

North Somerset Council Decision



Decision Of: Executive Member for Children's Services, Families and Lifelong Learning

With Advice From: Director of Children's Services, Head of Procurement and Head of Strategic Place Planning, Capital Programmes and School Organisation/Admissions Service

Directorate: CHILDREN'S SERVICES

Decision No: CY140 Rev A (10/05/24) (2023/24 scheme)

Subject: Procurement Plan for the delivery of a SEND Resource Base at Hannah More Infant and Grove Junior Schools in North Somerset for delivery in the 2024/2025 School Year (Phase 3).

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, whilst not significantly affecting more than one community/ward, will support children from more than one ward, although as up to 10 pupils, this is not considered significant .

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.

The bid was successful and NSC were granted £2,918,000 to deliver interventions at 18 schools, £300,000 towards early years interventions.

In the 2023/2024 school year two resource bases and three Nurture Groups opened with four builds complete and a fifth in delivery. A Commissioning Plan (CY046 2023/24 scheme) was approved in August 2023 for the delivery of further Resource Bases and Nurture Groups that includes Hannah More Infant and Grove Junior Schools.

This scheme was to be delivered by September 2024, but changes in personnel now mean that this target date is no longer possible. A delivery date by December 2024, if feasible, is preferable.

Decision:

It is requested that this procurement plan be approved to procure the construction services required to deliver a Resource Base at the site of Hannah More Infant and Grove Junior Schools.

Reasons:

Introduction

This procurement plan proposes to procure a contractor to deliver the Resource Base at the sites of Hannah More Infant and Grove Junior Schools (HM&G).

- All the school projects are being delivered as separate packages of work due to their complexity, timings, and changes to scope.
- The project at Priory (which was initially packaged with HM&G) is a late replacement for the proposed resource base at Worle Academy. It is also expected to be a refurbishment of existing accommodation rather than new build.
- The Hannah More Infant and Grove Junior Schools' scheme is an attractive size and build type to a single contractor and so can be procured separately.

Commissioning Plan

The Commissioning Plan for all the schemes was approved at the Executive meeting on 6 September 2023.

Lessons Learned from previous projects.

A similar procurement exercise was carried out in the summer of 2023 for the development of a resource base at Locking Primary. Key lessons learned, which as far as is practical, will be applied to this procurement are:

- Minimise post-contract changes by ensuring that the design and specification are agreed with the end-user with a single point of approval to avoid amendments.
- Ensure a fully costed project plan is appropriate for the size of the build.
- Take in learnings from other site such as materials (cladding etc.)
- Ensure that all relevant site investigations and surveys are completed prior to procurement and recommendations actioned– for example:
 - Ground investigations
 - Topographical
 - Electrical distribution and Services connection points
 - Drain capacity.

- This is crucial given the remedial works required on site prior to build start.
- Insist that the contractors visit the site to ensure that they fully understand site constraints and opportunities,
 - Work with stakeholders to understand any restrictions to build timeframe – quiet periods at the school., term start and end dates etc
 - Ensure the procedures for contractors on site is agreed in advance of works starting (DBS checks for example).

Requirement

To provide a Resource Base at Hanah More Infant and Grove Junior Schools for the provision of 10-12 SEND places using modern methods of construction (MMC). It is imperative that the resource base is delivered as soon as possible as pupils will be starting at the school at the start of Term 1 in September 2024 and they can only be educated in temporary accommodation for a short period of time as:

- LAs are legally required to offer SEND places to pupils on 15 February annually. If the Resource Bases are named in a pupil's Education, Health and Care Plan, then they must be available for the pupil to attend from the start of the 2024/25 school year.
- School staff are often not contracted to work in the summer school break, so classroom set up normally needs to take place in July 2024. As this scheme has been delayed, this set up will need to be in another school break or during the end of the previous school term.

We also need to meet our grant obligations for DfE, commitments to pupils and schools and to contribute to the expectations from the Safety Value grant that new local provisions will result in savings to the out of district schools' High Needs revenue costs. The delays in delivery are already having a financial impact on the revenue savings expected from the creation of a local resource within an academy setting as pupils may now be given an external placement at an independent school.

