

DELEGATED POWERS REPORT NO.

1718

**SUBJECT: Acceptance of tender from Servacomm Redhall Ltd for the supply and installation of 2 modular classroom units**

**Control sheet**

**All of the following actions MUST be completed at each stage of the process and the signed and dated report MUST be passed to Governance Service for publishing**

<b>All reports</b>		
1. Governance receive draft report	Name of GSO Date	Paul Frost 29 <sup>th</sup> June 12
2. Governance Service cleared draft report as being constitutionally appropriate	Name of GSO Date	Paul Frost 2 <sup>nd</sup> July 12
3. Finance clearance obtained ( <i>report author to complete</i> )	Name of Fin. officer Date	Kerry – Anne Smith 4 <sup>th</sup> July 12
4. Staff and other resources issues clearance obtained ( <i>report author to complete</i> )	Name of Res. officer Date	N / A
5. Strategic Procurement clearance obtained	Name of SPO Date	Lesley Meeks 5 <sup>th</sup> July 2012
6. Legal clearance obtained from ( <i>report author to complete</i> )	Name of Legal officer Date	Joanna Kromidias 9 <sup>th</sup> July 12
7. Policy & Partnerships clearance obtained ( <i>report author to complete</i> )	Name of P&P officer Date	Julie Pal 3 <sup>rd</sup> July 2012
8. Equalities & Diversity clearance obtained ( <i>report author to complete</i> )	Name of officer Date	Julie Pal 3 <sup>rd</sup> July 2012
9. The above process has been checked and verified by Director, Head of Service or Deputy ( <i>report author to complete</i> )	Name Date	Lesley Meeks 11 <sup>th</sup> July 12
10. Signed & dated report, <u>scanned or hard copy</u> received by Governance Services for publishing	Name of GSO Date	Paul Frost 12 July 2012
11. Report published by Governance Services to website	Name of GSO Date	Paul Frost 18 July 2012
12. Head of Service informed report is published.	Name of GSO Date	Paul Frost 18 July 2012
<b>Key decisions only:</b>		
13. Expiry of call-in period	Date	N/A
14. Report circulated for call-in purposes to Business Management OSC members & copied to Cabinet Members & Head of Service	Name of DSO Date	N/A



## 1. RELEVANT PREVIOUS DECISIONS

- 1.1 Cabinet 3<sup>rd</sup> November 2011 Agenda Item 6 – Proposed Phasing of primary school expansions and investment strategy to meet demand for secondary school places. Recommendation 1.4 noted that Cabinet agree the need for a secondary phase of primary investment to include both permanent and temporary expansions.

## 2. CORPORATE PRIORITIES AND POLICY CONSIDERATIONS

- 2.1 A Successful London Suburb: one of the strategic objectives of this corporate priority is to ‘ensure every school is a good school for every child’.
- 2.2 One Barnet Sustainable Community Strategy: one of the strategic objectives of the strategy is to ‘invest in children and young people’

## 3. RISK MANAGEMENT ISSUES

- 3.1 A risk assessment has been carried out and is summarised in the following table:

Risk	Early Warning Mechanisms/ Hazards	Residual Risk		Consequences / Mitigating Actions
		Likelihood	Impact	
Insufficient funding to address unforeseen works	Experience based on carrying out similar projects, appointment of technical consultant	Low	Medium/High	Delay and additional cost. Adapt scheme/liase with Children’s Service
Planning permission refused	Early consultation with Planning Officers	Low	High	Classes would need to be accommodated within the existing schools, early consultation with the Planners and commitment to secure early notice of permission upon expiry of consultation period
Order not placed in time for summer holiday delivery	Monitoring of internal approval processes	Medium	Medium	Delayed start to school year for extra pupils, early consultation with school with regards to start dates / temporary classroom location in existing school
Supplier liquidation / insolvency	Monitoring of progress and performance	Low	Medium	Delay and additional costs approved Central Government supplier so low risk of insolvency
Health and Safety – Working on a School site that is operational	Regular site inspection / children and construction site	Low	Medium	Injury / Experienced Contractor, H&S Regulations and H&S plan agreed with Head-teacher and Business Manager.
Disruption to school if project overruns	Inspection report / site visits	Low	Medium/High	Works are planned to occur during summer holiday time with the units ready for occupation in early September

- 3.2 If works are not carried out to accommodate additional classes for the coming academic year there is a significant risk that Barnet will not be able to meet its statutory duty to ensure that sufficient schools for providing education are available in this area of the Borough.

#### **4. EQUALITIES AND DIVERSITY ISSUES**

- 4.1 The proposed works will enhance Barnet's reputation as a good place to live and work and will assist in delivering a first class education to all pupils.
- 4.2 Both schools have a diverse pupil background serving the wider community which is reflective of the boroughs population.
- 4.3 Servacomm Redhall Ltd operate an equalities policy that has been approved by the Cabinet Office as part of their appointment as a Government Procurement Service (GPS) provider.

