

**MINUTES OF THE CABINET PROCUREMENT COMMITTEE
THURSDAY, 12 JUNE 2008**

Present Councillors *Adje (Chair), *Bevan, *Meehan and *Santry

*Present:

MINUTE NO.	SUBJECT/DECISION	ACTION BY
PROC01.	APOLOGY FOR LATENESS	
	An apology for lateness was submitted on behalf of Councillor Meehan.	
PROC02.	BUILDING SCHOOLS FOR THE FUTURE (BSF): AWARD OF A PRE-CONSTRUCTION AGREEMENT FOR PARK VIEW ACADEMY (Report of the Director of the Children and Young People’s Service - Agenda Item 4)	
	<p>Our Chair agreed to accept the report as urgent business. The report was late because the meeting had been convened at short notice. The report was too urgent to await the next meeting because of the need to ensure that the pre-construction work was carried out during the forthcoming schools summer holidays.</p> <p>Details of the contracts which were set out in the Appendix to the interleaved report were the subject of a motion to exclude the press and public from the meeting as they contained exempt information relating to the business or financial affairs of any particular person (including the Authority holding that information).</p> <p>Our attention was drawn to a funding issue which had recently come to light in relation to the Department for Children, Schools and Families (DCSF) position regarding the financing of the Council’s Building Schools for the Future (BSF) cash flow. Until recently the DCSF had made cash payments in advance of the Council’s spend on the basis that the Final Business Case (FBC) would eventually be approved. However, this policy had recently been revised by the DCSF so that no future grant payments would be made until FBC was actually approved and financial close had taken place. Given this change to policy any Council BSF expenditure, in excess of grant received to date, would require financing. We noted that a further report was to be brought to us outlining how this position would be dealt with at the appropriate time.</p> <p>We also noted that the financial implications set out in paragraph 12 did not set out the recommended contract sum and we asked that this information be included in this section of all future reports on pre-construction agreement awards.</p> <p>We asked further that a briefing be provided for Councillor Bevan on BSF programme and procurement issues generally.</p>	<p>CFO</p> <p>DCYPS</p> <p>DCYPS/ HPr</p>

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	<p>RESOLVED:</p> <p>That, in accordance with Contract Standing Order 11.01, approval be granted to the award of the pre-construction agreement for Park View Academy to Balfour Beatty Construction for a pre construction fee of £57,971.</p>	DCYPS
PROC03.	<p>BUILDING SCHOOLS FOR THE FUTURE (BSF): AWARD OF PRE-CONSTRUCTION AGREEMENT FOR NORTHUMBERLAND PARK COMMUNITY SCHOOL AND THE VALE (Report of the Director of the Children and Young People’s Service - Agenda Item 5)</p> <p>Our Chair agreed to accept the report as urgent business. The report was late because the meeting had been convened at short notice. The report was too urgent to await the next meeting because of the need to ensure that the pre-construction work was carried out during the forthcoming schools summer holidays.</p> <p>Details of the contracts which were set out in the Appendix to the interleaved report were the subject of a motion to exclude the press and public from the meeting as they contained exempt information relating to the business or financial affairs of any particular person (including the Authority holding that information).</p> <p>In response to a question about the price element of the evaluation process used we were advised that the Contractor that submitted the lowest bid in terms of preliminaries based on the anticipated net value of construction scored 100 points. All other tenders score 100 points less 1 for every percentage that their price exceeded the lowest bid. The point score was weighted by 30%. Main contract pricings would be kept under review to ensure that any preliminary costs which might have been omitted were not re-introduced there.</p> <p>RESOLVED:</p> <p>That, in accordance with Contract Standing Order 11.01, approval be granted to the award of the pre-construction agreement for Northumberland Park Community School and the Vale to Apollo London Ltd. for a pre construction fee of £139,470.</p>	DCYPS
PROC04.	<p>BUILDING SCHOOLS FOR THE FUTURE (BSF): AWARD OF A PRE-CONSTRUCTION AGREEMENT FOR JOHN LOUGHBOROUGH SCHOOL (Report of the Director of the Children and Young People’s Service - Agenda Item 6)</p> <p>Our Chair agreed to accept the report as urgent business. The report was late because the meeting had been convened at short notice. The report was too urgent to await the next meeting because of the need to ensure that the pre-construction work was carried out during the forthcoming schools summer holidays.</p> <p>Details of the contracts which were set out in the Appendix to the</p>	

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	<p>interleaved report were the subject of a motion to exclude the press and public from the meeting as they contained exempt information relating to the business or financial affairs of any particular person (including the Authority holding that information).</p> <p>Reference was made to the fact that some of the contractors on the BSF Construction Framework Agreement were also on the Decent Homes Construction Framework Agreement and clarification was sought of whether they would have sufficient capacity to carry out all of the work for which they tendered. We noted that there had been a recent review of the capacity and financial status of contractors on the BSF Framework which had revealed no evidence of overstretch at that time but the situation would be kept under review.</p> <p>Reference was also made to the recent Office of Fair Trading investigation into cover pricing and we were advised that a further investigation was being conducted into compensation claims and payments. We asked that officers supply us with a briefing when the outcome of the further investigation was known.</p> <p>RESOLVED:</p> <p>That, in accordance with Contract Standing Order 11.01, approval be granted to the award of the pre-construction agreement for John Loughborough School to Apollo London Ltd. for a pre construction fee of £88,565.</p>	<p>HPr</p> <p>DCYPS</p>
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CHARLES ADJE
Chair