

North Somerset Council Decision



Decision Of: The Executive Member for Children's Services and Lifelong Learning **With Advice From: Director of Children's Services**

Directorate: CHILDREN'S SERVICES

Decision No: CY121 (2022/23 SCHEME)

Subject: Procurement Plan for the delivery of SEND Resource Bases, Nurture Groups, and reasonable adjustments in North Somerset primary and secondary academies in the 2023/24 School Year

Key decision: No

Reason:

This procurement plan is covering the route to market only. The Commissioning Plan covered authority to proceed with the project. The works will not significantly affect more than one community/ward.

Background:

In March 2022 the Department for Education announced the High Needs Provision Capital Allocations (HNPCA) for the 2022/23 and 2023/24 financial years. HNPCA is paid to Local Authorities (LAs) to support the provision of places for children and young people (CYP) with special educational needs and disabilities (SEND) and those pupils requiring alternative provision (AP).

Details of the North Somerset grant allocations are listed below:

Allocations				
	2022/23	2023/24	2024/25	Totals
	£	£	£	£
High Needs Provision Capital Allocations (HNPCA)	1,696,470	2,713,824	TBA	4,410,294

In October 2022 the DfE invited North Somerset, as part of its High Needs revenue deficit reduction plan, to submit a bid to secure additional capital to deliver building solutions to help support an increase in the availability of local SEND places so that capital investment might contribute to controlling and reducing the revenue deficit - the Safety Valve (SV) bid. An outcome of the SV bid is expected in mid to late March 2023. In the meantime, the commissioning plan included an approval that if the bid were to be unsuccessful, funding from other sources for schemes to be delivered by September 2023 would be used to meet any deficits.

Over the summer of 2023 it is intended that enhanced facilities will be delivered at six schools, five using the HNCPA grant for 2022/23 and the sixth the SV grant if successful. If

unsuccessful additional funding is available from 2021/22 HNCPA underspend to deliver this project. The projects are as outlined below:

- Small expansion at Churchill CE Primary to create a SEND room for pupils needing to dysregulate
- Creation of Nurture Groups at Broadoak and Hans Price Academies and Crockerne CE Primary School
- Creation of Resource Bases at Locking and Milton Park Primary Schools

Decision:

It is requested that this procurement plan be approved to:

- Procure the construction services required to deliver the SEND capital schemes at the schools listed above to be undertaken from the summer of 2023
- Procure the Employer's Agent services required to support NSC in their delivery of the capital schemes listed above

Reasons:

Introduction

This procurement plan is for a single contractor to deliver all six schemes over the summer of 2023 or as soon as possible thereafter with the intention of completion of all projects for the commencement of term 1 2023 at all schools.

Employer's Agent services are also being procured which will provide project management, technical and quantity surveyor services to NSC in order to maximise the quality and cost efficiency of the project.

Commissioning Plan

Commissioning Plan CY102 which covers the procurement of these services has been signed off by the Executive Member for Children's Services and Lifelong Learning and the Director of Children's Services.

Requirement

The 'Background' above provides an understanding of the requirement for this commission. It is imperative that these interventions are delivered this summer to meet our grant obligations for DfE, commitments to schools and to contribute to schools' High Needs revenue savings.

To enable the works to be delivered within the required programme i.e. being delivered by September 2023, it is anticipated that the construction contract will commence at the end of May, enabling two weeks mobilisation prior to a start on site early June.

Market / Suppliers

It is understood that there are time pressures to achieve the procurement of a contractor to deliver the desired programme. In addition, it is acknowledged that other councils and school Trusts will be looking to undertake work during the summer. This means it is important that we

commence our procurement process as quickly as possible and make the contractors that we have worked with previously aware of the opportunity so that they can prepare accordingly to bid and deliver if successful. This is something that the NSC PM team has commenced and will continue to do. In addition, we have commissioned the services of Faithful & Gould's (F&G) Bristol project management office to support with the procurement process and they will be discussing the opportunity with suitable contractors.

Due to the tight timescales, a formal market engagement event is not possible, however, this opportunity is being promoted with the market informally via F&G and the Project Management Team and their contacts in the market.