Market / Suppliers

AtkinsRealis, providing procurement support to this work, are working closely with modern methods of construction MMC contractors on several projects and have a good understanding of the market. They have advised us:

- Concerns that the market is stretched because of the RAAC crisis is not the case locally.
- The size of this builds is considered appealing to suppliers as they are not too big that they need to allocate a potential hard-to-find slot in the factory, but not too small that they are not worth pursuing.

The project team have engaged with the suppliers on the relevant Southwest Procurement Alliance (SWPA) Framework and gauged interest via an Expression of Interest process. We currently have 5 companies who have expressed positive interest in the build.

Insurance Levels

The insurance requirements to be provided by the contractor will be discussed with AtkinsRealis 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.

The SWPA minimum insurance cover requirements are:

- Employers Liability Insurance - £5,000,000
- Public Liability Insurance - £5,000,000
- Professional Indemnity Insurance - £1,000,000

These will be revised to meet NSC requirements.

Route to market

We propose to use the Southwest Procurement Alliance (SWPA) modular buildings framework to procure the services of a contractor to build our projects. It is proposed to use Lot 2 of Workstream 1 *Permanent Modular Buildings £500,000 - £3,000,000* which is suitable for educational buildings in compliance with Educational Building Bulletins.

The suppliers on Lot 2 are:

- Algeco
- Module AR
- Modulek
- Portakabin
- Rollalong
- Wernick Buildings

This is the same procurement route that we have used successfully in the procurement of the contractor to deliver Locking Primary's Resource Base. Following the Expression of interest stage SWPA will run a further competition between the interested suppliers on behalf of NSC. NSC will provide relevant technical and policy information for the Invitation to Tender.

Timescales

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

Action	Date
Issue of ITT documentation to suppliers by	17 May 24
Site Visits/Presentations	23 May 24
Clarification questions to be submitted by	29 May 24 (1300)
Clarification responses to be issued by	03 June 24
Bid Deadline	17 June 24 (1300)
Evaluation period	17 June – 28 June 24
Contract Award approval	28 June – 12 July 24
Contract Award - notify bidders	12 th July 24
Contract start date	w/c 29 th July 24
Mobilisation from	w/c 29 th July 24

Governance

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 are already held with each of the school management teams and will continue throughout the project.

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

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 including use of local suppliers & supply chain, volunteering, developing a project specific carbon reduction plan, and conserving and enhancing the environment.

During the tender process, bidders will be asked to present their social value 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.

Evaluation

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%

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 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 of 2 or above 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
- NSC Senior Project Manager
- AtkinsRealis Project Management Director and Lead Quantity Surveyor commissioned to support NSC in the procurement of the contractor.

It will be moderated by the SWPA Procurement Manager.

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. It is anticipated that these meetings will be held fortnightly.

The Project Team will use the JCT Intermediate Form of Building Contract.

Options Considered:

The use of an open tender to procure the services of a contractor was considered. The two principal reasons this option has been discounted on this occasion are:

1. Time – an open tender process will take longer.
2. Quality – we believe the framework approach we intend to use will help us to target the best companies for the job.

In selecting a procurement framework, we considered a number of different options including the Crown Commercial Services Framework, the SWPA Modular Buildings Framework and the NHS SBS Modular Building Framework Agreement. Our focus however came down to two:

1. SWPA – Southwest Procurement Alliance Framework
2. DfE – Modern Methods of Construction (MMC1)

Both are excellent options with contractors having been pre-qualified against important criteria such as financial stability, equality, environmental management and health and safety however on balance we believe for this scheme the SWPA framework is preferable for the following reasons:

- Regional focus of the SWPA Framework
- Access to more suppliers on the SWPA Framework
- Suitability - the DfE Framework has two lots; Lot 1 is for buildings of 6,000m²+ and Lot 2 for buildings from 750 – 6,000m². Our proposed building is within these parameters.
- The SWPA framework offers a service to manage the procurement. This is included in their % fee which bidders pay as part of their overall bid submissions. This is of significant value to the project as currently the NSC Procurement Team is significantly under-resourced.

Financial Implications:

Costs:

The cost of the project is outlined below:

- Hannah Moore Infant and Grove Junior Schools – total project cost £1,008,000
 - The construction tender amount is £820,000.

