

CABINET

10 MARCH 2015

GATEWAY 3 CONTRACT AWARD: SEN PROVISION AT NEW HORIZONS CHILDREN'S ACADEMY

Portfolio Holder: Councillor Mike O'Brien, Children's Services (Lead Member)

Report from: Barbara Peacock, Director of Children and Adults Services

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SUMMARY

This report informs Cabinet of the Monitoring Officer's decision, in consultation with the Procurement Board, to award the New Horizons Academy SEN Works contract.

This procurement was originally classified as High Risk and Cabinet had approved the commencement of this at Gateway 1 on 30 September 2014.

The Children and Adults Directorate Management Team, on 17 February 2015, had recommended that this project be reclassified as a Medium Risk procurement, which had been agreed at the Procurement Board meeting on 25 February 2015. The Procurement Board had however agreed that this report be submitted to Cabinet for information.

1. Budget and Policy Framework

- 1.1 Whilst medium risk procurements are not a matter for decision by Cabinet, the Procurement Board referred this scheme to Cabinet for information.
- 1.2 The project supports the Council's School Organisation Plan 2011 – 2016, approved by Cabinet on 1 November 2011 (decision number 143/2011) and the Special Educational Needs – An Inclusive Policy and Strategy for Medway 2009 – 2014. Delivery of this provision will also reduce the number of children placed in out of area independent provision.
- 1.3 Funding for the new academy has been provided by the government's Targeted Basic Need Programme, which was granted to the Council as a result of a successful bidding process.
- 1.4 The cost of the project to provide the buildings for the mainstream school did not require the entire amount of the bid funding that was awarded. Conditions

of the funding mean that the money must be spent on the New Horizons project, and must be spent by September 2015, otherwise the remaining funding could be clawed back by the Education Funding Agency (EFA).

- 1.5 The availability of this funding affords an assured opportunity to provide the therapy provision at Hew Horizons, whereas, in the future no funding may be available to provide this facility.
- 1.6 At the Children and Adults Directorate Management Team Meeting on 23 June 2014, it was agreed that the remainder of the funding from this bid should be utilised for SEN provision at New Horizons Children's Academy

2. Background

- 2.1 The New Horizons Children's Academy opened in September 2014 on the site of the former Chatham South and will, over time, provide primary education for 630 mainstream children plus a nursery group.
- 2.2 There was always an in-principle agreement between the Thinking Schools Trust ("the Trust") and the Local Authority that the academy would accommodate SEN provision for pupils in some form, but it was agreed with the Trust that this would not be from the outset, enabling the academy to establish itself before taking on the additional provision.
- 2.3 The form that the additional provision will take was not formally agreed when the design of the academy was agreed although the Trust initially indicated that a nurture group would be their preference.
- 2.4 The building designated for the additional provision at New Horizons is the science block on the former Chatham South site. This building did not form part of the project to create mainstream primary provision. The mainstream works are now complete and have been handed over to the Trust.
- 2.5 It is proposed to use the science block for offices and consulting rooms for the Therapy Team to be relocated from its current base at the Rowans, which will create additional space enabling additional pupils to be admitted into The Rowans Pupil Referral Unit, which will reduce the numbers of pupils having to be placed in more expensive out of area and independent provision.
- 2.6 The therapy team will require 5 therapy rooms, 3 offices, staff room and facilities, 2 waiting areas and client WC's as well as access to ICT and telephones.

3. Procurement Process

- 3.1 The procurement process followed an open procedure (non-OJEU) via the Kent Business Portal, in line with the Council's Contract Procedure Rules.
- 3.2 The evaluation criteria set was Most Economically Advantageous Tender (MEAT), based upon a mixture of quality and price. The ratio used was 60% quality and 40% price. The bidding contractors were invited to submit tender prices based on the indicative programme issued in the tender documents, as

well as submitting an alternative programme they felt could be adopted if it were to offer additional efficiencies, whilst maintaining quality standards.

4. Business Case

4.1 Delivery of Procurement Project Outputs / Outcomes

The following procurement outcomes/outputs identified as important at Gateway 1 to the delivery of this procurement requirement have been appraised in the table below to demonstrate how the recommended procurement contract award will deliver said outcomes/outputs.

Outputs / Outcomes	How will success be measured?	Who will measure success of outputs/ outcomes	When will success be measured?	How will recommended procurement contract award deliver outputs/outcomes?
Appointing a contractor for the works who will deliver a quality product within the timescales required and within the given budget	Successful completion of the building works within the timescales which will be measured through the tender process	Building & Design Services	Monitored throughout the programme by monthly site visits and contractor reports.	The preferred contractor has experience of delivering similar projects, and the programme and prices submitted fit the preferred contract period and are within the specified budget
Appointing a contractor for the building works who is able to work within the constraints of a school environment	Successful procurement of the contractor within the specifications contained within the tender process	Building & Design Services	Monitored throughout the programme by monthly site visits and contractor reports.	The preferred contractor has extensive experience of working within school environments, including working on another project within Medway.
Delivery of the key objectives for the project which is refurbishment	Completion of the building works meeting all the Client's requirements	Building & Design Services	Monitored throughout the programme by monthly site visits and contractors reports	The specification included in the tender submission includes the key objectives outlined for delivery, which will be undertaken by the contractor.

