

SLOUGH BOROUGH COUNCIL

REPORT TO: Cabinet **DATE:** 19th September 2011

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WARD(S): ALL

PORTFOLIO: Education & Children – Cllr Pantelic
Neighbourhoods & Renewal - Cllr Swindlehurst

PART I
KEY DECISION

OUTCOME OF TOWN HALL TENDER PROCESS

1 **Purpose of Report**

To report back to Members on progress with the tender for the Town Hall conversion and refurbishment project and to appoint a Preferred Contractor named in the Part II report.

2 **Recommendation**

The Cabinet is requested to appoint the Preferred Contractor to provide the Town Hall Conversion and Refurbishment as recommended in a separate report on Part II of the Agenda

3 **Community Strategy Priorities**

- **A Place to Live, Work and Play**
- **Prosperity for All**

The conversion and refurbishment of the Town Hall will deliver a new school for Chalvey Ward currently the only ward without a local school. This project is a key part of Slough's Primary Expansion Programme, a programme to rapidly increase the primary school capacity across the town to meet rising demand. The Town Hall project will help the Local Authority to ensure that every Slough child entitled a school place is offered one from September 2012 onwards.

4 **Other Implications**

(a) **Financial**

The budget for the scheme was established as £1.55m by the Local Authority and contractors were invited to tender a scheme that kept within this budget. Tenderers were required to deliver a life of 7 years for the building to enable funding to be allocated to creating an uplifting learning environment, rather than it all being allocated to addressing infrastructure needs.

The £1.55m budget is made up as follows:

£1.45m Section 106 developer contributions provided for school places;
 £100K Council capital funding to upgrade retained areas.

A further £50K of Section 106 funding has been retained for internal project management fees and some specialist cost consultancy fees.

Excluded from the project budget is the cost of furniture, kitchen equipment and ICT hardware. A provisional estimate for the cost for these items is £150K. The Project Board will explore options for reducing expenditure on these items, initial proposals are to re-use kitchen equipment from the former Town Hall canteen and Newbeech House where possible, and to use existing Local Authority purchasing frameworks for furniture and ICT hardware. The total cost of these items will be met from within the Primary Expansion project budget, this budget has been approved as part of the Council's Capital Programme and is funded by the £5.07m grant received for new school places in 2011-12.

Demolition of the 1970's block and the removal of the modular canteen and other outbuildings on the Town Hall site are to be funded by Council capital already identified for this purpose.

(b) Risk Management

<i>Recommendation</i>	<i>Risk/Threat/Opportunity</i>	<i>Mitigation(s)</i>
<i>From section 2 above</i>	<i>Risk – That costs rise during stage 2 of the tender as more detailed design work is undertaken.</i>	<i>Robust negotiations with the Contractor. Items are cut from the scheme.</i>
	<i>Risk – Project does not complete in time to admit children for September 2012</i>	<i>This will need to be closely monitored and either Claycots accommodate pupils on their main site or 2 further schools add infant annexes</i>

(c) Human Rights Act and Other Legal Implications

Local Authorities are under a statutory duty to ensure that there are sufficient school places in their area, promote high educational standards, ensure fair access to educational opportunity and promote the fulfilment of every child's educational potential. They must ensure that there are sufficient schools in their area and also promote diversity and increase parental choice. This project contributes towards the Council's fulfilment of its statutory duty.

The procurement exercise undertaken meets the requirements of the legislation and the Council's procurement procedures contained in the Constitution.

There are no immediate legal implications and any arising during the phase leading to completion of a contract will be advised upon as necessary.

(d) Equalities Impact Assessment

One is currently being prepared.

(e) Workforce

None – Claycots will need to recruit additional staff for the new school site. The staff would be employed by the Local Authority as Claycots is a Community school.

5 **Supporting Information**

- 5.1 Cabinet on 9th November 2011 agreed to tender the conversion and refurbishment of the 1930's part of the Town Hall to create a new school building ready to be used from September 2012. A Design and Build tender approach was the agreed procurement route.
- 5.2 At the same meeting it was also agreed to invite applications from Headteachers interested in expanding their school onto a second site by incorporating the Town Hall. Following an application and interview process, Claycots School was appointed as the successful candidate. Claycots is a popular and successful school that has demonstrated a clear vision of how they will ensure the new Town Hall building is an equally successful extension of the existing school.
- 5.3 On 14th April 2011 a notice was published in the European Journal seeking contractors interested in tendering for the Town Hall project, this is known as an 'OJEU notice'. Interested contractors were asked to complete a Pre-Qualification Questionnaire and a large number of responses were received. The Project Board scored all Pre-Qualification Questionnaires based on the scoring mechanism published alongside the OJEU notice.
- 5.4 On 13th July 2011 the 7 top scoring contractors were sent Invitations to Tender for the project. Responses were due back on 30th August 2011 and the details of the responses received are included in the Part II report.
- 5.5 The Invitation to Tender pack included a full description by Claycots of their aspirations for the new school buildings; how it should look and the feelings it should generate for users; as well as the practicalities of how the building will need to be configured to operate as a school. Contractors were asked to translate the vision of the school and those of the headteacher, while meeting the practical constraints of the site and the budget, within their tender responses.
- 5.6 The Tender pack sent to contractors also included a comprehensive collection of the surveys and plans held by the Council. During the tender process tours of the Town Hall were given to each shortlisted contractor, interviews were provided where requested and responses to questions were circulated to all contractors. The aim was to assist contractors in submitting a comprehensive tender.
- 5.7 Following receipt of the tenders, interviews were arranged to provide elected Members, senior officers and school representatives with an opportunity to ask questions of the Tenderer's project team.
- 5.8 The tendering process is based upon a two stage design and build approach employing an NEC 3 Engineering & Construction Contract: June 2005, Option C target Sum Contract (as being used for the Britwell Community Hub). The first stage requires Tenderers to submit fixed prices for standard elements including design, preliminaries, subcontract and direct fee percentage together with the outline concept design and building specification.
- 5.9 From the tenders received a single Contractor is chosen to be the preferred developer and proceed to stage 2. This stage is to develop detailed designs and preparation of activity targets costs based upon stage 1 of the contractor's proposal. The second stage provides the Council with the opportunity to customise the outline designs, quality of design, timescale for the completion of the work, ensure the work commissioned is within the funding envelope, etc and then to include the agreed specification and contract sum in the Contract to award the work. The second stage is of critical importance to ensure the Town Hall conversion and refurbishment project is within budget, delivers a building which is fit for purpose and which meets the Council and school aspirations for the building.

6 **Comments of Other Committees**

None

7 **Conclusion**

Members are requested to note progress with the project and note the award recommendations contained in the Part II report.

8 **Appendices Attached**

None

9 **Background Papers**

None