

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: CY023 (2024/25 scheme)

Subject: Procurement Plan for the delivery of a SEND Resource Base at Priory School 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 10-12 pupils when the base first opens, 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).

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 funding to deliver interventions at 18 schools, a grant towards early years interventions, and funding towards a new site for VLC Oldmixon.

A Commissioning Plan for the delivery of transformational investment at schools across North Somerset to create and improve places for CYP with SEND or those requiring AP was subsequently approved (22/23 CY102). Initially plans were in place to provide a Resource Base for pupils needing assistance with ASD and Associated Anxiety at Worle School. This application could not be taken forward with the DfE who have since approved the Resource Base for ASD with Associated Anxiety at Priory Community School ~An Academy Trust.

Creation of a Resource Base on the site of Priory School in Worle, Weston-super-Mare forms part of Phase 3 of the resulting SV programme. Work has been ongoing with the school to develop a design to convert their currently unused caretaker's bungalow into a Resource Base for a cohort of SEND students. The project has now progressed to a point where a contractor is needed to deliver the scheme.

Decision:

To support the change in location of the Resource Base with ASD and Associated Anxiety at Worle School approved by the Executive in September 2023 as part of the Safety Valve Programme to the delivery of a Resource Base at Priory Community School ~An Academy Trust.

To support the change in funding allocated to the Resource Base from the £985,000 required for the delivery of the base at Worle School to £632,000 for the delivery of the Resource Base at Priory Community School ~An Academy Trust

It is requested that this procurement plan be approved to procure the construction services required to deliver a Resource Base at the site of Priory School in Worle. The site must be ready by 7 July 2025 at the latest to enable the school to have the setting ready for pupils starting there in September 2025.

Reasons:

Introduction

This procurement plan proposes to procure a contractor to deliver the Resource Base at the site of Priory School in Worle. The project consists of refurbishment and an extension of the existing caretaker's cottage on the school site to convert it to a Resource Base.

- All the school projects, for phase 3, 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 part refurbishment of existing accommodation rather than a full new build.
- The project at Priory is an attractive size and build type to a single contractor and so can be procured separately.
- The preferred route to market is considered to be an invited request for quotations, targeting smaller local contractors.

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 number of procurement exercises have been carried out in recent months for Resource and Nurture Bases. 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 Priory School in Worle for the provision of 10-12 SEND places using traditional construction. 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 2025. There is no provision for the pupils to be educated in temporary accommodation for a short period of time. The delivery by September 2025 must be secured as:

- LAs are legally required to offer SEND places to pupils on 15 February annually. If the Resource Base is named in a pupil's Education, Health and Care Plan, then it 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. This set up will need to be in a 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

AtkinsRéalis, providing procurement support to this work, are working closely with a number of smaller local contractors and have a good understanding of the market. They have advised us:

- The size of this build is considered appealing to suppliers as it is not too big but not too small that it is not worth pursuing.
- The fact the works will be undertaken out of the Summer Holidays is appealing to Contractors.

The project team have tentatively engaged with four local contractors who have all expressed interest in tendering for these works.

Insurance Levels

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

The preferred route to market for this project is an invited request for quotations to attract small businesses.

We propose to launch this via the Supplying the South West Portal.

North Somerset Council (NSC) use an e-tendering portal to run tenders in a legally compliant way. In line with many other local authorities in the South West ([Supplying the South West Portal](#)). NSC use this portal when running a competitive procedure to select a suitable supplier for many of our tenders. The portal provides an effective way for councils to engage and communicate with suppliers. It provides a single place for buyers and suppliers to access and respond to new business opportunities and contracts.

With these works due to take place outside of the summer holidays, we believe that an invited request for quotations process will enable the team to focus their time on 5-6 small / medium size contractors who are all looking for work outside of the usual busy school holiday period and due to this will be competitive. This will allow us to select contractors for the short list who can and have delivered comparable projects for NSC or other local authorities. Often these type of contractors are put off competing against smaller contractors where they could be tendering against 10-15 companies.

