, including early design work carried out since 2013/14 extends to 2016/17.
- 8.1.3 The total project budget identified is £3,400,000.
- 8.1.4 The school have agreed a contribution of £5k towards refurbishment works within the Staff room, Junior Block (KS2). This is included in the above allowance.

## **8.2 Procurement Comments**

- 8.2.1 The contractors have been selected from the Haringey led London Construction Programme (LCP) W1MW14 Framework Agreement Lot 5 (Education and Others including Administrative, Leisure, Care, Health).
- 8.2.2 The stage one tender (Pre Construction Services) was prepared and tendered on a 60% quality 40% price basis for this award and represents value for money.
- 8.2.3 The compilation of the final agreed maximum price has been carried out under an open book methodology.

## **8.3 Legal Comments**

- 8.3.1 The Council has recently established a London wide Framework Agreement for major construction works (the London Construction Programme).
- 8.3.2 The Council carried out a mini-competition under Lot 5 of the London Construction Programme. This process is compliant with EU procurement legislation and also the Council's Contract Standing Orders.
- 8.3.3 Following the award of a Pre-Construction Services Agreement in July 2015, the Council now wishes to award a Design and Building Contract to Lakehouse Contracts Limited. The Cabinet Member has authority to approve the award under Para 9.06.1(d) of the Council's Contract Standing Orders. The Cabinet Member also has authority to approve the issue of a letter of intent.
- 8.3.4 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).
- 8.3.5 The Assistant Director of Corporate Governance confirms he is not aware of any legal reasons preventing the Cabinet Member from approving the recommendations in this report.

## **8.4 Equalities**

8.4.1 The Council has a public sector equality duty under the Equalities Act (2010) to have due regard to:

- a) Tackle discrimination and victimisation of persons that share the characteristics protected under S4 of the Act. These include the characteristics of age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex (formerly gender) and sexual orientation;
- b) advance equality of opportunity between people who share those protected characteristics and people who do not;
- c) foster good relations between people who share those characteristics and people who do not.

8.4.2 An Equality Impact Assessment accompanied the Cabinet decision to proceed with the Bounds Green school expansion on the 17<sup>th</sup> March 2015. This is reattached along with this Cabinet report.

8.4.3 No negative consequences are identified for the protected characteristics and it is concluded that the project will have a positive impact by improving the physical learning environment and removing barriers - most notably the installation of a lift to improve disabled access and improved facilities for Special Education Needs provision.

8.4.4 The 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 who attend Bounds Green Primary School.

8.4.5 The EqIA provides detail on how the equalities will be monitored by the School and by Children & Young People's Service going forwards.

## **9. Use of Appendices**

9.1 Appendix 1 - Equalities Impact Assessment

## **10. Local Government (Access to Information) Act 1985**

10.1 This report contains no exempt information.