

## Contracts & Commissioning Board (CCB)

### Review Point 2 (RP2) - How we Buy

Category Managers will be required to complete the How We Buy Report in consultation with the Service area & all key stakeholders, both internal & external. It should be supported by RP1 – Make or Buy report.

RP2 Reports with a value up to £5million approved via CCB, values above £5million requires Cabinet approval (Please check with the relevant C&P HoS if this is required)

## Section 1

### 1. Project Details

Project Title:	Addington Valley SEN Free School
Name, role and contact of report author:	Natalie Thomas (Project Manager)
Directorate:	District centres and regeneration
Service Area:	Homes and schools improvement
Project Sponsor (Director or above)	Hazel Simmonds (Director of District centres and regeneration)
Date RP1 – Make or Buy report approved:	N/A
Date of Commissioning and Contracts Board:	9 <sup>th</sup> August 2018

### 1.2 What are the outcomes we are seeking to achieve?

This is in line with the ambitions for the Timebridge Community Centre Site as set out in the Council's Croydon Local Plan 2018. The Local Plan 2018 was agreed for submission to the Secretary of State by Full Council in December 2016 (Resolution A82/16), recommended for adoption by the Cabinet Member for Homes and Regeneration, exercising delegated authority, on 8 February 2018 (decision reference 0418HRP) and formally adopted by the Council on 27 February 2018. Furthermore, the use of the site for educational purposes was set out in the Education Estates Strategy approved by Cabinet on 22 January 2018 (decision reference A6/18). On 26 February 2018, the Cabinet endorsed and recommended to Full Council the Capital Programme 2018-21 as part of the Council's budget setting process (decision reference A14/18a). An additional report relating to Timebridge Community centre has been approved by CCB (Ref: **CCB1370/18-19** dated 28<sup>th</sup> June 2018).

The Council has been awarded £80k by the Education and Skills Funding Agency (ESFA) to complete the feasibility stage of the project. There is a requirement for the Council to submit the final feasibility report to ESFA by end of September 2018, seeking funding application to support the delivery of Addington Valley new Free SEN school which is circa. £15m. The award of contract will not proceed until confirmation has been received from ESFA with regards to the approved funding allocation.

In accordance with Regulation 17 of the Council's Tenders and Contract Regulations, the service strategy to which this report relates has already been reported and agreed by Cabinet, and it has been determined that authority to agree this procurement strategy has been delegated to the relevant Cabinet Members.

The outcome of this project will be delivery of the new Addington Valley Free SEN school for approximately 150 children from the age of 2-19 years of age.

As soon as ESFA's agreed funding has been confirmed, this will enable the design and build of the new SEN development which will be located at the Timebridge site.

The project supports a number of key outcomes for the borough:

- Ensuring provision of sufficient school places for Croydon's children and young people
- Increasing provision of in-borough special educational needs school places
- Supporting the borough's vibrant voluntary and community sector

The key deliverables for the overall project are:

- Delivery of a new SEN school
- Delivery of shared community spaces
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### **1.3 Croydon Policies and Corporate Priorities**

What are the relevant Croydon policies and priorities that apply to this Project? Details of the Councils Priority Projects, Service Plans and Strategies can be found [here](#)

This project supports delivery of the following key themes of the proposed corporate plan 2018-22:

- **Education and Learning**

We want to work towards a borough that can provide every young person the best possible start and recognises the different needs and challenges that they all face.

- **Growth – creating growth in our economy**

Raising educational standards supports economic growth, personal independence and makes a locality more attractive to potential residents.

- **One borough – many places**

We want to create a network of hubs that support local initiatives and meet local needs. Using our Community Fund and other forms of revenue and grants we can give our local voluntary sector the support it needs to make a real difference.

- **A fairer Croydon:** The Opportunity and Fairness Commission provides much that we must still pursue including a commitment to equality of access to education and jobs. We also need to look at how we provide the best possible opportunities for all our communities and celebrate our diversity.