We believe that one of the benefits of the nature of the work being spread over several sites and procured in a short timescale is that it may be more attractive to smaller regional contractors as opposed to a national contractor and as such in-line with NSC's Local Supply policy.

The securing of the Employer's Agent services is more straight-forward and will be procured via a mini competition off the WECA Professional Services Framework, which is the council's preferred route to market for professional services.

Insurance Levels

The insurance requirements to be provided by the contractor will be discussed with F&G and the council's Insurance & Risk Manager prior to publishing the procurement.

This will consist of minimum £5,000,000 employers and £5,000,000 public liability in line with corporate policy and at least the same amount of professional indemnity.

Route to market

An open tender competition utilising the NSC procurement portal will be used. It is intended that the tender will be open for up to four weeks with a two-week tender review process.

The contract will commence at the earliest appropriate time post appointment of the successful contractor. It will conclude at the end of a 12-month defect period which will commence at the completion of the works, so approximately 1st September 2024.

Timescales

An indicative programme for the procurement of the contractor is as per below:

1. Architects collate RIBA Stage 3 and 4 Information – 20th February 2023 – 10th March 2023 (undertaken by Chris Goodsall Architects appointed separately)
2. Preparation of Tender Documents – 20th February 2023 – 17th March 2023
3. Tender Period – 17th March 2023 – 14th April 2023
4. Tender Review – 17th April 2023 – 28th April 2023
5. Finalise Contract award report – w/c 2 – 5 May 2023

6. Contract award report approval (Director's decision advised by S151 Officer and Head of Procurement) 8 – 22 May 2023
7. Mobilisation (2-weeks) – 23 May 2023 – 6 June 2023
8. Potential Start on Site Date – 7 June 2023
9. Completion - as soon as possible and by preferably by 1 September 2023

An indicative programme for the procurement of the Employer's Agent mini competition is as per below:

1. Preparation of Tender Documents – 20th February 2023 – 17th March 2023
2. Tender Period – 17th March 2023 – 7th April 2023
3. Tender Review – 7th April 2023 – 21st April 2023
4. Contract award end April 2023
5. Potential contract start date – 1st May 2023

Governance

In order to successfully deliver the contract, the Project Manager will liaise closely with colleagues in Children's Services, principally the Head of Strategic Place Planning, Capital Programmes and School Organisation / Admissions Service.

Regular meetings will be required with each of the school management teams which have already been diarised.

The contract award report for the appointment of the contractor will be a Director's key decision with advice from the S151 Officer and Head of Procurement and will be listed on the Forward Plan.

Social Value, TOMs, Sustainability & VCSE

In accordance with the Council's Social Value Policy, 10% of the overall weighting will be for bidders to propose their tangible social value commitments.

During the tender process, bidders will be asked to enter their social value commitments on the Social Value Portal. Social Value Portal utilises the National Themes, Outcomes and Measures (TOMs) to calculate social value contributions, which enables NSC to gain a greater understanding of the value of bidders' commitments and to evaluate social value tender responses quantitatively as well as qualitatively. The Social Value Portal (SVP) will carry out both evaluation and contract management at a cost of 0.20% of the contract value to the winning bidder.

Evaluation

The evaluation methodology for the Open Tender will ensure pre-qualification checks are carried out on all pertinent elements, such as Health & Safety, Equality & Diversity etc. The quality questions will test the bidders' approaches to meeting the quality criteria

Weightings will be as follows: Price 65%
 Quality 25%
 Social Value 10%

These weightings were chosen due to the clear need, echoed throughout consultation, to drive good value for money through this project. The inclusion of technical quality questions and minimum quality scores allow us to maintain a high minimum quality standard whilst prioritising price.

Price and quality assessment will be scored as follows:

Price: Price will have a weighted score of 65% and will be based on the submission of a pricing schedule. Price will be calculated using a fixed price lump sum model, which asks suppliers to price the project and provide a breakdown of these costs, including labour, materials, overheads, preliminaries, trade staff and site supervision costs, with an allowance for inflationary increases, as is required within this market at the moment. The lowest total price will receive the maximum score of 100% and the prices of all other tenders will be expressed as a percentage of the maximum score

Quality: Quality will be assessed against the project outputs, behaviours and project management including assessment on the following topics:

1. Project delivery approach and management – 30%
2. Lead Officer and Key Staff CVs – 15%
3. Programme of key milestones to deliver the project - 30%
4. Risks and Mitigations – 13%
5. Environmental Impact and Mitigations – 12%

There will be sub criteria to test bidders' ability to meet some of the Lessons Learned issues we have encountered on other council projects (see below).

