

 Brent	Officer Key Decision
	Report to the Strategic Director, Regeneration & Environment
Authority to Award 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paragraph of Part 1, Schedule 12A of 1972 Local Government Act)	Part Exempt Appendix 1: This part of this report is not for publication as it contains the following category of exempt information as specified in Paragraph 3, Schedule 12A of the Local Government Act 1972, namely: "Information relating to the financial or business affairs of any particular person (including the authority holding that information)"
No. of Appendices:	Two: Appendix 1 List of Bidders (exempt) Appendix 2 Evaluation Outcome
Background Papers:	Authority to tender report
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1.0 Purpose of the Report

- 1.1 This report concerns the dining hall project at Oliver Goldsmith Primary School and forms part of the 2018 – 2023 School Asset Management Programme. This report requests approval to award a contract for the design and build of the new dining hall at Oliver Goldsmith Primary School as per Contract Standing Order 88.

2.0 Recommendation(s)

That the Strategic Director, Regeneration & Environment:

2.1 Approves the award of a contract for the design and build of the new dining hall at Oliver Goldsmith Primary School to Lilstone Limited for £1,316,043.10.

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 late May 2021 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 as per CSO 82.

3.5 In accordance with Contract Standing Orders 88 and 89, pre-tender considerations were set out and approved by the Operational Director of Property & Assets on 29 January 2021 and the tender process followed these approved considerations. An advertisement was placed on Contracts Finder and was issued as an Open Tender on 15 February 2021 on the London Tenders Portal and was managed by officers in Procurement.

3.6 All suppliers were given an opportunity to visit the school to assist them in submitting a bid. These were arranged with the school.

3.7 This tender was a two-stage tender evaluation process as per Contract Standing Order 96(b) and 107 expressions of interest were elicited and eight contractors completed and submitted tender bids by the due date of 1 April 2021.

Tender Evaluation

3.8 The instructions to tenderers document stated the 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. The eight bidder's responses were evaluated by a panel of officers from the Council's Capital Programme Team (Property & Assets) and was moderated by the Council's Procurement Team and the outcome is provided in the table 1 below. A detailed breakdown is provided in Appendix B.

Bidder	Selection Questionnaire Score (max. 100%)	Rank
Bidder 1	58%	4
Bidder 2	15%	7
Bidder 3	65%	2
Bidder 4	72%	1
Bidder 5	13%	8
Bidder 6	45%	5
Bidder 7	59%	3
Bidder 8	20%	6

Table 1 – Selection Questionnaire Evaluation Summary

3.9 The panel took the four highest ranked bidders through to the tender evaluation stage. The instructions to tenderers document stated the contract would be awarded on the basis of the most economically advantageous offer to the Council based on the following evaluation criteria:

- Price: 50%
- Quality: 40%
 - Project Programme & Delivery
 - Project Resources
 - Project Communications Plan
 - Demonstrating Logistical Solutions in the school environment
 - Delivery of Quality
- Social Value: 10%

3.10 The Council's appointed technical consultants, McBains, undertook a detailed evaluation of pricing submissions. This review process included checking for any formulaic or mathematical errors and issuing queries to each contractor via the Electronic Tender Portal to clarify any qualifications or exclusions in order to ensure compliant bids were received.

- 3.11 The quality component tender evaluation was carried out by a panel of officers from the Council's Capital Programme Team (Property & Assets) and was moderated by the Council's Procurement Team. Table 2 below shows the summary ITT evaluation scores of the suppliers and Appendix 2 provides a more detailed breakdown of the full tender evaluation outcome.

Bidder	Price Score % (max. 50%)	Quality Score % (max. 40%)	Social Value % (max. 10%)	Total Score % (max. 100%)	Ranking
Bidder 1	40.06	29.2	6.8	76.06	4
Bidder 3	50.00	24.8	6.6	81.40	2
Bidder 4	48.31	26.4	6.0	80.71	3
Bidder 7	48.15	27.2	6.6	81.95	1

Table 2 - Tender Evaluation Outcome

- 3.12 Bidder 7 was the highest scoring supplier, scoring 81.95% overall. Their quality score was 27.2%, their social value score was 6.6% and their normalised pricing submission is £1,302,164.89 which scored 48.15%. The Council's appointed technical consultants confirmed the bid was compliant.
- 3.13 The highest scoring supplier has submitted a compliant programme at tender stage and has programmed completion of the project by October 2021. This is in line with the stated tender programme.

4.0 Financial Implications

- 4.1 The project budget approved within the AMP Programme is £1.26m. This project is part of the wider AMP Programme budget which CIP endorsed and Cabinet approved through the annual budget setting process.
- 4.2 The highest scoring supplier's contract price is £1,32m which is above the budget and pre-tender estimate as per paragraph 3.4. There is enough capacity within the School AMP budget to cover the contract and still enables the Council the ability to respond to any emergency works across the school portfolio if required.
- 4.3 Finance have completed a financial assessment of the highest scoring bidder using the most recent available financial accounts. The bidder passed the Council's minimum thresholds.
- 4.4 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 award is not subject to the requirements of the Regulations.
- 5.2 Based on the value of contract it is deemed a Medium Value Contract under the Council’s Contract Standing Orders (‘CSO’) and Financial Regulations and the Council is required when procuring such contracts, to publish the contract opportunity and undertake a competitive procurement process before the contract is awarded. As mentioned in paragraph 3 above, a two stage tender process carried out in respect of the contract, with the contract opportunity published on the London Tender Portal and advertised on Contracts Finder as required under CSO 96(b).
- 5.3 Under Part 3 of the Constitution, at paragraph 9.5 in section 3(a) of the table therein, relevant Strategic Directors have delegated to them authority to award Medium Value Contracts, so far as the contract relates to the service area which they are responsible for. As this contract relates to works which the Strategic Director, Regeneration & Environment is responsible for, it is considered that the Strategic Director, Regeneration & Environment has delegated authority to approve the award of the contract.
- 5.4 The contract 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. Ten per cent of the evaluation criteria is assigned to evaluating the suppliers’ social value proposals and is in line with the Council’s Social Value and Ethical Policy approved by Cabinet in April 2020.
- 8.2 The highest scoring supplier included a number of initiatives in their bid. These include 50 digital training courses for local residents, sponsorship of a local

event, two apprenticeships, 50 sponsored training courses, provision of mental health first aid training, subcontractor packages for local community enterprises and a significant spend with local suppliers.

Report sign off:

Nick Ljustina

Operational Director, Property &
Assets