The construction tender amount covers:

- 8% overhead and profit for contractor
- Inflation as per the BCIS Indices

Funding:

The cost code for the project is KCE310. Funding will come from the following sources:

Source	Cost
HNPCA Fund	£850,000.00
TOTAL:	£850,000.00
HNPCF Reallocation (Priory scheme)	£1008,000.00
NEW TOTAL:	£1,008,000.00

The Capital Board Planning & Delivery Group agreed, in May 2024, a virement towards the Resource Base at Hannah More Infant and Grove Junior Schools within the cost code of KCE31 of £158,000 to be re-allocated from the KCE311 Priory Community School~ An Academy Trust SEND project.

This budget at Priory Community School ~ An Academy Trust was based on the delivery of a new building at another site. It is expected their revised scheme that involved a small extension to an existing building will cost considerably less than the £985,000 budget allocation. It is anticipated it will instead be in the region of £500,000 to £600,000.

Asset Register:

The schools are part of academies, in accordance with CIPFA code of practice the spend will be treated as REFCUS.

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. The consultant appointed to provide 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. Specification

The specification for the interventions will be such that the new rooms will be significantly more energy efficient than the rest of the school taking account of the materials which will be used, and the quality standards achieved by using modern methods of construction.

2. 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.

3. 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 using the TOMS approach.

4. 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. The project team will monitor the supplier's progress on their Social Value commitments.

Consultation:

The HNPCA consultation was made available on North Somerset's eConsult website and sent to the following groups: All schools and governing bodies across North Somerset, MAT CEOs, 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	Inherent Risk Score	Residual Likelihood	Residual Impact	Residual Risk	Comments:
Construction not completed in time for July 2024	High	4	4	High	Children's Services will work with the schools to see if the children can be supported temporarily using existing accommodation

<p>This project requires action by the Lighthouse Schools Partnership ahead of build on site. This includes the demolition of two buildings at the rear of the school's site (to enable relocation of play equipment) and the remedial works to drainage.</p>	<p>High</p>	<p>2</p>	<p>2</p>	<p>Low</p>	<p>The rear buildings have already been demolished (february 2024) and the area has safety herras fencing ahead of the relocation of the play equipment</p>
<p>Lack of bids due to tight time constraints / summer build</p>	<p>high</p>	<p>3</p>	<p>3</p>	<p>Medium/Low</p>	<p>NSC Property & Projects team along with consultants engaging with the market prior to publishing to check their appetite via an EOI.</p>
<p>Supply issue with materials / construction</p>	<p>High</p>	<p>1.</p>	<p>2.</p>	<p>Medium/Low</p>	<p>Utilising the lessons learnt from delivering the first phase of SEND projects summer 2023 and current live projects the architect will make the contractor aware of the items he believes may have long lead times and subsequently require ordering early. The contractor will also have their own understanding of the market and will be encouraged to order as required to maintain programme.</p>
<p>Costs exceeding budget</p>	<p>High</p>	<p>1.</p>	<p>2.</p>	<p>Medium/Low</p>	<p>Appointment of an AtkinsRealis QS services to assess bids and once contract ongoing part of the</p>

				Employer's Agent role will be to oversee construction costs are managed within the budget. The implementation of a change request process with the contractor, PM and Children's Services Team
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Equality Implications:

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

An EIA was submitted as part of the Safety Valve 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.

The Safety Value Programme is also a corporate priority.

Appendices:

Background Papers:

Executive Committee – 6 September 2023 ([Agenda for Executive on Wednesday, 6th September, 2023, 6.00 pm | North Somerset Council \(moderngov.co.uk\)](#))

Signatories:

Decision maker:



Signed:

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

Date: 14.06.24

With advice from:

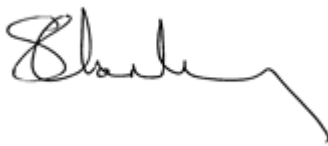


Signed:

Title: Director of Children's Services

Date: 14.06.24

With advice from:

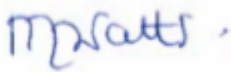


Signed:

Title: Head of Strategic Place Planning, Capital Programmes and School Organisation/Admissions Service

Date: 14.06.24

With Advice From:



Signed:

Title: Head of Finance, on behalf of the Head of Procurement under delegated authority CSD150

Date: 14.06.24

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