

LONDON BOROUGH OF CROYDON

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STATEMENT OF EXECUTIVE DECISIONS MADE BY THE CABINET MEMBER FOR CHILDREN, YOUNG PEOPLE AND LEARNING ON 1 JUNE 2015

This statement is produced in accordance with Regulation 12 of the Local Authorities (Executive Arrangements) Meetings and Access to Information) (England) Regulations 2012.

The following apply to the decisions listed below:

Reasons for these decisions: are contained in the **attached** Part A report

Other options considered and rejected: are contained in the **attached** Part A report

Details of conflicts of Interest declared by the Cabinet Member: none

Note of dispensation granted by the head of paid service in relation to a declared conflict of interest by that Member: none

The Leader of the Council has delegated to the Cabinet Member the power to make the executive decisions set out below:

CABINET MEMBER'S DECISION REFERENCE NO. 19/15/CYPL

Decision title: School Heating Works 2015

Having carefully read and considered the Part A and B reports and the requirements of the Council's public sector equality duty in relation to the issues detailed in the body of the reports, the Cabinet Member for Children, Young People and Learning, in consultation with the Leader of the Council

RESOLVED:

1. to approve the award of contract for the School Heating Works 2015 Lot 1 to BSW Heating Ltd for a total contract value in the sum of £843,148.

2. to approve the award of contract for the School Heating Works 2015 Lot 2 to CBS Maintenance Services Ltd for a total contract value in the sum of £538,199.

Contact Officer: jim.simpson@croydon.gov.uk

Democratic Services Manager

Date: 10 June 2015

For General Release

REPORT TO:	Cllr Alisa Flemming, Cabinet Member for Children, Young People & Learning
AGENDA ITEM:	not applicable
SUBJECT:	School Heating Works 2015
LEAD OFFICER:	Paul Greenhalgh, Executive Director People Jo Negrini, Executive Director Place
CABINET MEMBER:	Councillor Tony Newman, Leader of the Council <i>And:</i> Councillor Alisa Flemming, Cabinet Member for Children, Young People and Learning
WARDS:	<i>Addiscombe, Coulsdon, Kenley, New Addington, Thornton Heath, South Croydon,</i>

CORPORATE PRIORITY/POLICY CONTEXT

The recommendations within this report address the Council's Corporate Plan Priority C to Protect Resident Priorities.

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AMBITIOUS FOR CROYDON & WHY ARE WE DOING THIS:

The delivery of this project is critical in ensuring the Authority is able to meet its statutory obligations to provide sufficient school places to meet increasing demand and will support the Authority in meeting the Policy Objectives.

- Achieving better outcomes for children and young people
- Promoting economic growth and prosperity

FINANCIAL IMPACT: This report recommends commitment to Contract Awards, as set out in Part B of this report, for each Lot 1 and Lot 2 from a total budget allocation of £3,125,000 for the Schools Maintenance Programme 2015/16.

KEY DECISION REFERENCE NO.: 19/15/CYPL

The decision may be implemented from 1300 hours on the expiry of 5 working days after it is made, unless the decision is referred to the Scrutiny & Strategic Overview Committee by the requisite number of Councillors.

The Leader of the Council has delegated to the Cabinet Member the power to make the decisions set out in the recommendations below

1. RECOMMENDATIONS

The Cabinet Member for Children Young People and Learning in consultation with the Leader of the Council is recommended to:

- 1.1 Approve the award of contracts for the School Heating Works 2015 for Lot 1 and Lot 2 Schools replacement boilers and heating works:

Lot 1

Elmwood Infants School

Kenley Primary School

Park Hill Infants

Howard Primary School (since the completion of the tender process it has been decided not to proceed with the works at this school)

Lot 2

Smitham Primary School (Phase 1)

St Giles SEN School

Wolsey Infants School (Phase 1)

to the contractors and upon the terms detailed in the associated Part B

- 1.2 Note that the name of the successful contractors and prices will be released once the contract awards are agreed and implemented.

2. EXECUTIVE SUMMARY

- 2.1 This report recommends the award of the School Heating Works 2015 Lots 1 & 2 of the replacement boilers and heating works utilising the JCT IC latest edition at the following schools:-

Lot 1

Elmwood Infants School

Kenley Primary School

Park Hill Infants School

Howard Primary School (since the completion of the tender process it has been decided not to proceed with the works at this school)

Lot 2

Smitham Primary School (Phase 1)

St.Giles SEN School

Wolsey Infants School (Phase 1)

(Lot 1 and Lot 2 are collectively referred to as 'the Works')

- 2.2 The Detail Section of this report sets out the background to the project, the procurement approach and evaluation process to select the contractor to undertake the Works.
- 2.3 This Work forms part of the Annual Schools Maintenance Plan programme and the capital funding for the Works is part of the overall major maintenance works budget.
- 2.4 The content of this report has been endorsed by the Contracts and Commissioning Board.

CCB Approval Date	CCB ref. number
30/04/2015	CCB0997/14-15

3. DETAIL

- 3.1 The Annual Schools Maintenance Plan 2015/16 (the programme) is vital to enable key elements of school buildings to be improved, upgraded and changed. Surveys are carried out throughout the school estate to determine the condition of the buildings and equipment within each school. These survey reports together with officer historical knowledge and work records are used to identify the greatest risk of failure in building element /equipment that could result in a school facility closing and/or causing serious disruption to the operation of the school.

- 3.2 Currently there is an allocated £2m budget for the Schools Maintenance Programme for 2015/16. Approval was given in December 2014 to transfer £1,125,000 of the 14/15 budget into 15/16 in respect of works at 7 schools.

This is sufficient to undertake the highest ranked projects, those categorised as the worst defects in the condition survey report which includes these boiler and heating replacement works.

