



Officer Key Decision
7 July 2020

**Report to the Operational Director,
Property & Assets**

Authority to Award a Contract for roof renewal and structural works at Uxendon Manor Primary School

Wards Affected:	Kenton
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paragraph of Part 1, Schedule 12A of 1972 Local Government Act)	Part Exempt Appendix 1: This part of this report is not for publication as it contains the following category of exempt information as specified in Paragraph 3, Schedule 12A of the Local Government Act 1972, namely: "Information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:	2 Appendix 1 – exempt Appendix 2 – Moderation Sheet
Background Papers:	Authority to Tender Report
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 roof replacement and structural works at Uxendon Manor Primary School. This project is part of the 2018 – 2023 School Asset Management Programme. This report requests approval to award a contract in respect of a contract for the roof renewal and structural works project at Uxendon Manor Primary School as per Contract Standing Order (CSO) 88.

2.0 Recommendation(s)

That the Operational Director, Property & Assets:

- 2.1 Approves the award of a contract for the roof renewal and structural works project at Uxendon Manor Primary School to CWG Roofing Ltd. for £291,037.

3.0 Detail

- 3.1 Brent Council (the Council) is the responsible body for 44 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 Uxendon Manor primary school involved replacing the roof. The construction works are programmed to commence on 22 July 2020 and run for 12 weeks. The contractor will be expected to work during term time and school holiday periods 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 £768,000 and therefore is classified as a medium value works contract as per CSO 82.
- 3.5 In accordance with CSOs 88 and 89, pre-tender considerations were set out and approved by the Operational Director of Property & Assets on 24 April 2020 and the tender process followed these approved considerations.
- 3.6 Officers initiated a call-off using a mini-competition from the LHC Flat Roofing Framework RF2 (the 'Framework'). This tender was issued via the London Tenders Portal and was managed by officers in Procurement with assistance from officers in the Capital Programme Team.

3.7 In accordance with the Framework’s mini-competition guidance, all Langley approved suppliers on the Framework were invited to bid for this opportunity. The Council received three bids by the deadline of noon on 1 June 2020 from the organisations listed in Appendix 1.

Tender Evaluation

3.8 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: 60%
- Quality: 40%
 - Project Methodology & Programme
 - Project Resources & Delivery
 - Working in the live school environment
 - Project Communication Plan
 - Previous Experience/References
 - Social Value

3.9 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 to clarify any qualifications or exclusions in order to ensure compliant bids were received.

3.10 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 1 below shows the summary ITT evaluation scores of the suppliers and Appendix 2 provides a more detailed breakdown of the full tender evaluation outcome.

Supplier	Price Score % (max. 60%)	Quality Score % (max. 40%)	Total Score % (max. 100%)	Ranking
Supplier 1	60.00	22.00	82.00	2
Supplier 2	54.03	29.20	83.23	1
Supplier 3	42.56	24.40	66.96	3

Table 1 - Tender Evaluation Outcome

3.11 Supplier 2 was the highest scoring supplier, scoring 83.23% overall. Their quality score was 29.20% and their pricing submission is £291,037 which scored 54.03% and is within the budget assigned to the project. The Council’s appointed technical consultants confirmed the bid was compliant.

3.12 The highest scoring supplier has submitted a compliant programme at tender stage and has programmed completion of the project during October 2020. This is in line with the stated tender programme.

4.0 Financial Implications

- 4.1 The budget for the project at Uxendon Manor Primary School is £768,000. 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 £291,037, which is a 62% reduction on the original 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 The reason for the large discrepancy between the pre-tender estimate as stated in paragraph 3.4 was that during the tender period the contractors discovered through their surveys that the roof requires a re-covering and not a full replacement as first expected. This means that the underspend on the project can be reinvested into other priorities and projects within the School AMP programme.
- 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.
- 4.5 Insurance limits (as minimums) will be set as follows and the highest scoring supplier has confirmed these insurance levels are in place:
- Public Liability Insurance: £10,000,000
 - Employers Liability Insurance: £10,000,000
 - Professional Indemnity Insurance: £2,000,000
 - A Principals Clause is required

5.0 Legal Implications

EU Regulations

- 5.1 The contract falls within the definition of a 'public works contract' under the Public Contracts Regulations 2015 ('EU Regulations') but as the value of the contract is below the EU procurement threshold for works (currently £4,551,413), the procurement is not subject to the requirements of the EU Regulations. However, contracting authorities are expected to comply with the principles of the Treaty of the Functioning of the European Union of transparency, non-discrimination, fairness and equal treatment when procuring, by publishing the contract opportunity and undertaking a competitive procurement process before the contract is awarded.
- 5.2 In this case, an OJEU compliant framework agreement established pursuant to the EU Regulations was used to procure the Contract (namely, the Framework referred to in paragraph 3.6 above). This procurement route is permitted under Regulation 33(8) of the EU Regulations, which sets out the circumstances in which an eligible contracting authority may award a contract based on a

framework agreement through reopening or partly re-opening competition amongst the economic operators which are party to the framework agreement. In this respect, it is noted that the Contract was competitively procured by Council officers using the aforesaid Framework in accordance with the Framework rules (as referred to in paragraph 3.6 above) and that this was in conformance with the requirements of the EU Regulations.

Council CSOs

- 5.3 The award of the Contract is subject to the Council's own CSOs in respect of Medium Value Contracts and Financial Regulations. In this respect, it is noted that, in satisfaction of CSO 86(e)(ii), the Council's participation in the Framework has been confirmed as legally permissible by the Director of Legal, HR, Audit & Investigations (by way of report dated 19 March 2020) and considered appropriate for use in respect of this Contract. The relevant Chief Officer (Operational Director Property & Assets) also approved the pre-tender considerations raised in respect of this Contract as set out in CSO 89 and the inviting of tenders for the Contract in accordance with CSO 88, and has confirmed there is sufficient budgetary provision for the Contract as required by CSO 86(e)(ii) (as provided in the report dated 24 April 2020).

Authority to Award

- 5.4 Under Part 3 of the Constitution, at paragraph 9.5 in section 3(a) of the table therein, approval to award Medium Value Contracts for services 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 services 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 award the Contract, and this is not inconsistent with any other part of the Constitution and Legal Services is not aware of any direction given by the Strategic Director Regeneration & Environment (or the Chief Executive) to the Operational Director Property & Assets not to exercise this power.

Contract Terms & Conditions

- 5.5 The contract will be administered using the 2016 JCT Intermediate Contract with Contractors Design 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. Officers have had regard to considerations contained in the Social Value Act in relation to the procurement.

8.2 Ten per cent of the evaluation criteria is assigned to evaluating the suppliers’ social value proposals. The highest scoring supplier included a number of initiatives in their bid including works to the school, community event sponsorship and work placements/experience.

Report sign off:

7th July 2020

Nick Ljustina

Operational Director, Property & Assets