The project is to build a new school on the Timebridge site, in accordance with the Croydon Local Plan 2018 (adopted February 2018). In addition, the proposed use of the site for educational purposes was set out in the Education Estates Strategy approved by Cabinet on 22 January 2018 (decision reference A6/18). In accordance with Regulation 17 of the Council's Tenders and Contract Regulations, the service strategy to which this report relates has already been reported and agreed by Cabinet, and it has been determined that authority to agree this procurement strategy has been delegated to the relevant Cabinet Member.

### **1.4 Social Value**

Every £ the Council spends can enable the development of stronger local supply chains and enhanced local employment opportunities. Both the professional service and construction related procurements, will contain the Council's requirements relating to Social Value which will give the Bidders the opportunity to ensure their offer can realistically be delivered and is proportionate in accordance with the nature of contract and its value e.g. Professional Service's contract value is £500k and likely term of contract is approximately 12 months. There will also be a requirement for the Bidders to confirm commitment to paying their staff the London Living Wage.

Use of the ESFA framework for the construction related activities and the ESPO or equivalent Professional Services Framework (e.g. HCA Framework) for the professional services related elements, have historically proven to support a good level of involvement with SME's and local businesses, especially for the construction contracts which require sub-contracting with local suppliers within a specific mile radius of the construction site.

There will be a requirement for the method statement response, to set out their proposed social value offering and how this will be implemented as part of the delivery of contract. The project team will work closely with the selected contractor, local suppliers, local colleges and the Council's Economic Development team to look at how we can engage local businesses and suppliers as part of the development stages and secure employment opportunities for sub-contractors and suppliers.

### **1.5 Equalities analysis**

A detailed / full Equality Analysis has been undertaken. What were the findings?

A detailed / full Equality Analysis has not been undertaken for the following reason(s):

The EqIA deriving from the Education Estates Strategy is set out in the report agreed by Cabinet (1218CAB).

A detailed full Equality Analysis will be conducted in line with the site specific requirements as part of the project development.

### **1.6 Other**

(applicable other policies that are relevant to this project)

Croydon has a range of policies from Management of asbestos to Safeguarding to Data protection.

Please advise all relevant policies. GDPR further information [here](#)

The project will be managed in line with the Council's project management framework. Other policies relevant to the project include

- National Planning Policy Framework 2012
- London Plan 2016
- Croydon Local Plan (adopted)
- Building Regulations 2010
- Town and Country Planning Act 1990 (as amended)
- Health and Safety at Work Act 2017
- Equality Act 2010
- CDM Regulations 2015
- Public Contract Regulations 2015
- GDPR 2018

### **Report Recommendation:**

The Contracts & Commissioning Board is recommended to endorse the procurement strategy set out in this report and:

- 1) Note that, as per paragraph 1.2 ('Project Outcomes'), this procurement strategy delivers the ambitions for the Timebridge Community Centre Site as set out in the Council's Croydon Local Plan 2018 and Education Estates Strategy and that, in line with regulation 17 of the Council's Tenders and Contracts Regulations, authority to agree this procurement strategy has been delegated to the relevant Cabinet Member.
- 2) Note that as per paragraph 1.2 ('Project Outcomes') and B3.1 ('Tender Process'), the funding for the new Addington Valley Free SEN school is subject to the Council's feasibility report being approved by ESFA. The direct award of contract is subject to ESFA's approved funding allocation being confirmed to the Council.

- 3) Recommend a waiver in accordance with the Council's Tender and Contract regulation 18d, which will result in a recommendation for a direct contract award related to the design and build of the new SEN Free school development at an estimated contract value of £15m in accordance with the ESFA terms. This will ensure compliance with the ESFA time limited funding criteria.
- 4) Note that the preferred Bidder will be identified in accordance with the terms of the ESFA framework with reference to the respective ranking of the suppliers and evidence provided to demonstrate capacity to fulfil the Council's requirements to agreed timescales, cost and quality standards as set out in section B.3.1.
- 5) For the reasons set out in section B3.2, note an exception under Regulation 17 to depart from the standard evaluation split of 60:40 (price: quality) required under Regulation 21 to reflect the ESFA Framework's pre-determined weighting that was applied based on weighting of 40:60 (price: quality) to ensure compliance with ESFA funding criteria and framework terms.
- 6) Endorse the proposal to utilise the ESPO Professional Services Framework, or a suitable alternative framework as set out in section B.3.1 to undertake a mini-competition exercise to appoint a professional services contractor to undertake the project management element including clerk of works and quantity surveyor role at an estimated contract value of £500k.