Quality will have a weighted score of 25% and will be evaluated in accordance with the following scoring guidelines:

Score	Classification	Award Criteria
5	Excellent	A response that inspires confidence; specification is fully met and is robustly and clearly demonstrated and evidenced. Full evidence as to how the contract will be fulfilled either by demonstrating past experience or through a clear process of implementation.
4	Good	A response supported by good evidence/examples of the Bidders' relevant ability and/or gives the council a good level of confidence in the Bidders' ability. All requirements are met, and evidence is provided to support the answers demonstrating sufficiency, compliance and either actual experience or a process of implementation.

3	Satisfactory	A response that is acceptable and meets the minimum requirement but remains limited and could have been expanded upon.
2	Weak	A response only partially satisfying the requirement with deficiencies apparent. Not supported by sufficient breadth or sufficient quality of evidence/examples and provides the council a limited level of confidence in the Bidders' ability to deliver the specification.
1	Inadequate	A response that has material omissions not supported by sufficient breadth and sufficient quality of evidence/examples. Overall, the response provides the council with a very low level of confidence in the Bidders' ability to deliver the specification.
0	Unsatisfactory	No response or response does not provide any relevant information and does not answer the question.

We will apply a minimum score for all quality questions to disincentivise poor quality, low bids.

The evaluation panel will be as follows:

- Head of Strategic Place Planning, Capital Programmes and School Organisation / Admissions Service
- Technical Lead
- F&G Project Management Director and Lead Quantity Surveyor commissioned to support NSC in the procurement of the contractor
- Academy Representative

It will be moderated by a member of the Strategic Procurement Team.

Contract Management

Following its award, the contract will be managed within NSC by the Property and Projects team alongside an externally appointed Employers Agent. The Employers Agent will provide project management and quantity surveyor services to ensure that the schemes are delivered, to quality, on time and within budget.

Regular meetings will be chaired by the Employers Agent with the contractor at which each of the schemes will be discussed. A particular focus of these meetings will be on 'horizon scanning' for potential issues which could impact the scheme. Due to the short duration of the contract, it is anticipated that these meetings will be held weekly.

Options Considered:

The use of a framework to procure the services of a contractor was considered. The reasons this option has been discounted as appropriate on this occasion are that a framework will limit the accessibility of the work to smaller, local contractors which we believe are well positioned to carry out this type of work. Related to this is that we anticipate that the larger contractors, typically are on frameworks, may not be interested in bidding for this work, and if they do, may seek to deliver via a sub-contractor – adding a layer of cost and complication to project delivery

It is acknowledged that a framework would have the advantage of pre-qualifying bidders for important issues such as financial stability, equality and health and safety however on balance we believe our chosen approach of an open tender is preferable.

Financial Implications:

Costs:

The RIBA Stage 2 estimates for the cost of each of the projects is outlined below:

Scheme	Type of scheme	2022/23 HN Fund	Subject to DFE Bid	TOTAL SCHEME
		£	£	£
2022/23				
Churchill Primary	Upgrade	202,500		202,500
Hans Price Academy	NG	130,000		130,000
Broad oak Academy	NG	155,000		155,000
Crockerne Primary	NG	125,000		125,000
Milton Park Primary	RB	210,000		210,000
Locking Primary	RB		132,250 *	132,250
Totals		822,500	132,250	954,750

* The scheme at Locking Primary will either be covered by the SV bid or the 2021/22 High Needs underspend budget.

The RIBA 2 estimate for the total cost of the six projects to be delivered this summer is £954,750. This includes the following:

- 10% (of project cost) general contingency
- 12.5% overhead and profit for contractor
- 15% design fees
- 15% site preliminary costs
- Inflation as per the BCIS Indices

We are unable to confirm the cost of the Employer's Agent services as this will be determined by the bids we get from the tender process however experience tells us it should be less than the £44,250 balance available required to keep this procurement plan below the £999,000 limit to retain it as an Executive Member decision.

