

MUNICIPAL YEAR 2020/2021 REPORT NO.

MEETING TITLE AND DATE:	Agenda – Part: 1	Item:
REPORT OF: Executive Director- People	Subject: Oakthorpe Primary School – Award of Contract – Heating Pipe Work Replacement	
Contact officer and telephone number: Name: Amanda Doherty Telephone Number: 020 8379 4515 E mail: Amanda.doherty@enfield.gov.uk	Key Decision No: KD 5127	
	Wards: Upper Edmonton Ward.	

1. EXECUTIVE SUMMARY
1.1 This report seeks approval for award of contract to "Contractor A" for construction works, and scheme expenditure as detailed in this report for heating pipe work replacement and associated works for Oakthorpe Primary School. ("School")
1.2 The construction works have been procured following a competitive quotation process via the London Tenders Portal in accordance with the Council's Contract Procedure Rules ("CPRs").
1.3 To note an Operational Decision dated 11 th May 2020 approved enabling works to the domestic hot water system and building fabric in the sum of £141,600.00 these works needed to be carried out prior to the start of the main contract.

2. RECOMMENDATIONS
That the Executive Director - People:
2.1 Approves the contract award to "Contractor A" for heating pipe work replacement and associated works to Oakthorpe Primary School as further detailed in Part 2 of this report.
2.2 Notes and approves total scheme expenditure of £416,149.23 which includes heating pipe work replacement works, professional and technical costs (as detailed in Part 2 of this report).
2.3.1 To note an Operational Decision dated 11 th May 2020 approved enabling works to the domestic hot water system and building fabric in the sum of £141,600.00 these works needed to be carried out prior to the start of the main contract.

3. BACKGROUND

- 3.1 The Updated School Condition Fire Safety Programme 2020/21 to 2021/22 KD 4303 approved the Executive Director People to agree to continue:
- 3.2 A proposed programme for 2020/21 and 2021/22 has been formulated to address the most urgent condition items. Projects have been prioritised for inclusion in the Programme based mainly on technical information in condition surveys commissioned by Construction Maintenance Construction Team through external consultants. Projects have been ranked as far as possible according to the extent of urgency using the Department for Education definitions:
- Priority 1 Urgent work that will prevent immediate closure of premises and/or address an immediate high risk to the health and safety of occupants and/or remedy a serious breach of legislation.
- Priority 2 Essential work required within 2 years that will prevent serious deterioration of the fabric or services and/or address a medium risk to the health and safety of occupants and/or remedy a less serious breach of legislation.
- Priority 3 Desirable work required within 3 to 5 years that will prevent deterioration of the fabric or services and/or address a low risk to the health and safety of occupants and/or remedy a minor breach of legislation.
- Priority 4 Long term work required outside the first five-year planning period that will prevent deterioration of the fabric or services.
- 3.3 In line with previously agreed procedures, it is proposed that the Executive Director of People should continue to be authorised to approve tenders for individual schemes or schemes of aggregated value up to a maximum of £500,000 including professional and technical expenses. Any schemes exceeding £500,000 will be the subject of a portfolio decision and lodged as a Key Decision within the Council's Democratic process.
- 3.4 A scope of required works was produced by the council's Corporate Maintenance and Facilities Management Team (CMFM) which included:
- Heating pipe work and radiator replacement works.
- 3.5 CMFM compiled the Tender list using the Construction Line accreditation service to verify essential credentials including Financial Standing and Health & Safety compliance

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- 3.6 CMFM issued the tender documents on the 9th April 2020 and the tenders received were downloaded from the London Tenders Portal on 29th April 2020.
- 3.5 The Tendering Procedure is in accordance with the JCT Practice Note 6 (series 2) 'Main Contract Tendering' Alternative 2. The tender was based on the JCT Intermediate Building Contract with Contractor's Design 2016 Edition. The tender documentation included:
- Preliminaries, Specification and Drawings, and Pricing Document. The Tender was invited on a lump sum firm price basis. The tender documents stated a contract period of 15 weeks.
- 3.6 Seven contractors were invited to submit a return, one tenderer did not respond. The tenders were evaluated in accordance with the council's corporate tendering procedure to arrive at the recommendation for contract award to Contractor 'A' as detailed in Part 2 of this report.
- 3.7 Provisional programme:
- The construction work will begin on 19th July 2020 with completion on 30th October 2020.
- 3.8 An Operational Decision dated 11th May 2020 approved enabling works to the domestic hot water system and building fabric in the sum of £141,600.00 these works needed to be carried out prior to the start of the main contract.

4. ALTERNATIVE OPTIONS CONSIDERED

- 4.1 To do nothing this could result in a school closure leading to a loss of statutory school days for Enfield pupils, this in turn could result in court action and damage to the council's reputation
- 4.2 There are no other options that will address the safeguarding, security and safety concerns.

5. REASONS FOR RECOMMENDATIONS

- 5.1 CMFM and Stace The Borough's Quantity Surveyors have advised that the tender from Contractor "A" is compliant and is the most economically advantageous tender.
- 5.2 Works will ensure that "the school" is functional from a heating and hot water perspective and minimises risk to school closure in colder months.