## **Section A: Delivery strategy**

### **A.1 Resource Implications: Internal & External**

#### **A.1.1 What resources are required to deliver the Project?**

The Council is seeking ESFA funding of £15m to support the delivery of the new SEN school development. It was agreed for ESFA to fund the feasibility report (£80k) to enable the Council to submit this by the end of September 2018. This report is to demonstrate a detailed programme and realistic project costs for the proposed scheme.

At which point the Council is expecting to receive approval from ESFA for the outstanding funds, there will be no requirement for the Council to seek additional capital funding.

The £15m budget will cover the project associated costs in accordance with the following:

- £13m ESFA funding to deliver the construction element of the scheme.
- An additional £500k has been allocated to appoint an external technical and commercial advisor.
- Approximately £1.5m of the total budget (£15m) will be used to fund the project associated costs to provide resources relating to: Feasibility; Planning and Survey; Staff e.g. contract admin, procurement and legal.

As soon as the ESFA approved funding is in place, this contract will be funded from Capital and the expenditure then claimed back from the ESFA through the funding agreement mechanism.

#### **A.1.2 What resources are required once the Project has been established/as part of business as usual? Please make a clear distinction between the resource requirements of the contractor and those of the council?**

This is a construction scheme to deliver a school. Once the project has been established the school building will be handed over to the designated specialist school provider. The ongoing management and maintenance of the school facilities will be managed by the school and as per the current arrangements for existing schools.

#### **A.1.3 What resources are required for your strategy to be successful? Please document in detail implications including (but not limited to):**

The Council is seeking ESFA funding of £15m to support the delivery of the new SEN school development. A feasibility report for this funding is due to be submitted to ESFA at the end of September 2018. This funding will cover the project associated costs in accordance with the following:

- Approximately £1.5m of the total budget (£15m) will be used to fund the project associated costs to provide resources relating to:
  - Feasibility
  - Planning and Survey
  - Staff e.g. contract admin, procurement and legal
- An additional £500k has been allocated to appoint an external technical and commercial advisor.
- £13m ESFA funding to deliver the construction element of the scheme.

#### **A.1.4 Employment Considerations**

What are the employment considerations for this project? Any changes to the delivery of services can have employment implications for staff currently involved in delivering the service, which may or may not include TUPE implications. What are these implications and if there is an additional cost, how will this be funded?

There are no employment considerations arising from the recommendations in this report.

#### **A.2 Risk Management**

Inclusion of Risk register with details of mitigations. A link to the Corporate Risk Management Framework can be found [here](#).

Any delay to the delivery of the project will have an impact on the delivery of the Addington Valley SEN Free School. The project has not been reflected on the Corporate risk register as this is not required.

Risk	L	I	Mitigations
No contractor will have the capacity to undertake the design and construction of the new school within the current budget and time constraints.	L	L	A pre tender expressions of interest exercise has been undertaken and 3 suppliers have indicated they have the capacity to undertake the project.
The project costs will be met by LBC capital and then claimed back from the ESFA and any non-reimbursement payments may need to be met by the council.	L	L	The funding for the project has been agreed in detail between the Council and the ESFA. Confirmation of funding is subject to approval of the feasibility report to be submitted by the end of September 2018. Assuming approval is granted there should be no issues claiming back the funds, however should an unforeseen cost arise the project team has agreed with the ESFA a process for agreeing

