

**For General Release**

<b>REPORT TO:</b>	<b>Member for Finance and Treasury (VIA SUMMER RECESS PROTOCOL see para. 2.4)</b>
<b>AGENDA ITEM:</b>	<b>N/A</b>
<b>SUBJECT:</b>	<b>Ryelands Primary School on Oakley Road Main Works Construction Contract</b>
<b>LEAD OFFICER:</b>	<b>Jo Negrini, Executive Director of Development and Environment</b>
<b>CABINET MEMBER:</b>	<b>Cllr Simon Hall, Cabinet Member for Finance and Treasury</b> <i>And:</i> <b>Cllr Alisa Flemming, Cabinet Member for Children, Families and Learning</b>
<b>WARDS:</b>	<b>Woodside</b>
<p><b>CORPORATE PRIORITY/POLICY CONTEXT:</b></p> <p>The delivery of this project is critical in ensuring the Authority is able to meet its statutory requirement to provide pupil places to meet increasing demand and will support the Authority in meeting the Policy Objectives of:</p> <ul style="list-style-type: none"> <li>* Achieving better outcomes for children and young people</li> <li>* Promoting economic growth and prosperity</li> </ul>	

**FINANCIAL IMPACT SUMMARY:**

This report recommends commitment to the Contract Award as set out in part B of this report from the budget allocation for the Ryelands Primary School on Oakley Road project.

**KEY DECISION REFERENCE NO.: 1311**

This decision cannot reasonably be deferred as any delay to the awarding of the contract will result in a delay to provision of school places and possible loss of Education Funding Agency (EFA) funding.

**1. RECOMMENDATIONS**

The Contracts and Commissioning Board is requested to recommend to the Cabinet Member for Finance & Treasury that he:-

- 1.1 Approves the award of a NEC model contract for Main Works Construction Contract at Ryelands Primary School on Oakley Road.
- 1.2 Agree; for the reasons detailed in para 5.1 below, that the Director of Development & Environment be delegated authority to expend limited additional risk reserve and contingency monies on these works where the need arises.

**2. EXECUTIVE SUMMARY**

- 2.1 This report recommends the award of a NEC model Contract for the Main Construction Works at Ryelands Primary School on its new designated location at Oakley Road (Ryelands Primary School) project (the project) under the SCAPE Framework.
- 2.2 The project will remodel and refurbish the former CALAT building at Oakley Road in South Norwood to enable the relocation of Ryelands Primary School as part of Education Estates Strategy to that location.
- 2.3 The capital funding for the project is part of the overall Oasis Arena funding agreed at the Cabinet meeting on 18 November 2013 (minute reference: A63/13).
- 2.4 Approval of the award of this contract under the Summer Recess Protocol (\*) is essential to ensure the completion of the refurbishment of the new Ryelands Primary School on Oakley Road by Easter 2015. This will allow the decant of

the school from its existing premises at Albert Road to take place during the Easter 2015 recess.

- 2.5 Following the move, the old Ryelands site will be made available for construction works to commence for the new Oasis Arena Secondary School ensuring that it will be available for use in September 2015. This is absolutely necessary to ensure that the Council secures contingent £16.7m Targeted Basic Needs funding from the Education Funding Agency.

- \* Summer Recess Protocol: A paper was presented at Cabinet on 14<sup>th</sup> July 2014 recommending to the Leader of the Council that prior to the next meeting of Cabinet in September, in respect of any contracts valued over £500k and that have not previously been notified or reported to Cabinet, the nominated Cabinet Member in consultation with the Cabinet Member for Finance and Treasury or, where the nominated member is the Cabinet Member for Finance and Treasury in consultation with the Leader, be authorised to agree the award of such contracts.

### **3. DETAIL**

- 3.1. Ryelands Primary School is to be relocated from its present location adjacent to Croydon Arena to the site of the former CALAT building (the building) a short distance away on Oakley Road. This will facilitate the September 2015 opening of the new Oasis Arena secondary school on the site of Croydon Arena in South Norwood.
- 3.2. The Council plans to deliver the Ryelands project site ready for the opening no later than Easter 2015. To achieve this, enabling packages of work have been awarded to strip out the buildings and demolish modular additions on the site. In addition a contract to renew the entire roof has been awarded and works started on site on 19 June 2014.
- 3.3. The building is a circa 1900's build and holds a locally listed status. The designers have therefore worked closely with the Planning Department to ensure the original character of the site is kept/returned as far as possible.
- 3.4. The SCAPE Framework is an OJEU compliant single provider framework where Main Contractor pre construction overheads, preliminaries & profit rates are fixed under the initial framework award.
- 3.5. The Main Contractor submits their final costs after completing a mini competition for any sub-contractor elements. The sub-contractors form part of their offering when they awarded the framework.
- 3.6. The Council's cost management consultant has shadowed the sub-contractor tender process providing checks and commentary on the tender returns and has advised that the price for the works is considered to be Value for Money.

### **4. CONSULTATION**

- 4.1. Consultation on the works has taken place with the local community at a pre planning consultation event held on 16 October 2013.
- 4.2. Consultation on the designs has been carried out with planning officers as the building is locally listed.
- 4.3. Formal consultation on the design of the scheme was carried out by the planning department as part of the planning process. No objections were received for this scheme.

**5 FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS**

5.1 The financial impact of this project is set out below.

**1 Revenue and Capital consequences of report recommendations**

*Detail covered in Part B*

**2 The effect of the decision**

The award of the contract for the Works will ensure that the facility is completed in time for the required move by Easter 2015. This report is seeking approval to award the Main Contractor NEC3 contract and delegated authority to officers to manage the expenditure of the project risk reserve & contingency.

**3 Risks**

A full risk review on the scope of the works has been carried out and there are a number of identified Council risks that will be itemised in the contract. These have been quantified and a risk reserve has identified the sum of monies that should be approved for expenditure should these risks be realised during the contract.

**4 Options**

There are no alternative finance options available.

**5 Future savings/efficiencies**

There are no planned future savings or efficiencies related to this contract.

**Approved by: Jabin Jiwa on behalf of Dianne Ellender, Head of Finance and 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 meets the requirements of the Council's Tenders and Contracts Regulations and 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 & Monitoring Officer**

## **7. HUMAN RESOURCES IMPACT**

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

**N/A Approved by: Deborah Calliste on behalf of the Director of Human Resources & Organisational Development**

## **8. EQUALITIES IMPACT**

8.1 An Equalities Impact Assessment has been undertaken for the development of the Strategy Report for the Oasis Arena programme including the Ryelands relocation. Further EIA will be undertaken at appropriate stages in the development of the design proposals. Generally the development of the site will have a positive impact on the school pupils, staff and the wider community.

## **9. ENVIRONMENTAL IMPACT**

9.1 The scheme will provide a new Heating and Ventilation system in the buildings which will be more efficient in use than previous installations. The previously let enabling works package included a significant upgrade in the insulation of the building.

## **10. CRIME AND DISORDER REDUCTION IMPACT**

10.1 There are no immediate Crime and Disorder consequences of this proposal.

## **11. REASONS FOR RECOMMENDATIONS/PROPOSED DECISION**

11.1 The competitive nature of the tender process as carried out and the subsequent formal review by the Cost Management practice assisting on the project confirms that the project provides Value for Money.

11.2 The project has a tight programme and in order to achieve the overall programme a decision to proceed and award the main contract is required immediately.

## **12. OPTIONS CONSIDERED AND REJECTED**

12.1 There is an option to take the tender information produced and seek an alternative competitive tender through either one other Framework formed of

multiple suppliers or an OJEU tendering procedure. This has been reviewed but considered not appropriate due to the timescales involved to run a competition which would cause a delay to the delivery of the scheme and the increasing inflation costs could outweigh any savings this option may or may not produce.

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