



**Cabinet**  
24 October 2016

**Report from the Strategic Director  
of Regeneration and Environment**

For Action

Wards affected:  
ALL

**School Led Building Projects at Roe Green Infant School  
and Our Lady of Grace Catholic Infant School – Approval  
to Procure Works Contracts**

**1.0 Summary**

- 1.1. Roe Green Infant School and Our Lady of Grace Catholic Infant School both wish to expand existing nursery provision in order to offer 30 hours free education and childcare to families from September 2017 in line with Government policy. In order to do this both schools require additional accommodation.
- 1.2. This report seeks Cabinet approval for each school to procure a works contract for its own proposed nursery extension building works. Schools are required to abide by the LA's financial regulations and standing orders in purchasing, tendering and contracting matters. Officers are therefore facilitating the schools fulfilling these responsibilities.
- 1.3. This report also seeks a delegation of Cabinet's authority to award high value works contracts to a relevant Officer in order for the schools project programmes to be maintained ready for September 2017.

**2.0 Recommendations**

The Cabinet is recommended to:

- 2.1 Approve inviting tenders on the basis of the pre-tender considerations set out in paragraph 3.9.
- 2.2 In respect of paragraph 2.1 above, approve the evaluation of tenders on the basis of the evaluation criteria set out in paragraph 3.9 of this report.
- 2.3 Delegate authority to award these high value works contracts to the Strategic Director of Regeneration and Environment in consultation with the Chief Finance Officer and Chief Legal Officer.

### **3.0 Detail**

- 3.1 Schools are required to abide by the LA's financial regulations and standing orders in purchasing, tendering and contracting matters. It is a particular government requirement that all Schools shall approve and abide by both Financial Regulations and Contract Procedure Rules.
- 3.2 Both of these proposed works contracts are for school led building projects. The responsibility for the project and subsequent risks are with the respective school and their Governing Body. For example, if the project is delivered beyond programme and over budget, the school would be responsible for the impact(s).

#### **Roe Green Infant School**

- 3.3 The Headteacher of Roe Green Infant School advised Officers in July 2016 that the school intended to rebuild and expand the existing nursery. The School had appointed an architect to develop designs. Cost estimates and a project plan had been prepared. The School had saved the necessary funding for the project.
- 3.4 Officers from the Capital programme Team and Early Years Team met with the Headteacher and the school's architect in August to discuss the proposals. The Early Years Team are satisfied Roe Green Infant School have a sound proposal for the provision of additional 30 hr nursery places and that building on the success of an Outstanding school would be beneficial to local children and young people.
- 3.5 The project proposal is to build a new two storey nursery in the garden of the existing one and then to demolish the existing nursery and landscape that area into a new external play space with additional external access to the first floor.

#### **Our Lady of Grace Catholic Infant School**

- 3.6 The proposal to expand the nursery at this school came forward through the Early Years team invitation to all schools to bid for EY capital funding for the 30hr offer from the Education Funding Agency (EFA). OLOG made an application and this highlighted the requirement to seek Cabinet approval for any works contract.
- 3.7 Due to the tight timescales associated with the EFA funding stream it is important to seek necessary approvals in advance of confirmation of funding. Should funding not been granted then the project will not proceed.
- 3.8 EFA is expected to announce funding allocations in December 2016 for completion of projects ready for September 2017 academic year. In order to complete the proposed project by September the School's professional team has advised that work must start on site in the New Year. Therefore approval to procure works is sought in advance of funding being secured in order to enable this to happen.
- 3.9 The project includes a new build 60 place full time Pre-School Nursery with associated external landscaping for outdoor learning. The project will also

include demolition of the existing undersized/unsuitable Pre-School Nursery to replicate KS1 external play/learning lost by the construction of the new Nursery.

### Pre-tender Considerations

- 3.10 In accordance with Contract Standing Orders 88 and 89, pre-tender considerations for both projects to be let using a formal tender route are set out below for the approval of the Cabinet:

#### Roe Green Infant School

Ref.	Requirement	Response	
(i)	The nature of the service	Rebuild and expansion of the nursery building at Roe Green Infant School	
(ii)	The future estimated value of the contract/s	£600,000	
(iii)	The contracts term	34 weeks plus 12 months defects period	
(iv)	The tender procedure to be adopted.	Restricted Procedure	
(v)	The procurement timetable	<ul style="list-style-type: none"> <li>• Adverts placed</li> <li>• Expressions of interest (Pre-Qualification Questionnaire) returned (30 day PQQ period)</li> <li>• Shortlist drawn up in accordance with pre-determined minimum standards as to financial standing and technical competence</li> <li>• Invite to tender</li> <li>• Deadline for tender submissions (minimum 30 day ITT period)</li> <li>• Panel evaluation</li> </ul>	<ul style="list-style-type: none"> <li>• 25 October 2016</li> <li>• 25 November 2016</li> <li>• 28 November – 2 December 2016</li> <li>• 5 December 2016</li> <li>• 5 January 2017</li> <li>• 5 January 2017 – 13 January</li> </ul>