			these costs in advance of undertaking such works to ensure any costs incurred by the Council will continue to be fully funded.
There is no float contained with the indicative timescales to complete the project. Any delay will have a direct impact on the provision of education services to the cohort planned to start September 2020.	M	H	The potential to supply modular classroom buildings will be included in the scope of the construction contract should the project be delayed.
Use of the ESFA Framework is an obligatory requirement of the funding agreement. The contractors within the framework, may not have the capacity to complete the works in accordance with ESFA's timelines, particularly as this framework is used by other LA's and public organisations.	M	H	The project team will undertake an 'expression of interest' exercise to determine the appetite and capacity to deliver the project within the necessary budget and timescales.
Any delay to the planning approval process could result in a delay to the overall delivery programme.	L	M	The project team has already begun pre application planning discussion with the Local Planning Authority to gain advice and understand concerns which will be reflected in the scheme design thus minimising the refusal of the submission.

### A.3 Performance Management

Any new commissioning exercise can enable a sharper focus on quality and can often lead to better performing services and improvements against key performance indicators. Are the key performance indicators ambitious enough? Outline the performance management strategy for this project and how it will be implemented.

Please list the key performance indicators that will be monitored to ensure the intended outcomes are delivered.

The Professional Services contract will be managed in accordance with the selected framework agreement and Croydon Council's contract management framework. It will be managed and monitored through the Council's Homes and schools improvements team, reporting to a Project Board and then to Growth Board or its equivalent. There will be weekly reviews on progress of the project along with quarterly management meetings to pick up any issues should they arise

The Construction contract will be managed in accordance with the ESFA Framework Agreement and Croydon Council's contract management framework. It will be managed and monitored through the Council's Homes and schools improvements team to a project Board and then to Growth Board or its equivalent. There will be weekly reviews on progress of the project along with quarterly management meetings to pick up any issues should they arise.

### A.4 Decommissioning strategy

What are the transitional plans? Is there a clear project plan for decommissioning, including clear milestones which fit with stakeholder decision making structures, and allow time for effective communication? Is there scope for some flexibility within it? Are there clear transitional agreements for service users which have been agreed with the provider, and minimise impact on service users? Do these include proposed timescales, ongoing communication arrangements, and an agreed approach to the sharing of information?

You may want to refer to Croydon [Decommissioning Toolkit](#).

Decommissioning does not apply as this is a new build construction project.

#### **A.5 Financial Resources**

Details	Internal Capital	Revenue	Period of funding	External	Period of funding
				Capital	
Capital Programme (ESFA) project budget	n/a			The total budget to deliver the new SEN Free School project is estimated to be £15m of which £13m is estimated for the construction costs and £500k for externally appointed professional advisors. The balance of £1.5m is to cover the project associated costs e.g. Planning, survey and legal fees.	2018-20

#### **A.6 Saving opportunities.**

- Insert any savings that will arise from this project.
- Confirm when and how they will be delivered
- Confirm the % saving likely to be achieved through the recommendations being made, against a target of 10% – where deemed not applicable, state why.

This procurement is for capital works. There will be revenue savings as a result of expected reductions in the need for costly out-of-borough placements and associated transport spend.

#### **A.6.1 Premier Supplier Programme (PSP)**

If the Project involves outsourcing part or all of the service, will the Premier Supplier Programme (PSP) be included in the Tender?

Yes it will be included in the invitation to submit priced proposal.

#### **A.7 Other Considerations**

If your commissioning decision is not a formal tender has it been registered with the Corporate Programme Office as a project? [Project registration](#)

This project will be registered with the Corporate Programme Office with Senior Responsibility oversight through the Growth Board.

#### **A.8 Proposed Timetable**

Please see section B.4.

#### **Section B: Procurement Strategy**

##### **B.1 Proposed Procurement Route**

###### **Professional Services**

The preferred process is to procure via the ESPO Professional Services Framework which has been accessed by the Council in the past. At the point of call-off, should the framework providers not have sufficient capacity or expertise, the Council will consider use of an alternative suitable framework such as the HCA professional services framework.

