

	<p>ACTION TAKEN UNDER DELEGATED POWERS BY CHIEF OFFICER IN CONSULTATION WITH COMMITTEE CHAIR</p>
<p style="text-align: center;">Title</p>	<p>Project call off from the Strategic Construction Partner contract with John Graham Construction Ltd for 27 Woodside Avenue Children’s Care Home & Intervention Centre – Authorisation to vary the contract with John Graham Construction Ltd.</p>
<p style="text-align: center;">Report of</p>	<p>Executive Director, Children’s Services</p>
<p style="text-align: center;">Wards</p>	<p>Totteridge</p>
<p style="text-align: center;">Status</p>	<p>Public</p>
<p style="text-align: center;">Enclosures</p>	<p>N/A</p>
<p style="text-align: center;">Officer Contact Details</p>	<p>Brigitte Jordaan, Director of Children’s Social Care Brigitte.Jordaan@barnet.gov.uk</p> <p>Yogita Popat, Head of Performance & Improvement Yogita.Popat@barnet.gov.uk</p> <p>Brandon Morgan, Project Manager Brandon.Morgan@barnet.gov.uk</p>

Summary

The Council have been undertaking works to construct a new 6 bedroom children’s care home to house short to medium term placements, with an intervention centre where intensive work can be undertaken with children and families, to prepare children into moving into stable and long-term family settings.

The Council & John Graham Construction Ltd are currently under contract via a NEC3 Option A contract.

Approval to enter into this contract, at a cost of £2,441,921, was given via DPR in January 2020. Further to agreement of the Final Account this report is now seeking approval to vary the contract to a revised value of £2,761,843.47.

Decisions

- 1. To approve a variation to the existing NEC3 Option A Contract between the Council and John Graham Construction LTD (GCL) for the construction of a new 6 bedroom children's care home, to include everything anticipated in the Final Account, from the previously approved contract value of £2,441,921 to a revised value of £2,761,843.47.**

1. WHY THIS REPORT IS NEEDED

- 1.1 The Council has been undertaking works to construct a new children's home as part of a plan to house short to medium term placements, with an intervention centre where intensive work can be undertaken with children and families to prepare children into moving into stable and long-term family settings.
- 1.2 Ongoing works to 27 Woodside Avenue have been undertaken via a NEC3 Option A contract with John Graham Construction Limited. Approval to enter into this contract, at a cost of £2,441,921, was given via DPR in January 2020.
- 1.3 A high-level final account estimation for these works has recently been issued, at a revised cost of £2,761,843.47. This revised price covers all valid changes and issues arising during site works following appropriate scrutiny and cost assessment by the technical team. We are currently in dispute regarding liability for a number of items within the final account, the sum above includes these items, therefore this figure may be reduced. Policy and resources committee 16th June 2021 approved an uplift to fulfil Woodside Avenue's budget requirements.
- 1.4 This report is seeking approval to vary the contract in line with recommendations set out above.

2. REASONS FOR RECOMMENDATIONS

- 2.1 The Council has an existing contract with GCL, and these changes have occurred during the course of the contract. They have all passed through the appropriate contractual processes, including the approved change control process, and been subjected to appropriate scrutiny. The project team are confident that the payments to be made what they should be for the works that have been received.

3. ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

3.1 None, the works are almost complete.

4. POST DECISION IMPLEMENTATION

4.1 Following approval to vary this contract an additional PO will be raised to cover the additional amount to enable remaining invoices to be paid.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

5.1.1 The project started under the Council's 2015-20 Corporate Plan which included a core principle to make sure Barnet is a place where services are delivered efficiently to get value for money for the taxpayer.

5.1.2 The Outline Business Case approved at ARG demonstrated alignment with the Councils Corporate plan, FS2020 Plan and Resilient Futures Agenda. It set out the strategic case for investment in a relocated Children's Home at 27 Woodside Avenue.

5.1.3 The Council has a new five-year Corporate Plan, Barnet 2024, with new outcomes: a pleasant, well maintained borough that is protected and invested in, residents living happy, healthy, independent lives, and safe and strong communities where people get along well. The project has supported the Council's approach to Barnet 2024, in particular by managing finances and contracts robustly as part of the efficient and effective council approach.

5.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)

5.2.1 The value of the revised NEC3 Option A contract is £2,761,843.47+ VAT. This figure covers all construction costs associated with GCL.

5.2.2 Policy and resources committee approved additional budget requirements 16th June 2021. The overall budget is now £3,822,115.65 of which £3,435,373 has been spent to date since 2016.

5.2.3 The initial appointment of John Graham Construction Ltd was via a competitive selection process, as per the details set out in the previous DPR from January 2020 giving approval to enter into contract.

5.2.4 Varying the contract is not expected to change implications for staffing, IT, property or sustainability issues when compared to entering into the contract.

5.3 Social Value

5.3.1 The procurement was carried out in accordance with the Public Services (Social Value Act) 2012.

5.4 Legal and Constitutional References

5.4.1 Procurement processes must comply with the Public Contracts Regulations 2015(PCR) as well as the Council's Contract Procedure Rules (CPR)

5.4.2 The Council is able to demonstrate compliance with the PCR for this variation as Regulation 72(1) (a) PCR states that contracts may be modified without a new procurement procedure where the modification, irrespective of monetary value, have been provided for in the initial procurement documents in clear, precise and unequivocal review clauses, which may include price revision clauses or options, provided that such clauses (i) state the scope and nature of possible modifications or options as well as the conditions under which they may be used, and (ii) do not provide for modifications or options that would alter the overall nature of the contract.