Procurement

- 3.3 The value of the Works is below the EU threshold for construction works, the Contractors were selected from Constructionline in accordance with the Councils Tender and Contracts Regulations and based upon their location, size of business and specialism for heating works and invited to participate in the tender opportunity.

- 3.4 A restricted competitive tendering process was undertaken with the five contractor's selected. The schools at which the Works are required were split into two batches (Lots 1 & 2) and the tenderers were invited to complete costings for each school in both batches and asked to indicate which batch they would prefer. The Council reserved the right to decide which batch of school heating works would be awarded to which tenderer after the evaluation was completed. In addition the Council reserved the right to award both batches to one tenderer should they offer the most economic advantageous tender and demonstrated their capability to deliver both batches within the allotted timescale.
- 3.5 The Invitation to Tender (ITT) documents were issued to the bidders, via the Council's e-tendering portal published on 9th February 2015 with a return deadline date of 6th March 2015.

Tender Evaluation Process

- 3.6 The Evaluation Panel was formed by representatives from the following:-
- Procurement Officer (Moderator for the evaluation process);
 - Project Manager – Croydon Council
 - Technical Consultant – Bianco Sale
- 3.7 Bid submissions were received from three of the five invited contractors by the closing date. These were reviewed and validated by the project consultants, Bianco Sale Ltd, to ensure technical compliance with the specifications and the pricing documents were checked for arithmetical errors
- 3.8 One of the contractor's submissions was considered non-compliant due to exclusions of items requested in the ITT documentation, failure to complete the tender return documents and include an outline programme of works.
- 3.9 The remaining two contractor's submissions were evaluated in accordance with the published criteria in the tender documentation. The award criteria was split 50/50% Price/Quality. Following post tender clarifications, the evaluated scores are given in the following:

Evaluation	Contractor A	Contractor B	Contractor C
Lot 1 Quality 50%	38%	31.33%	Non-compliant
Lot 1 Price 50%	50%	39.83%	
Total	88%	71.16%	
Rank	1	2	
Lot 2 Quality 50%	38%	31.33%	Non-compliant
Lot 2 Price 50%	42.14%	50%	
Total	80.14%	81.33%	
Rank	2	1	

4. CONSULTATION

Formal Consultation is not required for these Works as they are part of an annual ongoing maintenance; however the schools are informed of and engaged in the programme.

5 FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

5.1 Revenue and Capital consequences of report recommendations

As detailed within Part B of this report.

5.2 The effect of the decision

This report recommends commitment to replacing the boilers/heating systems at the schools detailed at 2.1 above using JCT IC contracts for each school, thereby minimising contract risks such as delays and claims for additional costs. The decision will ensure that the Works are commenced during July and are completed in time for the autumn 2015 Term.

5.3 Risks

The works are not completed within the programme timescales there is a risk the school will have to close. This will be mitigated by the ongoing project management of the Works, formal site visits and interim valuations being carried out on a regular basis. The valuations will be based on works completed at that time to a quality standard acceptable to the project manager, based on British Standards as required in the contract specifications. Should there be any works not completed on time, a programme will be agreed with the School to mitigate closing the school.

All payments to the contractor are made in arrears following monthly valuations to determine the amount of Works done.

5.4 Options

The content and programme of Works have been agreed in consultation with all stakeholders and are considered to be the optimum solution. The recommendation to appoint the contractors follows a competitive tendering exercise and no other options are being considered.

5.5 Future savings/efficiencies

Although there are no direct savings or efficiencies from this report, the need for emergency repairs will be mitigated. Following the tendering exercise the contractors recommended for approval are the ones considered to offer the Most Economically Advantageous Tender based on the combined price and quality tender scores.

Approved by: Dianne Ellender, Head of Finance & Deputy S151 Officer

6. COMMENTS OF THE COUNCIL SOLICITOR AND MONITORING OFFICER

- 6.1 The Council Solicitor comments that the procurement process as detailed in this report complies with the requirements of the Council's Tenders and Contracts Regulations and meets the statutory duty to demonstrate best value under the Local Government Act 1999.

Approved by: Gabriel MacGregor, Head of Corporate Law on behalf of the Council Solicitor and Monitoring Officer

7. HUMAN RESOURCES IMPACT

- 7.1. There are no Human Resources considerations arising from this report.

Approved by: Deborah Calliste - HR Business Partner, on behalf of the Director of Human Resources.

8. EQUALITIES IMPACT

- 8.1 An initial equalities impact assessment has been undertaken which concluded further Equality Analysis is not required as no equality or diversity issues have been identified as directly relevant to the maintained programme.

9. ENVIRONMENTAL IMPACT

- 9.1 The replacement of the heating pipe work, heating emitters and boilers will improve the overall efficiency of the heating system within the schools. Where appropriate the distribution pipework will be insulated to reduce heat loss. The heating emitters will be equipped with thermostatic valves to improve the comfort levels within classrooms and other areas within the school and improve the efficiency of the heating system / reduce the risk of injury from hot surfaces.

10. CRIME AND DISORDER REDUCTION IMPACT

- 10.1 There are no specific crime and disorder impacts arising from this report

11. REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

- 11.1 Based on the suppliers evaluation scores at 3.9, it is recommended that the contracts for the Works are awarded to Contractor A for Lot 1 and Contractor B for Lot 2 as both are considered value for money due to offering the Most Economically Advantageous Tender . Due to capacity issues both suppliers are unable to deliver both lots individually during the school summer holidays

12. OPTIONS CONSIDERED AND REJECTED

- 12.1 As the Council have received compliant tender submissions from 2 contractors and both meet the requirements, no further options were considered.

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