

# Record of decision taken under delegated powers by a council officer



Title:	<b>APPROVAL TO AWARD CONTRACTS FOR MAIN CONSTRUCTION WORKS FOR THE PROVISION OF SCHOOLS BASIC NEEDS PLACES AT HORLEY NE PRIMARY SCHOOL AND LANGSHOTT INFANTS SCHOOL.</b>
Divisions Affected:	Horley and Horley East
Key Decision:	Yes
Reason Key:	Over £500,000
Decision taken under delegation by virtue of:	Delegation agreed by Cabinet on 25 September 2012 – Minute Ref: 132/12 (2)

## Summary

The Cabinet at its meeting of 25 September 2012 agreed that the Strategic Director for Change and Efficiency (now Strategic Director for Business Services), having ensured formal agreement in writing with the Leader and Cabinet Member for Change and Efficiency (now Business Services), the Cabinet Member for Assets and Regeneration Programmes and the Cabinet Member for Children and Learning (now Schools and Learning) and the S151 officer, authorise the award of future schools capital construction contracts, above £500k in value, where a mini-competition procedure has been followed under a Framework Agreement previously approved by Cabinet. It was agreed that this authorisation would be formally minuted and the S151 Officer would retain the paperwork.

In response to an increasing demand for school places across Surrey the Council established, in its Medium Term Financial Plan 2013-2018, a Capital Programme to fund the provision of additional places in a number of schools. The Education Basic Needs Programme has now moved into the second Tranche of delivery and phased implementation of the main construction works for twelve primary schools projects and one secondary school is in progress. In this instance the Strategic Director is requested to consider awarding contracts to the recommended tenderer for works to Horley NE Primary School in Horley and Langshott Infants School in Horley East.

Additional school places are needed by September 2014 to meet an increase in pupil numbers. The award of these contracts will enable the works to be completed on time.

This record formally confirms that a meeting was held under the above delegated Authority on 10<sup>th</sup> December 2013 at which the award of the contracts for main construction works at Horley NE Primary School and Langshott Infants School was approved as recommended in the submitted confidential contract award report.

## Decision made

### Decision made:

It was AGREED that following a mini-competition tendering exercise and extensive pre-construction preparation, contracts be awarded for main construction works for the 2013/14 schools capital construction projects at Horley NE Primary School and Langshott Infants School to the contractors identified in paragraphs 2 and 3 of the Contract Award report.

### Reasons for Decision:

To enable main works to be carried out for the construction projects at Horley NE Primary School and Langshott Infants School, which will result in increased basic needs provision for children in accordance with the council's statutory obligations.

Decision taken by:	Julie Fisher, Strategic Director for Change and Efficiency
Decision taken on:	10 December 2013
To be implemented on:	18 December 2013

## Alternative options considered

The tenders for these contracts have been conducted in accordance with EU Procurement rules under Frameworks previously approved by Cabinet pursuant to the Council's Procurement Standing Orders. No alternative options are available for consideration by the Strategic Director.

## Summary of any financial implications

### Main Construction Works for Horley NE Primary School

The overall funding agreed in the MTFP 2013/18 for this scheme is £4,803,243. There is a forecast overspend of £187,631 which was explained in the Cabinet Report on 24<sup>th</sup> September 2013. The last estimated cost of the total scheme is as follows:-

Latest estimate Business Case	4,990,874.00
LESS Fees (including surveys, etc.)	- 437,364.00
LESS FF&E	- 215,000.00
Construction Budget £	<u>4,338,510.00</u>
LESS Pre-Construction Agreement	- 273,701.00
LESS Enabling Works Nr 1	-1,178,677.28
LESS Enabling Works Nr 2	- 481,645.11
Main Contract Cost Allowance £	<u>2,404,486.61</u>

Tender result: A tender was negotiated under the framework agreement conditions with the successful tenderer in the sum of £2,366,138.80. This is a reduction of £38,347 compared to the last estimate.

#### Main Construction Works at Langshott Infants School

The overall funding agreed in the MTFP 2013/18 for this scheme is £2,705,379. There is a forecast overspend of £924,662, which was explained in the Cabinet Report on 22<sup>nd</sup> October 2013. The last estimated cost of the total scheme is as follows:-

Latest estimate Business Case	3,630,041.00
LESS Fees (including surveys, etc.)	- 319,129.00
LESS FF&E	-173,000.00
Construction Budget £	<u>3,137,912.00</u>
LESS Pre-Construction Agreement	- 144,876.00
LESS Enabling Works	-256,227.92
Main Contract Works Cost Allowance £	<u><u>2,736,808.08</u></u>

Tender result: A tender was negotiated under the framework agreement conditions with the successful tenderer in the sum of £2,523,058.50. This is a reduction of £213,749 compared to the last estimate.

#### **Declarations of conflicts of interest**

None.

**Consultation/Process Followed**

The Strategic Director for Business Services has consulted with the Leader, the Cabinet Member for Business Services, the Cabinet Member for Asset Regeneration and Programmes and the Cabinet Member for Schools and Learning and the S151 officer. Formal agreement to the proposed decision was given in writing by each on the following dates:

Cabinet Member for Asset and Regeneration Programmes Peter Martin on behalf of Tony Samuels	.....17/12/13.....
Cabinet Member for Business Services Denise Le Gal	.....16/12/13.....
Cabinet Member for Schools and Learning Linda Kemeny	.....13/12/13.....
Leader of the Council and Chairman of the Cabinet David Hodge	.....17/12/13.....
Section 151 Officer Sheila Little	.....11/12/13.....

**Background Documents**

Exempt:

Contract Award Report	Yes
Tender Evaluation Report.	Yes