

Award of contract for the design and construction of an extension to the accommodation for students with learning difficulties and disabilities at City College
Cllr David Seaton, Cabinet Member for Resources
April 2014
Deadline date: April 2014

Cabinet portfolio holders:	<i>Cllr Seaton, Cabinet Member for Resources</i>
Responsible Director:	<i>John Harrison, Executive Director Resources</i>
Is this a Key Decision?	YES If yes has it been included on the Forward Plan : Yes Unique Key decision Reference from Forward Plan : KEY/20SEP13/03
Is this decision eligible for call-in?	YES
Does this Public report have any annex that contains exempt information?	NO

R E C O M M E N D A T I O N S

The Cabinet Member Resources is requested to:

1. Award the design and build contract to Kier Construction, under the terms and conditions of the London Housing Corporation Schools and Community Buildings Framework, to construct an extension and remodelling of an existing block at City College to accommodate the expansion of accommodation for students with learning difficulties and disabilities up to the value of £1,075,000. This sum shall also include funding for all site surveys, project management and technical advisers fees.
2. Authorise the Director of Governance to enter into any legal documentation on behalf of the Council in relation to this matter.

1. SUMMARY OF MAIN ISSUES

- 1.1 This report seeks the Cabinet Member's approval to the recommendation to enable City College to be expanded to create new extended accommodation for an additional 32 students with learning difficulties and disabilities.
- 1.2 The new accommodation will be provided by remodelling the ground floor single storey Art block and creating a first floor. The remodelling to the existing ground floor accommodation and the new first floor accommodation will create purpose built learning and pastoral environments for post 16 learners with learning difficulties and disabilities. This new

provision will also enable these young people to access therapeutic intervention with a view to facilitating a smoother transition into Adult Social Care services.

- 1.2 The new accommodation will include remodelling the ground floor of the Art Block. This includes the 'flat' which comprises of a bathroom, bedroom, living/dining room and kitchen. The ground floor will also include a classroom, common room, art room, a sensory room, office, toilets and lift. The new first floor will accommodate six classrooms, two offices and toilets.

2. PURPOSE OF THIS REPORT

- 2.1 The purpose of this report is to provide background information and seek the Cabinet Member's approval in relation to the recommendations.
- 2.2 This decision is proposed in accordance with the delegations for the Cabinet Member for Resources exercising delegated authority under paragraphs 3.3.8(a) and 3.3.3 of Part 3 of the constitution in accordance with his portfolio at Paragraph 3.9(j).

3. **TIMESCALE** (If this is not a Major Policy item, answer **NO** and delete second line of boxes).

Is this a Major Policy Item/Statutory Plan?	NO	If Yes, date for relevant Cabinet Meeting	
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4. DETAILS OF DECISION REQUIRED

- 4.1 A budget of £1,075,000m has been set for the works and overall cost of delivering the scheme. These funds are comprised of £662,000 Education Funding Agency 16-19 Demographic Growth Fund Grant 2013 and £413,000 Children's Resources Capital Programme within the Medium Term Financial Strategy (MTFS) 2013/14 – 2016/17. The £413,000 capital will be repaid over an extended period from the £100,000 capital allocated to City College on an annual basis.
- 4.2 It is proposed to enter into a Memorandum of Understanding between the Council and Kier Construction to cover Kier's financial commitment to the project prior to commercial close being achieved. The MoU will confirm the Council's commitment to the works and to reimburse Kier for any costs that incur prior to the completion of the formal contract documentation. The costs relate to design, site surveys and pre-orders of construction materials. Should financial and commercial close be achieved this sum will be included in the total contract sum.
- 4.3 The planning application for the works was submitted on 24 March 2014 and is scheduled to be approved by 12 May 2014.
- 4.4 In order to remain on programme, careful consideration has been given to the decisions that will be required to ensure probity in the process. The following milestones and dates should be noted:
- Submission of planning application 24 March 2014
 - Contractors Proposals submitted for evaluation 16 May 2014
 - Planning approval w/c 12 May 2014
 - Financial and commercial close w/c 23 June 2014
 - Start on site 23 July 2014
 - All works complete February 2015
- 4.5 The programme has taken into account a start on site date which avoids the exam periods at the College.

- 4.6 The London Housing Corporation Schools and Community Buildings Framework allows Local Authorities to run a mini competition from the Framework to select a construction partner, or to use direct selection and award process without re-opening competition. The Council has previously used the framework to procure school new build and extension projects. The use of the Framework is significantly advantageous in terms of speed to financial and commercial close and to starting on site with a proven contractor and schemes demonstrated as being value for money.
- 4.7 The London Housing Corporation is a not-for-profit consortium set up to provide effective procurement solutions for local authorities, housing associations and other public sector bodies. The LHC Schools and Community Buildings Framework (SCB1) is an EU compliant re-tendering framework arrangement that provides five main contractors, appointed on a regional basis, to deliver fast and flexible procurement for new build extensions, alterations and refurbishment works for all primary and secondary schools or other educational buildings.
- 4.8 The Schools and Community Buildings Framework (SCB1) was effective from 1 July 2013 and runs until 30 June 2015 with an option to extend for a further 2 years.
- 4.9 In view of the very successful experience of Kier delivering on previous schemes, it was agreed in consultation with the Cabinet Member for Education, Skills and University to use the LHS Schools and Community Buildings Framework (SCB1) to select Kier Construction Limited without re-opening the contract to competition.

5. CONSULTATION

- 5.1 The Principal and other senior staff representatives have been fully involved in the development of the specification and design for the new accommodation.
- 5.2 A presentation of the scheme was given to the governing body of City College on 19 March 2014 and they gave formal approval to the design of the scheme.
- 5.3 A public exhibition was held on 8th April 2014 at City College where the design for the new accommodation will be on display for the public, students and staff. The exhibition was well publicised and all comments relating to the scheme will be collated.
- 5.4 Key stakeholder departments within the Council are fully briefed on the proposals. These include Planning Department, Strategic Finance and Legal Services.

6. ANTICIPATED OUTCOMES

- 6.1 Subject to the evaluation of Kier's Contractors Proposals by the Council's evaluation team, Kier will design and construct the new accommodation under the design and build contract.

7. REASONS FOR RECOMMENDATIONS AND ANY RELEVANT BACKGROUND INFORMATION

- 7.1 Secondary demographic forecasts for the whole of Peterborough, based on January 2012 data, suggest that the secondary population will increase from 13,500 in 2011/12 to 19,000 in 2021/22, an increase in excess of 40%. The combined year 12 and year 13 population is forecast to increase over the same ten year period, an increase of around 35%. The wider 16-19 population has increased by 5% from a baseline position in 2006, greater than statistical neighbours (2%) and in England overall (1%).
- 7.2 Peterborough, as at March 2013 had 134 young people with a Learning Difficulty or Disability who were not in education, employment or training (NEET). The project will aim to target this vulnerable group with the intention of encouraging them into education appropriate to meet their complex needs. The project also aims to ensure that there is capacity to bring back those young people that are currently educated 'out of city' to access provision locally.

- 7.3 Learners with learning difficulties and/or disabilities in further education has seen a marked increase: 315 in 2008/09 to 689 in 2011/12. Figures are expected to rise further in the coming years. The primary needs of Behaviour, Emotional and Social Difficulties, Moderate Learning Difficulties and Autistic Spectrum Disorder have seen the biggest rise. A number of these young people require therapeutic intervention. The new provision at City College will accommodate these needs and ongoing work with Adult Social Care in order to facilitate a smoother transition into Adult Services within the community.

8. ALTERNATIVE OPTIONS CONSIDERED

The following options were considered and rejected:

- 8.1 To do nothing. This option was rejected due to the need to provide additional provision for post 16 students with learning difficulties and disabilities in Peterborough.
- 8.2 To tender to the construction market for a contractor – this option was rejected due to the timescales and costs of the tender process which would have meant that it would not be possible to complete the works within the current timescales to suit the College and ensure that the Education Funding Agency 16-19 Demographic Growth Fund Grant 2013 is spent by the prescribed deadline.
- 8.3 To run a mini competition using the LHC Framework – this option was rejected due to the timescales of the tender process which would have meant that it would not be possible to complete the works within the current timescales to suit the College and ensure that the Education Funding Agency 16-19 Demographic Growth Fund Grant 2013 is spent by the prescribed deadline.
- 8.4 To use the existing Academy Framework with Carillion – this was rejected due to the number of school projects currently underway with Carillion. It was considered that adding this project would place the Council at risk in terms of their resources and capacity.

9. IMPLICATIONS

- 9.1 The legal and financial implications of this Cabinet Member Decision Notice are set out in the main body of the report.
- 9.2 Legal - The London Housing Corporation Framework was procured under the Restricted Procedure of the Public Contracts Regulations 2006 and the Council is permitted to use the framework to call-off contracts instead of carrying out a separate tender exercise for the proposed works. The Council is entering into the agreement pursuant to its powers contained in section 2 of the Local Government Act 2000, section 22 of the Schools Standards and Framework Act 1998, section 14(1) of the Education Act 1996 and section 111 of the Local Government Act 1972 in order to enable investment in certain educational services and facilities.

10. DECLARATIONS / CONFLICTS OF INTEREST & DISPENSATIONS GRANTED

None.

11. BACKGROUND DOCUMENTS

Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985) and The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012

16-19 Demographic Growth Capital Fund 2013-15 Application