5.4.3 Clause 4.1 of the, CPR, provides that any procurement including extensions and variations to contracts set out in the Annual Procurement Forward Plan and approved by the Policy and Resources Committee, is deemed as authorised irrespective of the contract value.

5.4.4 In addition, clause 11.4 of the CPR provides that contracts may only be varied provided all the following conditions are met:

- *the initial contract was based on a Contract Procedure Rules compliant competitive tender or quotation process;*
- *the value of the extension or variation added to the value of the original contract does not exceed the original Authorisation threshold as defined in Article 10 of the Constitution, Table B;*
- *the extension or variation has an approved budget allocation;*
- *the extension or variation is in accordance with the terms and conditions of the existing contract;*
- *if the initial contract was subject to EU regulated tender procedure, that the extension option was declared within the OJEU notice and the original Acceptance (Delegated Powers Report/relevant Committee Report); and*
- *the contract has not been extended before;*

The conditions above have been met.

5.4.5 The Authorisation and Acceptance Thresholds for Contract Extensions and variations are set out in the Council's Constitution, Article 10 Table B. For contract variations where the total value of the contract including variation is £500,000 and above, if within budget, the acceptance documentation is a Full DPR (Chief) Officer Decision in consultation with Theme Committee Chairman. Therefore, it is a requirement for this decision to be taken via a Full Chief Officer Delegated Powers report.

5.5 Risk Management

5.5.1 As the contracted works are near completion few risks remain.

5.5.2 The site will be handed over with outstanding highways works deemed “minor” works, The Service are aware of the risks associated with incomplete works. Works that remain are outside of the site boundary, day-to-day use of the building will be unaffected. The Council are in receipt of Woodside Avenue’s building control certification and practical completion has been achieved, risks are deemed minimal.

5.5.3 It is considered that any risks involved are unlikely to raise significant levels of public concern or give rise to policy considerations.

5.6 Equalities and Diversity

5.6.1 There are no equalities implications arising directly from the decision set out in this report and the awarding this contract does not compromise the Council in meeting its statutory equalities duties.

5.7 Corporate Parenting

5.7.1 The Council is the corporate parent to looked after children and care leavers and the Corporate parenting service works to ensure that all care planning and support for children and young people who are in care is of a high quality with the child and young person being the centre to all service planning; ensuring good outcomes for children and young people in care and care leavers and supporting effective transition to independence for care leavers. The development of 27 Woodside Avenue supplements the Councils response to OFSTED and Department for Education standards.

5.7.2 The Council has children in care teams (CIC) who work with children and young people who have become looked after by the Legal Authority following Court Proceedings or occasionally are in voluntary care arrangements (s20 Children Act 1989). The teams work closely with children and young people placed in long term fostering, within extended family arrangements or adoptive families to promote resilience and positive outcomes for them. The teams will work with children and young people until they no longer require statutory social work services or until they are transferred to Onwards and Upwards (Leaving Care) Team.

5.8 Consultation and Engagement

5.8.1 Prior objections had been addressed prior to the approval of the initial DPR which was approved in January 2020. A formal consultation is not required in relation to this contract variation.

5.8.2 Regular engagement has taken place with the service as well as the end users at 68 Meadow Close to capture and build on requirements.

5.8 Insight

5.8.1 N/A

6. BACKGROUND PAPERS

- 6.1 Action taken under Delegated Powers by officer on 26 September 2016, Award of Contract for Strategic Construction Partner contract ref 701462 to John Graham Construction Ltd.
<https://barnet.moderngov.co.uk/documents/s35676/Award%20of%20Contract%20for%20Strategic%20Construction%20Partner%20contract%20ref%20701462%20to%20John%20Graham%20Construction.pdf>
- 6.2 Annual Procurement Forward Plan (APFP) 2018/2019: Report to Policy and Resources committee on 5 December 2017.
<https://barnet.moderngov.co.uk/documents/s43785/Annual%20Procurement%20Forward%20Plan%20APFP%2020182019.pdf>
- 6.3 Outline Business Case: Report to Assets Regeneration and Growth committee.
<https://barnet.moderngov.co.uk/documents/s36543/Meadow%20Close%20Relocation%20-%20ARG%20-%20121216%20v9.pdf>
- 6.4 Action taken under Delegated Powers by Chief Officer in consultation with Committee Chair on 15th January 2020, approval to enter contract with John Graham Construction Ltd for 27 Woodside Avenue Children's Care Home & Intervention Centre.
<https://barnet.moderngov.co.uk/documents/s60962/Woodside%20Avenue%20Care%20Home.pdf>

7. DECISION TAKER'S STATEMENT

- 7.1 *I have the required powers to make the decision documented in this report. I am responsible for the report's content and am satisfied that all relevant advice has been sought in the preparation of this report and that it is compliant with the decision-making framework of the organisation which includes Constitution, Scheme of Delegation, Budget and Policy Framework and Legal issues including Equalities obligations. The decision is compliant with the principles of decision making in Article 10 of the constitution.*

8. OFFICERS DECISION

- 1. To approve a variation to the existing NEC3 Option A Contract between the Council and John Graham Construction LTD (GCL) for the construction of a new 6 bedroom children's care home, to include everything anticipated in the Final Account, from the previously approved contract value of £2,441,921 to a revised value of £2,761,843.47.**

Chairman: Cllr Daniel Thomas - Chair of P&R Committee

Has been consulted

Signed: Cllr Daniel.Thomas

Date: 24th June 2021

Chairman: Cllr David Longstaff - Committee Chairman

Has been consulted

Signed: Cllr David.Longstaff

Date: 27th June 2021

Chief Officer:

Decision maker having taken into account the views of the Chairman

Signed



Chris Munday – Executive Director, Children's Services

Date: 18th June 2021