

	Officer Key Decision
	Report to the Operational Director, Property & Assets
Authority to Tender for the Design & Build Contract for the new dining hall build at Oliver Goldsmith Primary School	

Wards Affected:	Fryent
Key or Non-Key Decision:	Key Decision
Open or Part/Fully Exempt: (If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)	Open
No. of Appendices:	0
Background Papers:	n/a
Contact Officer(s): (Name, Title, Contact Details)	Neil Martin Capital Programme Manager 020 8937 4203 neil.martin@brent.gov.uk

1.0 Purpose of the Report

1.1 This report concerns the dining hall project at Oliver Goldsmith Primary School. This project is part of the 2018 – 2023 School Asset Management Programme. This report requests approval to issue an Open Tender in respect of the Design & Build Contract for the new dining hall build at Oliver Goldsmith Primary School as required by Contract Standing Orders 88 and 89.

2.0 Recommendation(s)

That the Operational Director, Property & Assets:

2.1 Approves issuing an Open Tender for the Design & Build Contract for the new dining hall build at Oliver Goldsmith Primary School on the basis of the pre-tender considerations set out in paragraph 3.5 of the report.

2.2 Approves Officers evaluating the tenders referred to in 2.1 above on the basis of the evaluation criteria set out in paragraph 3.5 of the report.

3.0 Detail

3.1 Brent Council (the Council) is the responsible body for 40 community and foundation schools and has a duty to undertake major projects at these schools to ensure the buildings are weather tight and provide a safe environment for education. Funding is provided to responsible bodies to carry out these works by the Education and Skills Funding Agency (ESFA) via the School Condition Funding (SCF). This funding is provided each year based on an assessment by the ESFA of high level building condition need and is provided to meet the responsible body's own local condition priorities across their schools. The Council places SCF monies in a specific capital budget, the School Asset Management Programme (AMP) budget to meet its statutory requirement.

3.2 A five year programme was agreed by Capital Investment Panel (CIP) in October 2017 to address condition improvement priorities across the schools. These projects are considered the most vital and cover boiler replacement, fire safety, electrical distribution upgrades and roof and window improvements. This programme is in line with the Council's responsibilities for schools in terms of major replacement or renewal projects. Making improvements to school buildings will enhance the teaching and learning environment that will enable the schools and the Council to deliver a superior learning experience for Brent school aged children.

3.3 The Council appointed consultants to confirm the scope of works at each project identified in Phase 2. The proposed project at Oliver Goldsmith Primary School involves completing the design and building the new dining hall. The new dining hall will be modern and fit for purpose and include breakfast club and after school club facilities so the school can provide wrap-around provision. The contract is programmed to commence in May 2020 and run for eight months. The contractor will be expected to work during school holiday periods and term time in order to complete the project. This has been agreed in principle with the school.

3.4 The estimated cost of the works, based on quantity surveyor analysis is £1.2m and therefore is classified as a medium value works contract (£250,000 - £5,000,000) as per CSO 82.

3.5 In accordance with Contract Standing Orders 88 and 89, pre-tender considerations have been set out below for the approval of the Operational Director Property and Assets.

Ref.	Requirement	Response
(i)	The nature of the works.	Design and Build of School Dining Hall

Ref.	Requirement	Response	
(ii)	The estimated value.	£1.2m	
(iii)	The contract term.	The contract will be 8 months with a 12 months defects liability period after completion of the works.	
(iv)	The tender procedure to be adopted.	Open tender procedure with a pre-qualification stage as per CSO 96(b)	
v)	The procurement timetable.	Indicative dates are:	
		Invite to Tender	w/c 25 January 2021
		Deadline for Tender submissions	19 March 2021
		Panel evaluation	22 March – 9 April 2021
		Report to the Operational Director, Property & Assets to approve contract award	22 April 2021
		Contract Award Decision	23 April 2021 (plus 5 day call-in period)
		Contract Start date	4 May 2021
(vi)	The evaluation criteria and process.	<p>Stage 1: Selection Questionnaire: Bidders will be required to complete a Selection Questionnaire that will test the capacity and capability of the bidders as well as potential eligibility to have their tender bid evaluated through assessment of their previous experience.</p> <p>Stage 2: Tender Evaluation</p> <p>For bidders passing Stage 1, their bids will be evaluated. The panel will evaluate the tenders to establish the Most Economically Advantageous Offer based upon the following criteria:</p> <ul style="list-style-type: none"> • Price – 50% • Quality – 40% this will include the following: <ul style="list-style-type: none"> ○ Project Programme & Delivery Methodology 	

Ref.	Requirement	Response
		<ul style="list-style-type: none"> ○ Project Resources ○ Project Communication Plan ○ Demonstrating Logistical Solutions in the Live School Environment ○ Delivery of Quality ● Social Value – 10%
(vii)	Any business risks associated with entering the contract.	None identified
(viii)	The Council's Best Value duties.	The Council has a duty under Best Value to secure cost-effective and efficient services that meet the needs of the Borough's customers. This will be achieved through inviting bids from the open market and awarding the contract based on Most Economic Advantageous Tender
(ix)	Consideration of Public Services (Social Value) Act 2012	10% of the tender evaluation criteria is assigned to evaluating the bidders' social value proposals. It is likely that offers will include school engagement, local suppliers and employment opportunities.
(x)	Any staffing implications, including TUPE and pensions.	None identified
(xi)	The relevant financial, legal and other considerations.	As set out in this Report

3.6 The Operational Director, Property & Assets is asked to give its approval to these proposals as set out in the recommendations and in accordance with Standing Order 89.

4.0 Financial Implications

4.1 The project budget approved within the AMP programme is £1.06m with the school providing £0.2m. This project budget has been approved as part of the wider AMP programme approved by Capital Investment Panel and Cabinet through the 2019/20 budget setting report.

4.2 The project's pre-tender estimate is within the remaining project budget. There is enough capacity within the School AMP budget to cover the project spend and to respond to any emergency works across the school portfolio if required.

- 4.3 A retention figure of 2.5 per cent will be used to ensure any snags/defects are dealt in an appropriate manner with during the 12 months defects liability period.

5.0 Legal Implications

- 5.1 The contract falls within the definition of 'public works contract' under the Public Contracts Regulations 2015 ('the Regulations') but as the value of the contract is below the threshold for works, the procurement is not subject to the requirements of the Regulations. However, the Council is when procuring, to publish the contract opportunity and undertaking a competitive procurement process before the contract is awarded.
- 5.2 Based on the value of the contract, it is deemed a Medium Value Contract under the Standing Orders (CSO) and for such contracts, CSO provides that tenders should be invited in accordance with CSO 96 (a) and CSO96 (b) (i.e. a two Stage Tender). Approval of the pre-tender considerations set out in paragraph 3.5 above and to invite of tenders are also required in accordance with Standing Order 89 and Standing Order 88. Paragraph 3.5 of this report sets out the procurement process that will be used and the pre-tender considerations for approval.
- 5.3 Under Part 3 of the Constitution, at paragraph 9.5 in section 3(a) of the table therein, approval to invite expressions of interest, agree shortlists, invite Tenders, negotiate, award, and terminate contracts for Medium Value Contracts is delegated to the Chief Executive and Strategic Directors. Pursuant to paragraph 9.7 thereof, officers designated as Operational Directors have delegated to them (subject to the same restrictions as would apply to their Strategic Director (or the Chief Executive as applicable) all the powers of their Strategic Director (or the Chief Executive if the Operational Director reports directly to her) in so far as they relate to the services for which they are responsible (and save in so far as that is inconsistent with any other part of the Constitution or their Strategic Director (or the Chief Executive) has directed them not to exercise particular powers). As the contract relates to works for which the Operational Director Property & Assets is responsible, it is considered that you have delegated the power of the Strategic Director, Regeneration & Environment to approve the inviting of tenders for this project as the value of the contract is expected to be below £5m.
- 5.4 Once the tendering process is undertaken, Officers will report to the Operational Director, Property & Assets in accordance with Contract Standing Orders, explaining the process undertaken in tendering the contracts and recommending award.
- 5.5 The project will be administered using the 2016 JCT Design and Build contract with the Council's amendments.

6.0 Equality Implications

6.1 None identified

7.0 Human Resources/Property Implications (if appropriate)

7.1 None identified

8.0 Public Services (Social Value) Act 2012

8.1 The Council is under duty pursuant to the Public Services (Social Value) Act 2012 (“the Social Value Act”) to consider how services being procured might improve the economic, social and environmental well-being of its area; how, in conducting the procurement process, the Council might act with a view to securing that improvement; and whether the Council should undertake consultation. This duty does not strictly apply to the proposed contract, as it is not a services contract. Nevertheless, Officers have had regard to considerations contained in the Social Value Act in relation to the procurement.

8.2 Ten percent of the overall evaluation criteria is allocated to Social Value and will be in line with the Council’s Social Value and Ethical Policy approved by Cabinet in April 2020. It is envisaged that the successful contractor should be able to offer local employment, apprenticeships and work experience to residents in Brent as well as other community benefits to the residents in Brent. Bidders are required to identify a monetary value (or cash value) for each element of the Social Value that they offer. The monetary value should be 10% of the contract value. If suppliers do not deliver on the social value commitments, the Council will look at claiming back the monetary value.

Report sign off:

Neil Martin

Capital Programme Manager, Property & Assets.

Nick Ljustina

Operational Director, Property & Assets