###### **Construction related works to develop the new Academy with SEN provision for young people and children (2-19 years).**

The preferred procurement option is to call off services from the ESFA Framework for the construction related works. This ensures compliance with the funding agreement.

No.	Option	Benefits	Drawbacks
1	In house provision	Cost reduction of the contract management function	Increased liability and risk for the Council. Inability to meet the required project timescales to ensure new build is commissioned and completed by September 2020.  Would not comply with ESFA funding criteria.
2.	ESFA Construction Framework (preferred option)	ESFA preferred list of vetted contractors which has already been subject	Contractors specified on the framework may not have the capacity to deliver the project

		<p>to PCR2015 procurement process.</p> <p>Compliance with ESFA funding requirements.</p> <p>The budget set aside for the project is aligned with the contract values.</p>	<p>within the tight timescales and budget.</p> <p>Mandatory use of ESFA Design and Build Contract whereby the Council's preference is NEC3 or NEC4.</p>	
3.	Southern Construction Framework	SCA preferred list of vetted contractors.	<p>Limited number of contractors to choose from.</p> <p>Would not comply with ESFA funding criteria.</p>	
4.	Scape	Scape preferred list of vetted contractors	<p>Framework is not best suited to deliver specialist education requirements and specifications.</p> <p>Would not comply with ESFA funding criteria.</p>	
5.	EU Invitation to Tender	Increased number of contractors to choose from.	<p>Lengthy and costly procedure.</p> <p>Would not comply with ESFA funding criteria.</p>	

## B.2 Contract Terms and Conditions

What terms and conditions are being included, have there been any significant changes or amendments?

The standard ESPO framework terms will be adopted for the professional services contract.

In accordance with the ESFA framework requirements, the contractor will be engaged through an ESFA Design and Build Contract.

## B.3 Tender Details

### B.3.1 Tender Process

Where appropriate, the tenders will be returned electronically via the e-tendering portal. An evaluation panel has already been established to assess each submission and will be evaluated in accordance with the Tenders and Contracts Regulations to ensure probity, value for money and that the most economically advantageous contractor is chosen.

### Professional Services:

The council will call off the professional services from the ESPO Professional Services Framework or suitable alternative framework. A mini-competition will be undertaken whereby all the framework's approved providers will be invited to tender. This will be subject to a pre-determined evaluation criteria and the outcome will confirm which tender submission achieves the most economically advantageous tender.

### Construction Contract:

The ESFA is an executive agency of the UK Government, sponsored by the Department for Education. The ESFA was formed on 1<sup>st</sup> April 2017 following the merger of the Education Funding and Skills Funding Agency.

To enhance procurement efficiencies, the ESFA construction framework was procured under the restricted procedure of the PCR 2015 (The Public Regulations 2015). Following the outcome of the

evaluation process, seven approved suppliers were awarded the framework. This agreement is open for other Local Authorities, schools, academies and other public bodies in England to use. There is a requirement for the Council to sign an Access Agreement in order to benefit from this framework.

There is no charge imposed on the Council as the charge is paid by the Framework's approved contractors. The underlying principles of the framework are based on the following:

- Transparency particularly with regards to costs and pricing schedules
- Open and honest
- Proactive risk and issue management
- Collaboration

The framework structure is based on the following:

- Value Band (High/Medium/Low): This intended procurement is estimated to be £13m therefore sits within the high value band.
- Number of Regional Lots: There are two regional lots within the high value band, North and South.
- Procurement Route: Design and Build for high value band.
- Award Options: Competition or Direct Award.

The contractors appointed to the framework listed in alphabetical order are:

- BAM Construction Limited,
- Bouygues UK,
- Bowmer & Kirkland Ltd,
- Kier Construction Limited
- Sir Robert McAlpine
- Wates Construction Limited
- Willmott Dixon Construction Limited

The framework enables the Council to call off the Construction related requirements via mini-competition or direct award. The direct award approach is based on the result of the overall evaluation process, whereby the Providers are ranked in accordance with the result of their tender submission. The original pre-determined award criteria was 60% Quality and 40% Price.

The Council has considered the option of conducting a competitive exercise via the mini-competition approach, however, this has been discounted due the usual approval routes not being able to meet the required timescales prescribed by the ESFA. It is unlikely that the Council will be able to secure more competitive rates and any benefits may be outweighed by the resources required to complete the procurement process and any delay may cause a significant risk to ensuring the new SEN development is open for 150 children to join in September 2020.

There is a requirement for the Council to submit a feasibility report by the end of September 2018. The ESFA will be scrutinising this report and the proposed programme to ensure with the evidence provided, it is demonstrated that the actual budget is realistic and the delivery of the programme can meet the required completion timescales in readiness for 150 children to start in September 2020. It is proposed to set an affordability cap within the invitation to submit a priced proposal in accordance with the agreed funding provided by ESFA.

It is recommended to proceed with the direct contract award approach in accordance with the ESFA framework terms. In the first instance, the Council will approach the framework's highest ranked provider; should they not have the capacity to deliver the Council's requirements, then the next ranked provider will be approached.

Legal advice has been sought from the Council's external legal team particularly with regards to the Access agreement and the framework terms. It is acknowledged that there is very little scope for the Council to apply some amendments to the terms of access agreement and the framework however,

where significant issues or risks may be identified, appropriate mitigation steps will be applied. This will be resolved prior to contract award.

It is recommended for the Council to sign the Access agreement for the ESFA framework on outcome of legal external review determining no significant issues.

It is recommended for the Council to adopt the direct award procurement strategy to appoint the highest ranked approved Provider who has demonstrated capacity to meet the Council's requirements. This will enable the Council to maintain compliance with its statutory and ESFA funding obligations.

It is recommended for the Council to approach the subsequent ranked Provider should the highest ranked Provider be unable to fulfil the Council's requirements.

Due to the nature of the requirements, the Council will appoint the Contractor through a number of phased contracts, for example a Pre-Construction Services Agreement, enabling works contract, demolitions contract, main works contract.

### **B.3.2 Tender Evaluation**

State the evaluation & scoring criteria that will be applied. If you are not complying with the Council's Tender Regulations standard Price/Quality ratio split of 60/40%, please explain the reasons for deviating from it.

#### **Professional Services:**

The Council will call off the professional services from the ESPO Professional Service Framework or suitable alternative framework. A mini-competition will be undertaken whereby all the framework's approved providers will be invited to tender. This will be subject to a pre-determined evaluation criteria and the outcome will confirm which tender submission achieves the most economically advantageous tender. The pre-determined weightings will be based on 60% Price and 40% Quality which is in accordance with the Council's standard weightings.

#### **Construction related works:**

The ESFA Framework original award criteria was 40% Price and 60% Quality which is not aligned with the Council's standard award weightings. In accordance with the ESFA funding criteria, there is an obligation on the Council to adopt the ESFA framework agreement which was based on 40% Price and 60% Quality. It is recommended for the Council to approve the deviation from the Council's standard weightings in order to select the highest ranked provider in accordance with the ESFA framework terms and to ensure compliance with the ESFA funding criteria.

The Council will seek to via a robust due diligence process to satisfy itself that the supplier is capable of meeting its requirements through assessment of the following elements:

- **Quality:**
  - Design proposals
  - Overall Approach
  - Design Management
  - Construction Management
  - Project Handover
  - Whole life and operational considerations
  - Social Value
- **Price:**
  - Provider's ability to meet the affordability threshold which will be Pass/Fail criteria.

- Transparent cost led pricing model will be assessed and the Council's appointed Consultant who will be leading the Timebridge development (CCB 1370/18-19) will provide cost management related advice.

### **B.3.3 Financial evaluation**

Confirm what arrangements have been made to determine each tenderer's financial viability, as appropriate for the contract value and risk. The Council needs to satisfy itself that the successful contractor has the economic and financial standing and the capability in meeting the financial obligations anticipated under the contract.