		<ul style="list-style-type: none"> <li>Award of contracts</li> </ul>	2017 <ul style="list-style-type: none"> <li>20 January 2017</li> </ul>
(vi)	The evaluation criteria and process	<p><u>Pre-qualification stage</u> Shortlists are to be drawn up in accordance with the Council's Contract Management Guidelines by a pre-qualification questionnaire (PQQ).</p> <p>The pre-qualification will test the capacity and capability of potential bidders as well as potential bidder eligibility to take part in the Procurement. Bidders will be shortlisted to five to be invited to tender.</p> <p><u>Invitation to Tender (ITT)</u> For those that are shortlisted, they will receive an Invitation to Tender (ITT).</p> <p>Tenders will be evaluated on the basis of the most economically advantageous tender using the following criteria and overall weightings.</p> <p>1. Quality Quality will consist of 35% of the overall evaluation. The quality assessment will be evaluated using the following criteria.</p> <ul style="list-style-type: none"> <li>Quality and accuracy of tender return</li> <li>Proposed application of previous experience to the project</li> <li>Health and Safety approach</li> <li>Involvement of children / community</li> <li>Interview presentation</li> </ul> <p>2. Price Price will consist of 65% of the overall evaluation.</p> <p>Price will be evaluated using a lump sum price that will be built up from fixed costs for Overheads and Profits, Preliminaries and Construction works costs.</p>	
(vii)	Any business risks associated with entering the contract	No specific business risks are considered to be associated with agreeing the recommendations in this report.	
(viii)	The Council's Best Value duties	This procurement process and on-going contractual requirement will ensure that the Council's Best Value obligations are met.	

		An officer from the Capital Programme Team will be part of the evaluation panel to help achieve this during the procurement process.
(ix)	Any staffing implications	There are no direct staffing implications
(x)	The relevant financial, legal and other considerations	See Sections 4 and 5.
(xi)	Measures to deliver economic, social or environmental benefits in accordance with the Public Services (Social Value) Act 2012	The Public Services (Social Value) Act 2012 does not require contracts for public works under the EU threshold to consider social value. However, the contractor will be expected to work with the school to provide educational workshops and site visits to the school children. This will engage the children in the project as well as provide learning opportunities.

### **Our Lady of Grace Catholic Infant School**

<b>Ref.</b>	<b>Requirement</b>	<b>Response</b>	
(i)	The nature of the service	New Build 60 place full time Pre-School Nursery with associated external landscaping for outdoor learning	
(ii)	The future estimated value of the contract/s	£720,000	
(iii)	The contracts term	17 weeks plus 12 months defects period	
(iv)	The tender procedure to be adopted.	Restricted Procedure	
(v)	The procurement timetable	<ul style="list-style-type: none"> <li>• Adverts placed</li> <li>• Expressions of interest (Pre-Qualification Questionnaire) returned (minimum 30 day PQQ period)</li> <li>• Shortlist drawn up in accordance with pre-determined minimum standards as to financial standing and technical competence</li> <li>• Invite to tender</li> </ul>	<ul style="list-style-type: none"> <li>• 5 December 2016</li> <li>• 13 January 2017</li> <li>• 16 January 2017 – 3 February 2017</li> <li>• 3 February 2017</li> </ul>

		<ul style="list-style-type: none"> <li>• Deadline for tender submissions (minimum 30 day ITT period)</li> <li>• Panel evaluation</li> <li>• Award of contract</li> </ul>	<ul style="list-style-type: none"> <li>• 3 March 2017</li> <li>• 6 March – 24 March</li> <li>• 3 April 2017</li> </ul>
(vi)	The evaluation criteria and process	<p><u>Pre-qualification stage</u> Shortlists are to be drawn up in accordance with the Council's Contract Management Guidelines by a pre-qualification questionnaire (PQQ).</p> <p>The pre-qualification will test the capacity and capability of potential bidders as well as potential bidder eligibility to take part in the Procurement. Bidders will be shortlisted to five to be invited to tender.</p> <p><u>Invitation to Tender (ITT)</u> For those that are shortlisted, they will receive an Invitation to Tender (ITT).</p> <p>Tenders will be evaluated on the basis of the most economically advantageous tender using the following criteria and overall weightings.</p> <p>1. Quality Quality will consist of 30% of the overall evaluation. The quality assessment will be evaluated using the following criteria.</p> <ul style="list-style-type: none"> <li>• Project and Construction Programme</li> <li>• Health and Safety</li> <li>• Proposed application of previous experience to the project</li> <li>• Interview presentation</li> </ul> <p>2. Price Price will consist of 70% of the overall evaluation.</p> <p>Price will be evaluated using a lump sum price that will be built up from fixed costs for Overheads and Profits, Preliminaries and construction works costs.</p>	
(vii)	Any business risks associated with entering the contract	No specific business risks are considered to be associated with agreeing the recommendations in this report.	