6. COMMENTS FROM OTHER DEPARTMENTS

6.1 Financial Implications

6.1.1 On the 12th Feb 2020, Cabinet recommended that Council approve the 10-year Capital programme, which included £28m for the School Condition and Fire Safety Programme funded from central government grant. This report is seeking approval to allocate £557,749 for heating pipe work replacement and associated works for Oakthorpe Primary School.

6.1.2 The annual maintenance costs from this project would be contained within existing revenue budgets funded from the central government schools grant.

6.1.3 Tables below summarises a breakdown of the spend:

	2020/21 £'000	2021/22 £'000	TOTAL £'000
Overall P&T Costs	63,480.39		63,480.39
Main Contract Works	352,668.84		352,668.84
Enabling Works (approved under an Operational Decision 11/05/20)	141,600.00		141,600.00
Total expenditure	557,749.23		557,749.23

6.2 Legal Implications

6.2.1 The Council has a general responsibility for education which includes securing efficient primary education to meet the needs of the population in its area under Section 13 of the Education Act 1996 (as amended by the Learning and Skills Act 2000).

6.2.2 Section 111 of the Local Government Act 1972 further enables local authorities to do anything, including incurring expenditure, borrowing, which facilitate or are conducive or incidental to the discharge of their functions. Furthermore, the Council has the power under section 1 (1) of the Localism Act 2011 to do anything that individuals generally may do provided it is not prohibited by legislation and subject to Public Law principles. The recommendations within this report are in accordance with these powers.

6.2.3 The contract value is below the EU threshold hence the Public Contracts Regulations 2015 do not apply. The contract has therefore been procured in accordance with the Council's Contract Procedure Rules (CPR 3.5), and six tenderers were asked to submit quotations.

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- 6.2.4 As the value of the contract is over £250,000, the award constitutes a Key Decision under the Council's Constitution and as such, must comply with the governance processes set out for Key Decisions.
- 6.2.5 The Council should have considered (before procurement commencement) whether additional security should be sought from the successful provider (in accordance with CPR 1.18). For contract values between £250,000 - £1,000,000 sufficient security should be considered to manage risk. Evidence of the form of security required OR the reason why no security was required in this instance, must be stored and retained on the E-Tendering portal for audit trail purposes.
- 6.2.6 All legal agreements (including all associated documentation) arising from the matters described in this Report must be approved in advance of contract commencement, by Legal Services. The Council shall ensure that it's Quantity Surveyors (Stace) collaborate and work closely with Legal Services to ensure that any required changes to the standard form of JCT Intermediate Building Contract with Contractor's Design 2016 are made (in light of Covid-19 and generally) in order to fully protect the Council's interests.
- 6.2.7 Contracts whose value exceeds £250,000 are required to be executed under seal and the Council shall ensure it seeks assistance from Legal Services to ensure the contract is executed correctly.

Legal Implications provided by Lynn Shepherd on 12/05/2020 based on a Report circulated on 11/05/2020

6.3 Property Implications

- 6.3.1 The implementation of the Condition Programme will extend the life of school buildings and provide a safe and suitable learning environment for pupils.
- 6.3.2 All new or revised asset data arising out of the proposed works must be sent by the Project Manager to Strategic Property Services for input onto the Asset Management Data System, ATRIUM, including revised site plans, floor plans, asset information and maintenance regimes.

6.4 Procurement Implications

- 6.4.1 The procurement was undertaken in accordance with the Councils contract Procedure Rules (CPR's) and the Public Contracts Regulations (2015).
- 6.4.2 The procurement was undertaken using the London Tenders Portal (ref DN412996).

- 6.4.3 The award of the contract, including evidence of authority to award, promoting to the Councils Contract Register, and the uploading of executed contracts must be undertaken on the London Tenders Portal including future management of the contract.
- 6.4.4 All awarded projects must be promoted to Contracts Finder to comply with the Government's transparency requirements.

7 KEY RISKS

- 7.1 The key risks to this contract is related to the possible poor performance of the consultant/contractors. This risk is mitigated by robust performance/contract management.

8 IMPACT ON COUNCIL PRIORITIES – CREATING A LIFETIME OF OPPORTUNITIES IN ENFIELD

8.1 Good homes in well-connected neighbourhoods

This programme will assist the Council to deliver its construction related projects and programmes which in turn help support the delivery of education services to the benefit of the community.

8.2 Sustain strong and healthy communities

This term contract will assist in the procurement of construction related activity within the borough and its associated employment and economic benefits. The Borough needs to ensure appropriate infrastructure is in place to allow for the growth of the population.

8.3 Build our local economy to create a thriving place

The provision of good quality schools and buildings helps to ensure a stable strong community.

9 EQUALITIES IMPACT IMPLICATIONS

- 9.1 The provision of local schools across the borough ensures quality of rights to good education provision.

10 PERFORMANCE AND DATA IMPLICATIONS

- 10.1 The contract requires the consultant to meet the professional standards of the Royal Institute of British Architects and the Framework Contract. The performance of the consultant will be monitored by Corporate Maintenance and Construction Team.

11 HEALTH AND SAFETY IMPLICATIONS

- 11.1 The works concerned will be undertaken in full accordance with Health and Safety and CDM Regulations.

12 PUBLIC HEALTH IMPLICATIONS

- 12.1 The provision of good quality schools helps to ensure a stable, strong community.

Background Papers

None