Contractor financial standing evaluation has already taken place as part of the establishment of the frameworks and will be reviewed prior to contract award.

Through the tendering requirements the Council will seek terms that ensure continued value for money. It is proposed to set an affordability cap in accordance with the amount agreed via the ESFA funding allocation. Advice will be sought from finance with regards to the proposed pricing model and at a later stage an additional financial standing of the recommended preferred bidder once known.

### **B.4 Proposed Timetable**

**(Can be amended to meet project requirements)**

<b>Activity</b>	<b>Proposed Date</b>
Pre-tender market engagement (expressions of interest)	July 2018
Specification agreed & tender documentation approved	September 2018
OJEU Contract Notice despatched (if applicable)	n/a
Advertisement published (if applicable)	n/a
Expressions of interest deadline	September/October 2018
Issue Invitation to Tender	September/October 2018
Tender return deadline	October 2018
Tender evaluation	October 2018
Commissioning and Contract Board	October / November 2018 (virtual approval request)
Cabinet meeting (if applicable)	n/a
Contract award	October / November 2019
Contract commencement	January/February 2019
OJEU Contract Award Notice despatch (if applicable)	n/a

### **B.5 Consultation**

<b>Name of person consulted</b>	<b>Department or organisation</b>	<b>Date sent</b>	<b>Date Received</b>
Flora Osiyemi	Finance	19/09/2018	19/09/2018
Jennifer Sankar	HR Team	05/07/2018	06/07/2018
Sean Murphy	Legal Team	14/09/2018	14/09/2018
Cllr Alisa Flemming Cllr King Cllr Scott Cllr Simon Hall	Cabinet Members	20/07/2018	06/08/2018  13/09/2018

Stephen Tate	District Centres and Regeneration	16/07/2018	20/07/2018
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### B.6 Legal Comments

Comments provided by Legal

There are no additional legal considerations arising in respect of this report.

Approved by Sean Murphy on behalf of the Director of Law

### B.7 HR Comments

There are no HR implications and if any arise they will be managed under the Council's Policies and Procedures. Signed off by Jennifer Sankar, Acting Head of HR Place on behalf of Sue Moorman.

HR implications and if any arise they will be managed under the Council's Policies and Procedures. Signed off by Jennifer Sankar, Acting Head of HR Place on behalf of Sue Moorman.

### B.8 Finance Comments

Comments provided by finance

This contract will be funded from Capital and the expenditure claimed back from the ESFA through the funding agreement mechanism. The Council has successfully been awarded £80k to complete the Feasibility report which is due at the end of September 2018. The contract award will be subject to successful funding allocation being confirmed to the Council by ESFA, then the Council will proceed with the procurement and contract award based on the total £15m budget to undertake the delivery phase of the project.

The commission cost for professional services over the 1 year term is estimated to be £500K subject to the ESPO competitive mini-competition process.

The construction contract cost over a 2 year term is estimated to be £15m according to latest cost estimates. This will be procured via ESFA framework agreement. It is the Council's intention to ensure the Invitation to Submit a Priced proposal reflects an affordability cap based on the agreed value of ESFA allocated funding.

This procurement is for capital works and professional services. There will be revenue savings as a result of expected reductions in the need for costly out of borough placements and associated transport spend.

PSP will be included in this contract.

Signed off by: Flora Osiyemi, Head of Finance (Place) on behalf of Lisa Taylor.

### B.9 Approval

This report must first be approved by the C&P Category Manager's Head of Service. The officer must present the signed report to the Commissioning and Contracts Board for approval to tender.

**I have seen the post Board report and approve it for onward submission:**

**Signature Charlotte Rohan  
(Insert Name)  
C&P Head of Service**

**Date 7 August 2018**

**B.10**

**Commissioning and Contract Board: Ref: \_CCB1400/18-19 :Date: 24/09/18**

- Approved
- Declined
- Deferred