Funding:

Funding will come from the following sources:

- £822,500 from the High Needs Provision Capital Allocation 2022/23
- £132,250 from the SV Grant

If we are not successful in being awarded the DfE grant of £2.9m the £132,250 required from the SV Grant will be met using the remaining funds of £335,166 for the 2021/22 HNPCA will be used on this scheme.

Legal Powers and Implications:

The contract value is below the Public Contract Regulations 2015 Works threshold; however, the procurement will follow best practice and be in line the Council's Contract Standing Orders.

The JCT Intermediate Form of Building Contract will be used incorporating clauses to protect the council (see Lessons Learned above). F&G in the role as procurement support will draft the contracts.

The procurement process will be compliant with the Public Services (Social Value) Act 2012 by ensuring it seeks additional social value during the tender process.

Climate Change and Environmental Implications:

1. Pre-Qualification

Within the Invitation to Tender, suppliers will be required to complete a Climate Emergency Questionnaire.

2. Specification

The specification for the interventions that are to be made at the schools as part of this project are, in all but two, the refurbishment of existing areas of the schools. The work undertaken will upgrade the space and, in many cases, result in the installation of more energy efficient lighting, heating, ventilation, doors and windows.

3. Tender Evaluation

A quality question covering Environmental Impact and Mitigations will form part of the quality evaluation, which will have a total quality weighting of 12% to reflect the importance of these aspects. Bidders will be invited to present their ideas for innovation, such as the re-use of materials, use of recyclable materials and/or components. Suppliers will also be asked about their supply chain and the potential to utilise local suppliers wherever possible.

4. Social Value

A Social Value question will form part of the evaluation. This question will be worth 10% of the overall evaluation score, which is in line with the council's Social Value policy. Suppliers will be encouraged to provide social value commitments relating to the outcome of reducing negative and promoting positive environmental impacts. This will be evaluated by Social Value Portal using the TOMS approach.

5. Contract Management

The contract will be managed by the NSC Property and Projects team and an external Employer's Agent, who will ensure adherence with the Specification, including carbon management, sustainability, and mitigation of environment impacts. Social Value Portal will monitor the supplier's progress on their Social Value commitments.

Consultation:

The HNPCA consultation was made available on North Somerset's e,consult website and sent to the following groups: All schools and governing bodies across North Somerset, MATCEOs and Trust Boards;, trade unions; the local MPs; Town and Parish Councils; the Diocese of Bath & Wells; Diocese of Clifton; Weston College, Early Years Stakeholders; SEND Stakeholder groups, neighbouring LAs

Targeted updates were also sent to the SEND Partnership Board, the Education Excellence Partnership Board, the Strategic Schools' Forum and it was also highlighted in Noticeboard (our local schools' newsletter) and our SEND partnership colleagues.

The above schemes have been developed as a result of the consultations held.

Risk Management:

Risk	Mitigation
Construction not completed in time	Children's Services will work with the schools to see if the children can be supported temporarily using existing accommodation
Lack of bids due to tight time constraints / summer build	F&G and NSC Property & Projects team engaging with the market prior to publishing to check their appetite
Supply issue with materials / construction	Lead times for items and materials being specified by architect being considered and F&G engaging with the market to establish up to date lead times
Costs exceeding budget	Appointment of F&G QS services to assess bids and once contract ongoing part of the Employer's Agent role will be to oversee construction costs are managed within the budget

Equality Implications:

Have you undertaken an Equality Impact Assessment? **Yes**

An EIA was submitted as part of our SV bid.

Corporate Implications:

The provision of the building improvements demonstrated in this report will support the Council's corporate plan objectives to improve Prosperity and Opportunity, Health and Well-being and Quality Place.

Appendices:

Background Papers:

Commissioning Plan CY102 (2022/23 scheme).

Signatories:

Decision Maker(s):



Signed:

Title: Executive Member for Children's Services and Lifelong Learning

Date: 20.03.23

With Advice From:



Signed:

Title: Director of Children's Services

Date: 20.03.23

Footnote: Details of changes made and agreed by the decision taker since publication of the proposed (pre-signed) decision notice, if applicable: