

Delegated Authority Report

Portfolio Decision Of
Cabinet Member for Children's Services

Subject: Southbury School - Award of Contract and Expenditure Window
Replacement and Roofing works

Cabinet Member: Children's Services
Executive Director: Executive Director – People

Key Decision: KD5536

Purpose of Report

1. This report seeks approval to award a contract to Contractor 'A' relating to roof and window replacement at Southbury School ('School') for a total contract sum of £822,936 as detailed in the restricted Appendix 'A' of this report.
2. To approve additional expenditure relating to the works which consists of professional and technical fees of £150,737.20 plus £98,278.60 of project contingency.

Proposal(s)

That the Cabinet Member for Children's Services approves:

3. The contract award to Contractor 'A' for the total contract sum of £822,936 for roof and window replacement works at Southbury School.
4. The additional expenditure relating to the works which consists of professional and technical fees of £150,737.20 plus £98,278.60 of project contingency
5. The increase of the approved budget by £481,951.80 which will be managed within the School Capital Grant Allocation.

Reason for Proposal(s)

6. The key reasons for this recommendation are:
 - a) Contractor 'A' submitted the lowest tender, which meets the award criteria and the programme requirements and is considered to represent value for money.
7. Health and Safety issues will be addressed by replacing windows and roofs which are in poor condition and beyond economic repair.
 8. The works will contribute to lowering the school's carbon use by providing improved insulation to the roof, well-fitting windows to reduce maintenance and improve thermal insulation.

Relevance to the Council's Plan

Good homes in well-connected neighbourhoods

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

Sustain strong and healthy communities

10. This 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.

Build our local economy to create a thriving place

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

Background

12. (KD 5383 The School Condition and Fire Safety Programme 2022/23) which was approved by Cabinet in March 2022 included the project to replace windows and roofing works to Southbury School in the total sum of £590k.
13. The proposed works are for roofing replacement/repairs and window replacement works. The scope of works since the Cabinet report was approved has increased due to the surveys showing greater disrepair than what was originally anticipated. The works will replace all the windows to all

parts of the schools including those in the roof dormers. The painted timber surrounds to the dormer windows will be overclad and replaced with PVCu trims to reduce the need for external decorations. The roofing works comprise of replacement of roof coverings with uprated insulation to flat roofs to several roof areas including replacement of rooflights.

14. Approval for total spend up to £1,071,951.80 is being sought as part of this DAR and can be contained within the overall budget envelope of the Schools Capital Budget KD5383.

Main Considerations for the Council

15. The tender is based on the JCT Intermediate with Contractor's Design 2016 (ICD) The tender documentation included: Preliminaries, Specification and Drawings, and Work Schedules.
16. The Tender was invited on a lump sum firm price basis through the London Tenders Portal using construction line approved contractors.
17. The tender documents were issued on 7th November 2022 and the tenders submission deadline was 5th December 2022.
18. Tenders were opened on the 5th December 2022 and a 2 week period had been allowed to evaluate the tenders and seek clarifications. The preferred bidder was recommended by STACE, the external consultants engaged by the Council after tender analysis on 19th December 2022.
19. Details of the tender returns are in the restricted Appendix 'A'
20. It is important that that the necessary approvals be in place to enable approval of the award of the construction contract by 14th February 2023. This is to ensure that the works can fully utilise the summer holidays and cause the least amount of disruption to the school during term time.

Safeguarding Implications

21. Health and Safety issues will be addressed regarding removal windows which are in poor condition. The works will be undertaken in full accordance with Health and Safety and CDM regulations.

Public Health Implications

22. The provision of good quality schools helps to ensure a stable, strong community. All contractors and visitors to the building site will be advised of arrangements and restrictions relating to the recent covid-19 pandemic and will adhere to any specific requirements made by the contractor and Officers.

Equalities Impact of the Proposal

23. The EQIA stage 1 initial screening was completed and approved in accordance with the EqIA process. As all the questions were answered with a NO a Full Equality Impact Assessment or Action Plan was not needed. The EQIA screening assessment has confirmed that these proposed works will not impact on the users of the building or site.

Environmental and Climate Change Considerations

24. Poor quality building fabrics are to be replaced with current materials which have more efficient insulation and thermal qualities.
25. Materials have been selected with due regard to their suitability, for purpose and performance, durability, ease of maintenance and repair, resistance to accidental or malicious damage and their environmental impact. Minimal maintenance and economical availability or replacement parts are also essential for the facility to operate smoothly and efficiently.
26. The Contractor shall use appropriate and robust material and finishes that stand up well to the prevailing weather conditions, the ingress of ground and surface water and heavy use, whilst maintaining appearance over the long term. All areas of the building must be easily and safely accessible for cleaning and maintenance whilst preventing unauthorised access. It is imperative that the building is not aesthetically affected (even if only superficially) by weather and the design, maintenance and lifecycle must ensure no breakdown in the building fabric.

Life Expectancy

27. The principal elements of the building structure and external envelope shall have a minimum life expectancy at handover as set out in the table below.

28. Service Life Table

Building element	Service life (minimum year)
Roof coverings	20
Windows	25

Risks that may arise if the proposed decision and related work is not taken

29. A high-risk of disruption to the school which may result in closure of classroom or areas of the school and subsequent disruption to the curriculum if the roof and windows are not replaced due to water ingress during inclement weather conditions. Further damage to building fabric would be expected i.e., damaged flooring etc.

Risks that may arise if the proposed decision is taken and actions that will be taken to manage these risks

30. The key risks to this contract related to the possible poor performance of the consultant/contractors. This risk is mitigated by robust performance/contract management.
31. There will be robust contract monitoring to ensure the contract programme is maintained and delivered within the contracted dates. There are provisions in the contract for Liquidated and Ascertained Damages to be levied on the contractor should they not meet the contracted completion dates which will keep them focussed on meeting the programme. Any variations to the programme will be robustly managed to minimise the risk of any contract extensions. There will be robust financial monitoring to ensure the project is delivered within the approved budget. The works will be closely monitored for compliance on site by the CMFM team and this team will include a Clerk of Works to ensure quality is not compromised.

Financial Implications

32. The tender returns are contained with the Appendix A of this report. An approval to increase funding from £590k to £1,071,951.80 is sought within this DAR to meet the projects objectives and the overall funding can be met within the 2022/23 Schools Approved Capital Programme KD5383 budget envelope which is wholly funded from central government capital grant.

The table below provides the expenditure profile over the life of this scheme.

	2022/23	2023/24	TOTAL
Total Expenditure	£140,000	£931,951.80	£1,071,951.80

**Further expenditure breakdown is provided in the restricted Appendix 'A.'*

Legal Implications

- a) The Council has a general responsibility for education and to secure efficient primary, secondary and further education to meet the needs of

the population in its area under Section 13 of the Education Act 1996 (as amended).

- b) 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.
- c) The contract value is below the threshold for a public works contract under the Public Contracts Regulations 2015 (currently £5,336,937 inclusive of VAT). All contract awards must comply with the requirements of the Council's Constitution and in particular its Contract Procedure Rules (CPRs).
- d) The CPRs state that sufficient security, in one of the forms set out in CPR 7.3, should be considered in order to manage risk and that evidence of the form of security required, or why no security was required, must be stored and retained on the E-Tendering Portal. For contracts £1,000,000+ in value, the CPRs provide that contractors must be required to provide sufficient security in one of the forms outlined in CRP 7.3. If the contractor cannot provide such security, the Executive Director of Resources must approve such a decision, with reasons and risk mitigation measures set out in the relevant authority report, prior to the contract award.
- e) The Service Department must further ensure that the contract includes adequate insurance requirements after undertaking a risk assessment, including but not limited to, insurance to cover the fire safety compliance works.
- f) The Council must ensure value for money in accordance with the Best Value principles under the Local Government Act 1999.
- g) The contract must be in a form approved by the Director of Law and Governance and must be executed under seal.
- h) This report is a Key Decision and the Council must comply with its governance process in respect of Key Decisions.

Workforce Implications

33. There are no workforce implications because of the proposed works.

Property Implications

34. There are no property implications.

Other Implications

Procurement implications

35. Any procurement must be undertaken in accordance with the Councils Contract Procedure Rules (CPR's) and the Public Contracts Regulations (2015).
36. As the contract is over £500k the service must ensure that sufficient security has been considered to manage risk. Evidence of the form of security required, or why no security was required, must be stored and retained on the E-Tendering Portal for audit purposes.
37. As less than five tenders were received for the works, the Service must seek the relevant level of approval within their service to award and demonstrate that VFM has been demonstrated/achieved.
38. The procurement and award of the contract, including evidence of authority to award, promoting to the Councils Contract Register, and the uploading of the executed contract must be undertaken on the London Tenders Portal including future management of the contract.
39. In accordance with the Councils CPR's the service must ensure that a Contract Manager is nominated and allocated to the procurement once uploaded onto the LTP, and that the monitoring requirements are adhered to.
40. The awarded contract must be promoted to Contracts Finder to comply with the Government's transparency requirements.

Options Considered

41. To do nothing is not an option as poor-quality windows need to be replaced failure to do so may result in unplanned closures and disruption to the curriculum because of leaking windows and roofs as well as damage to the building structure and internal finishes.

Conclusions

42. To recommend the approval of expenditure and works to replace the roof and windows at Southbury School.
43. To increase the approved budget from £590k to £1,071,951.80
44. To approve the details of the expenditure relating to the works, professional and technical fees can be found in the restricted Appendix 'A' of this report.

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Appendices

Confidential Restricted Appendix 'A'

Background Papers

KD 5276 Updated School Condition and Fire Safety Programme 2021/22 to 2022/23 (Schools Capital Programme)