#### **5. USE OF RESOURCES IMPLICATIONS (Finance, Procurement, Performance & Value for Money, Staffing, IT, Property, Sustainability)**

- 5.1 The funding for this scheme will be met by the primary school expansion project in the Children's Service Capital Programme. The current budget is £410k which is currently in the unallocated temporary expansions budget in the Children's Service Capital budget.
- 5.2 Revised Project Cost Profile is as follows:

Servacomm Redhall Ltd – supply, installation and connection of 2 classroom units	£343,625
Technical Fees	£24,776
Surveys, Planning and Building Control Applications	£11,494
Commercial Services Project Management fees	£10,308
Project Contingency	£17,181
<b>Total</b>	<b>£407,384</b>

- 5.3 Planning applications have been made at both sites for the installation of the units and the Cabinet Office GPS framework has been used to tender the works and select a supplier. The returned tenders are identified in the accompanying exempt report.
- 5.4 The classroom units will be fitted out to provide for the teaching of the national curriculum including all required IT equipment.
- 5.5 The classroom units will conform to the latest Building Regulations regarding insulation, air tightness and thermal performance.

#### **6. LEGAL ISSUES**

- 6.1 Under Section 14 of the Education Act 1996, Local Education Authorities are required to ensure that sufficient school places are available in the area.

- 6.2 In accordance with the Council's Contract Procedure Rules, there will be a need for the Council and the successful bidder to enter into written contracts to document the terms for supply and installation of the classroom units and associated works.

## **7. CONSTITUTIONAL POWERS**

- 7.1 The Council's constitution in Part 3, Responsibility for Functions, paragraph 3.2 as set out in the Leaders Scheme of Delegation highlights the relevant portfolio holders.

- 7.2 Constitution, Part 4 –Contract Procedure Rules, section 6.9 provides as follows:

"6.9 Before promoting the procurement of a new or joining a pre-existing framework agreement, the Commercial Director must be satisfied that such an approach represents the most economically advantageous solution for a service work, supply or utility provision and complies with the Relevant EU Rules on the use of such agreements.

Before procuring or entering into a framework agreement, the Commercial Director shall be satisfied that:

- 6.9.1.1 the term of the arrangement shall be or is for a period of no longer than four years duration;
- 6.9.1.2 the terms and conditions of the arrangement do not compromise the Council's contractual requirements;
- 6.9.1.3 the parties to the arrangement are recognised public bodies or providers from the private sector;
- 6.9.1.4 full, open and proper competition in respect of the creation of the framework agreement has taken or will take place in accordance with the Relevant EU Rules and/or Relevant Contract Procedure Rules
- 6.9.1.5 Preference should be given to use of any Government Procurement schemes e.g. OGC".

- 7.3 The Commercial Director has confirmed that the framework agreement represents a prudent, efficient and economical way of ensuring compliance with procurement rules; and the Commercial Director has given approval to join the framework agreement.

- 7.4 Table 5.1 of the Contract Procedure Rules provides authority for Cabinet Members to accept tenders where tenders represent value for money and are the best available option for the Council. Though Directors / Assistant Directors can accept lowest tenders up to £499,999, the schemes were not identified on the Corporate Procurement Forward Plan so the acceptance of the tender is for the relevant Cabinet Member(s).

## **8. BACKGROUND INFORMATION**

- 8.1 The Governing Bodies at both schools have agreed to take an extra 'temporary bulge' class from September 2012 to help the Local Authority meet its statutory duty to provide sufficient school places for school aged children within the Borough.
- 8.2 Following discussions between officers and school senior management the extra classes could only be provided by providing modular classroom accommodation as both schools do not have existing spare capacity within the schools present accommodation to take another 30 pupils.

- 8.3 All eight suppliers on the GPS Framework RM875 Modular Building Systems (Educational Units Call-Off Purchase) were invited to submit proposals. Only two framework providers submitted formal proposals by the closing date.
- 8.4 A Framework is an agreement between a client and contractor or contractors or consultant or consultants (depending upon the nature of the framework), the purpose of which is to establish the terms governing particular call-off contracts that may be awarded during the term of the framework, in particular with regard to price and quantity.
- 8.5 Framework agreements are referenced under paragraphs 6.9.1.1 through to 6.9.1.5 of the Contract Procedure Rules, as set out at paragraph 8.3 above. On the basis of the information contained in the report the relevant provisions of the Council's Contract Procedure Rules have been met.
- 8.6 The award criteria was based on both cost (40%) and quality (60%) and were assessed by the Project Manager from the Building Services Team and the Technical Consultant. Both suppliers scored evenly highly on quality, Servacomm's cost was considerably lower.
- 8.7 The final award scores out of 100 taken from the scoring matrix were:
- Servacomm Redhall Ltd - 80.99
  - Supplier B - 73.51

## 9. LIST OF BACKGROUND PAPERS

9.1 None.

## 10. DECISION OF THE CABINET MEMBER(S)

**We authorise the following action:**

- 10.1 To accept the tender of £343,625 from Servacomm Redhall Ltd for the supply, installation and connection of two modular classroom units at Queenswell Infants School and St Catherine's Primary School.

Signed



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**Cabinet Member for Education, Children  
and Families**

Date

11<sup>th</sup> July 2012

Signed



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**Cabinet Member for Resources and  
Performance**

Date

11<sup>th</sup> July 2012

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