

Exempt or confidential report

The following paragraph of [Part 4b Section 10 of the constitution](#) applies in respect of information given in Appendix 1 and it is therefore exempt from publication:

Information relating to the financial or business affairs of any particular person (including the Authority holding that information).

Members and officers are advised not to disclose the contents of this Appendix

Chief Executive Key Decision

Date: 1 April 2021

Subject: Design consultants for capital projects

Lead officer: Jane McSherry, Assistant Director of Education and Early Help

Lead member: Cllr Eleanor Stringer – Joint Deputy Leader and Cabinet Member for Children and Education

Contact officer: Tom Procter – Head of Contracts and School Organisation

Recommendation:

For the council to appoint “Contractor A” for up to 5 years to the rates outlined in this report as our preferred design consultant for construction projects, annual surveys of schools, and a full condition survey of schools when deemed necessary

1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1. To enable the council to deliver capital maintenance and other mid-sized capital projects, primarily at schools, the council requires a design consultant that can be commissioned quickly and cost effectively as necessary.
- 1.2. Officers identified the Crown Commercial Services Framework as the most cost effective tool to meet this aim and following a compliant process through the London Tenders Portal it is recommended to appoint contractor A.
- 1.3. While the procurement was primarily undertaken to meet the needs for design consultants to manage capital projects in schools, and especially school condition projects, it is open for all council departments to utilise.
- 1.4. This is a key decision for the Chief Executive as the contract has the potential to be above £500,000 over the next 5 years.

2 DETAILS

- 2.1. On 20 October 2020 the Procurement Board approved the option for design consultants to be procured by a mini competition through Crown Commercial Services Lot 3.
- 2.2. Due to a larger programme of summer works that is difficult to resource through the Corporate FM in-house team, and difficulty in recruiting the necessary expertise, the procurement was to ensure that the Children,

Schools and Families Department (CSF) has access to a suitable design consultant to provide timely technical assistance with the programming, and to provide the consultancy design services, including contract administrator, for a set number of projects. It is anticipated that CSF will discuss resourcing with Corporate FM prior to the programme being agreed, and so agree which projects are managed in-house, and which externally. It was to be set up so that other council departments could use it if needed.

- 2.3. The aim was to provide the maximum flexibility that will enable the council to procure design services for capital projects in a timely manner with a consistent company, but no guarantee of work, and to also work with the council to assist with prioritising capital condition works in schools on an annual basis, and to undertake full conditions surveys if needed as the Autumn 2017 school surveys get increasingly out of date.

The tender process.

- 2.4. The mini competition was undertaken through documentation required by Crown Commercial Services Lot 3 (where there are 11 design consultants), through the London Tenders portal.

- 2.5. The ITT confirmed the following specific requirements:

The council wishes to procure one preferred provider from the CCS framework to provide services to the council over the next 3-5 years to manage with the prioritising of works and to enable a direct call-off for works. While there is no guarantee of workload as we may continue to procure some works to the in-house team, we expect that the construction value to be at least £1 million per annum and may be considerably more than this.

The council corporately would also wish to put further ad hoc projects that may be of up to £1 million in construction value to the single partner as funding becomes available.

- 2.6. A fee bid was required for:

- An annual fixed cost to visit all 32 schools during the autumn term or early spring terms. The visit of up to 2 hours per school will assess priorities based on information provided by the schools and a condition survey undertaken in 2018, and provide a recommended list of maintenance priorities with estimated costs for consideration by the council to include in the programme. Weighted 10%.
- A percentage fee to manage projects to completion on the basis that projects will be banded £0 to £20,000, £21,000 to £50,000, £51,000 to £100,000, and £100,000 and above. Weighted 35%.
- An optional fee price for a new site wide condition survey for each of the 32 schools which may be undertaken within the next three years. Weighted 5%.

- 2.7. Tenderers were confirmed to be selected on the basis of the Most Economically Advantageous Tender (MEAT), in accordance with the evaluation criteria specified overleaf:

Evaluation Criteria	Weighting
Compliance Assessment	
1. Insurance requirements through:	Pass/Fail
Third Party Public Liability Insurance cover of £10m	
Professional Indemnity Insurance cover of £5m (lot 2-6)	
Employers Liability Insurance to minimum statutory level	
2. Other requirements through:	Pass/Fail
Signed and dated Tender Certificate (without caveats/qualifications)	
Statement confirming conflicts of interest	
Acceptance of Form of Contract	
Qualitative and Quantitative Assessment	
3. Proposed team, competence and CV's	15%
4. Approach to the work, including reporting quality	15%
5. Teams previous experience on related work	20%
6. Price	50% (10%, 35%, 5% for each work stream)
	100%

Evaluation process

- 2.8. Three submissions were returned on the closing date of 8 February 2021. The detail is provided in the confidential appendix.

3 ALTERNATIVE OPTIONS

- 3.1. Procurement options were considered as a 'Gateway 1' report by the Procurement Board and it was concluded that utilising the CCS Framework offered the best means to get best value for money.

4 CONSULTATION UNDERTAKEN OR PROPOSED

- 4.1. None

5 TIMETABLE

- 5.1. It is proposed to enter into contract as soon as this decision is agreed so that design work can be undertaken on a number of priority school condition works to commence construction in the school summer holidays.

6 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

- 6.1. In recent years the council has been provided with a capital grant from the Department for Education of at least £1.9 million per annum for school capital maintenance works. It is expected the grant will continue in future years.
- 6.2. Contractor A are the lowest cost supplier and the vast majority of these costs are capitalised when the project goes ahead. On the rare occasion projects do not proceed the costs fall to the revenue budget but this occurs at present and is not considered to be material.

7 LEGAL AND STATUTORY IMPLICATIONS

- 7.1. The Crown Commercial Services existing Project Management and Full Design Team Framework has been OJEU procured and provides an appropriate framework for construction consultant services which the Council can call off.
- 7.2. The procurement as outlined by the report was compliant with the procedures under the framework for the conduct of a mini competition.
- 7.3. SLLP (South London Legal Partnership) therefore confirms that it is lawful and appropriate for the Council to procure the design services through the CCS PMFDT Framework.

8 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

- 8.1. None specific

9 CRIME AND DISORDER IMPLICATIONS

- 9.1. None specific

10 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

- 10.1. This arrangement manages the previous risk in the council that it does not have the internal capacity to manage fluctuating requirements for building surveyors and other design consultants to manage capital projects.

11 APPENDICES – THE FOLLOWING DOCUMENTS ARE TO BE PUBLISHED WITH THIS REPORT AND FORM PART OF THE REPORT

- Appendix 1 - Confidential appendix - Design consultants for capital maintenance projects, primarily in schools - evaluation details

12 BACKGROUND PAPERS

- 12.1. None.