(viii)	The Council's Best Value duties	<p>This procurement process and on-going contractual requirement will ensure that the Council's Best Value obligations are met.</p> <p>An officer from the Capital Programme Team will be part of the evaluation panel to help achieve this during the procurement process.</p>
(ix)	Any staffing implications	There are no direct staffing implications
(x)	The relevant financial, legal and other considerations	See Sections 4 and 5.
(xi)	Measures to deliver economic, social or environmental benefits in accordance with the Public Services (Social Value) Act 2012	The Public Services (Social Value) Act 2012 does not require contracts for public works under the EU threshold to consider social value. However, the contractor will be expected to work with the school to provide educational workshops and site visits to the school children. This will engage the children in the project as well as provide learning opportunities.

## 4.0 Financial Implications

- 4.1 The costs of the proposed works will be met in different ways. Roe Green Infant School has saved budget over the last four years for this improvement work and currently has sufficient funding in its balances to afford the estimated cost of the project at £700k (to include a works contract of £600k and consultancy and other fees). In addition the school has made an application to the EFA for match funding, which if successful, would enable some school budget to be retained for other priorities.
- 4.2 Our Lady of Grace Catholic Infant School has made an application to the EFA for capital funding to implement the 30 hrs free childcare. A requirement of that funding application is for the school to provide 25% of the cost of the project. The School has confirmed that it has funds available to do this via the Diocese of Westminster. They have committed £225,000 and the school are committing £25,000 to the project costs.
- 4.3 It is envisaged that tendered costs will fall within the current capital programme budget, however schools will need to manage the programme within the overall allocation. Should the project costs exceed the anticipated budget each School is responsible for that financial risk.

## 5.0 Legal Implications

- 5.1 All procurement by schools maintained by the LA must comply with EU Public Procurement Legislation (the Public Contracts Regulations 2015), the LA's Financial Regulations and Contract Standing Orders.
- 5.2 The estimated value of the two contracts is above the Council's Standing Orders threshold for High Value Works Contracts of £500,000. For High Value Contracts, the Cabinet must approve the pre-tender considerations set out in

paragraph 3.19 above (Standing Order 89) and the inviting of tenders (Standing Order 88).

- 5.3 Cabinet is asked to delegate authority to award these high value contracts to the Strategic Director of Regeneration and Environment in consultation with the Chief Finance Officer and Chief Legal Officer. If this recommendation is approved then once the tendering process is undertaken Officers will report to the Chief Officer on behalf of each school in accordance with Contract Standing Orders, explaining the process undertaken in tendering the contracts and recommending award.
- 5.4 Both Schools are maintained by the Local Authority and as such are required to follow the Council Standing Orders in respect of procurement. The contract will be between the respective Schools' Governing Bodies and the successful contractor (Education Act 2002, Paragraph 3 of Schedule 1).
- 5.5 The estimated costs of the two contracts are below the Public Contracts Regulations 2015 threshold for public works contracts (currently £4,104,394). Therefore, the Council does not need to observe the full requirements of the EU Regulations in relation to the mandatory minimum 10 calendar standstill period imposed by the EU Regulations before the contracts can be awarded. However, Contract Standing Order 107(c) states tender acceptance shall be communicated to the successful tenderer as soon as possible but subject to any relevant call-in provisions.
- 5.6 The Public Contracts Regulations 2015 require contracting authorities to notify all tenderers in writing of the Council's decision to award and providing additional debrief information to unsuccessful tenderers on receipt of a written request.

## **6.0 Diversity Implications**

- 6.1 These proposals for new nursery provision at the Schools provide spaces for the 30 hours fee childcare set by the Government. The schools have ethnically diverse local populations. Increased nursery provision will help to improve choice and enhance diversity and enable the schools to provide additional places required for Brent's growing pupil population.

## **7.0 Staffing/Accommodation Implications**

- 7.1 There are no staffing or accommodation implications for the immediate purpose of this report.

## **8.0 Public Services (Social Value) Act 2012**

- 8.1 Whilst the Public Services (Social Value) Act 2012 ("Social Value Act") does not formally apply to works contracts, the schools have had regard to the ethos of the Social Value Act and the contracts will allow for pupil engagement in an important industry as well as providing educational opportunities during the construction works.



## **Background Papers**

### **Contact Officers**

Cheryl Andani  
Capital Programme Manager  
020 8937 3227  
[cheryl.andani@brent.gov.uk](mailto:cheryl.andani@brent.gov.uk)

AMAR DAVE  
Strategic Director of Regeneration & Environment