5. RISK MANAGEMENT

5.1 Risk Categorisation

1. Risk Category: Financial	Likelihood: Low	Impact: Critical
Outline Description: Unforeseen expenditure outside the approvals		
Plans to Mitigate: Building and Design services to work closely with the contractor to ensure any requirements for variations are considered before being approved. The design will be targeted to manage costs within the budget		
2. Risk Category: Service Delivery	Likelihood: Low	Impact: Marginal
Outline Description: Provision is not complete by September 2015		
Plans to Mitigate: Detailed procurement and project programme to be adhered to ensure deadlines are met and stakeholders are engaged throughout. Initial review of scope indicated the timescales are achievable		
3. Risk Category: Contractual Delivery	Likelihood: Low	Impact: Critical
Outline Description: Contractor unable to meet the schedule of works		
Plans to Mitigate: Programme of works to be requested at the ITT stage; contractual financial consequences for delays		
4. Risk Category: Health and Safety	Likelihood: Low	Impact: Critical
Outline Description: Possible risk to safety of pupils and staff during the works phase		
Plans to Mitigate: Due diligence carried out during the tender stage to ensure capability of contractor; contractor to provide clear health and safety procedures with close communication with the school; CDM co-ordinator to carry out risk assessment of the work processes and site throughout the contract period		

6. Procurement Board - 25 February 2015

- 6.1 The Procurement Board considered this report, together with the tender submissions, submitted tender values and the overall tender scores on 25 February 2015.
- 6.2 The Procurement Board agreed to reclassify this procurement as Medium risk. The Monitoring Officer, in consultation with the Procurement Board, agreed to award the New Horizons Academy SEN Works contract to Re-Gen UK. In addition, the Procurement Board referred this report to Cabinet for information.

7. Service Comments

7.1 Financial Comments

- 7.1.1 The procurement requirement and its associated delivery, will be funded from the government's Targeted Basic Need Programme which was granted to the Council as a result of a successful bidding process.

7.2 Legal Comments

- 7.2.1 The Council has power to enter into contracts pursuant to the Local Government Contracts Act 1997 and the general power of competence in the Localism Act 2011.
- 7.2.2 This is a public works contract for the purposes of the Public Contracts Regulations 2006. It is below the works threshold of £4,322,012 so an OJEU procedure was not required, provided that the procurement complies with the principles of equal treatment, non-discrimination on grounds of nationality and transparency.
- 7.2.3 This procurement was originally designated as a High Risk procurement. The Procurement Board agreed to reclassify this procurement as Medium Risk, allowing the decision to award the contract to be taken by the Monitoring Officer, in consultation with the Procurement Board.

7.3 Procurement Comments

- 7.3.1 As per the Contract Procedure Rules under section 3.3.1: 'All requirements above £100,000 must be advertised on the Council's Website, the Kent Business Portal and in the OJEU (where above the EU tender thresholds for goods, services or works).'
- 7.3.2 This procurement was carried out via an open procedure (non-OJEU) via the Kent Business Portal to comply with these rules, and to support the Council's procurement strategy to provide best value.
- 7.3.3 Once let, the contract should be carefully managed to ensure the works are delivered within the price submitted, as there are no further funds available.

7.4 ICT Comments

- 7.4.1 It is recommended an IT project manager is appointed to ensure IT connectivity is carried out satisfactorily from a technical perspective. During the construction works the existing IT service should be considered and disruption to existing services avoided where possible to minimise the impact on the school's ability to deliver lessons to its pupils.

8. Recommendation

- 8.1 The Cabinet is asked to note the contents of the report.

9. Suggested Reasons for Decisions

- 9.1 The project supports the Council's School Organisation Plan 2011 – 2016 and the Special Educational Needs – An Inclusive Policy and Strategy for Medway 2009 – 2014. Delivery of this provision will also reduce the number of children placed in out of area independent provision.

LEAD OFFICER CONTACT

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BACKGROUND PAPERS

The following documents have been relied upon in the preparation of this report:

Description of Document	Location	Date
SEN Provision at New Horizons Academy Gateway 1 Paper	http://democracy.medway.gov.uk/mgconvert2pdf.aspx?id=25084	30 September 2014
Special Educational Needs – An Inclusive Policy and Strategy for Medway 2009 - 2014	http://www.medway.gov.uk/childrenandyoungpeople/specialeducationalneeds/senpolicy.aspx	2009
School Organisation Plan 2011 – 2016	http://www.medway.gov.uk/pdf/School%20Organisation%20Plan%202011-2016%20revised.pdf	