Lessons learnt from other projects are included on page 2 of this document.

Timescales

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

Action	Date
Issue of RFQ documentation to suppliers by	23rd July 24
Site Visits/Presentations	TBC – 6 th Aug 24
Clarification questions to be submitted by	13th August 24 (1300)
Clarification responses to be issued by	20 th August 24
Bid Deadline	27th August 24 (1300)
Evaluation period	27th August – 10 th September
Contract Award approval	10th September – 24 th September 24

Contract Award - notify bidders	24th September 24
Contract start date	01 st October 24
Mobilisation from	w/c 21 st October 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 45%
Quality 45%
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 45% 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 45% 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 3 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
- AtkinsRéalis Project Management Director and Lead Quantity Surveyor commissioned to support NSC in the procurement of the contractor.

It will be moderated by the NSC 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. 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 but return potentially better value, in addition a smaller contractor who might be slightly better value will also likely to take longer to construct the works..
2. Quality – we believe the invited request for quotations process approach we intend to use will help us to target the best companies for the job.

Financial Implications:

Costs:

The anticipated total cost of the project is currently £632,000. It is estimated that the cost of this construction contract will be in the region of £492,408. This value allows for inflation as per the BCIS indices and is based on a 20-week programme, and is broken down as follows:

Item	Value
Demolitions & Alterations	£11,750
New Build – Single Storey Extensions	£200,100
Refurbishment & Alteration Works	£107,900
External Works	£42,725
Asbestos Removal & Disposal	£15,000
Preliminaries	£71,720
Construction Inflation (3Q2024)	£6,738
Overhead & Profit	£36,475
TOTAL:	£492,408

Given the tender returns received on other recent SEND projects it is anticipated that there is a strong likelihood of tenders coming in at over £500k therefore the contract award will be considered a key decision.

Funding:

The cost code for the Priory resource base project is KCE311. Funding will come from the following sources:

Source	Cost
HNPCA Fund	£468,126.00
DfE Safety Valve Grant	£516,874.00
TOTAL:	£985,000.00
HNPCF Reallocation - HMG	-£158,000.00
HNPCP – Reallocation to new schemes	-£195,000.00
NEW TOTAL:	£632,000.00

The Capital Board Planning & Delivery Group agreed a virement of this budget towards the Resource Base at Hannah More Infant and Grove Junior Schools of £158,000 to be re-allocated from KCE311 'Priory' SEND project to KCE310 Hannah More and Grove scheme. This allocation must now be removed from the above budget.

This budget was based on the delivery of a new building at another site. It is expected this scheme will cost considerably less than £985,000 and a budget will be set once the scheme has been fully costed. It is anticipated it will be in the region of £500,000 to £600,000.

As a changed scheme, the remaining budget over allocation will be reassigned for other Phase 3 schemes that are currently in development.

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	5	High	It is not possible for the students who were to attend this base to be educated on site in the 2024/25 academic year without the Resource Base buildings in place. The delivery of this scheme has been delayed by a school year but should be deliverable in time for 7 July 2025 and the start of the 2025/26 school year.
Lack of bids due to tight time constraints / summer build	high	3	3	Medium/Low	NSC Property & Projects team along with consultants engaging with the market prior to publishing to check their appetite via an EOI.
Supply issue with materials / construction		1.	2.	Medium/Low	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.
Costs exceeding budget		1.	2.	Medium/Low	Appointment of an AtkinsRéalis QS services to assess bids and once contract ongoing part of the Employer's Agent role

					<p>will be to oversee construction costs are managed within the budget.</p> <p>The implementation of a change request process with the contractor, PM and Children's Services Team</p>
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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(s):

Signed:

Title:

Date:

With Advice From:

Signed:

Title:

Date:

With Advice From:

Signed:

Title:

Date:

With Advice From:

Signed:

Title:

Date:

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