

WIRRAL COUNCIL

CABINET

3 FEBRUARY 2011

SUBJECT:	TENDER REPORT FOR CONSTRUCTION OF THE NEW CO-LOCATED PENSBY PRIMARY AND STANLEY SCHOOLS
WARD/S AFFECTED:	PENSBY AND THINGWALL
REPORT OF:	DIRECTOR OF LAW, HR AND ASSET MANAGEMENT
RESPONSIBLE PORTFOLIO HOLDER:	COUNCILLOR SHEILA CLARKE MBE
KEY DECISION?	YES

1.0 EXECUTIVE SUMMARY

- 1.1 The purpose of this report is to update and advise Cabinet Members of tenders received for the construction of a new Pensby Primary School and Stanley School, which will be co-located on the existing Pensby Primary School site, and to seek approval of the most economically advantageous tender.
- 1.2 The proposed development will promote the Council's Corporate Priority by raising overall educational attainment, reducing the Council's carbon footprint and improving the use of Cabinet's land and assets.
- 1.3 Cabinet is asked to accept the most economically advantageous tender submitted by Wates Construction.
- 1.4 Appendix B to this report summarises the evaluation of the submitted tenders. It is not for publication because it contains commercially sensitive information relating to the submissions of the individual bidders.

2.0 RECOMMENDATION/S

- 2.1 That the most economically advantageous tender submitted by Wates Construction be accepted as preferred bidder, subject to the Contractor developing a satisfactory Health & Safety Plan, the development of an acceptable target cost and the completion of contract documentation.

3.0 REASON/S FOR RECOMMENDATION/S

- 3.1 The proposed development implements a key element of the Council's Primary Strategy for Change as approved by Cabinet at its meeting of 22 May 2008 (minute 19 refers).

- 3.2 The developments forms part of the Council's contribution to national DfE Primary Capital Investment Programme for which approval has been received from the DfE.

4.0 BACKGROUND AND KEY ISSUES

- 4.1 Following a consultation period in 2006, the DfE announced details of the National Primary Strategy for Change Programme in December 2007. This initiative formed the mechanism for major capital investment in primary schools.
- 4.2 Cabinet confirmed the principles of Primary Strategy for Change at its meeting of 22 May 2008 (minute 19 refers).
- 4.3 On 23 April 2009 Cabinet gave approval, in principle, to the replacement of both Stanley and Elleray Park Special schools on new sites, each located with a mainstream primary school (minute 468 refers).
- 4.4 This approval was further developed by Cabinet on 26 November 2009 giving the approval for formal consultation to take place on the proposal to co-locate Stanley Special School on the new Pensby Primary site (minute 194 refers).
- 4.5 Following the report of 26 November a number of formal public consultations were undertaken, details of which were reported to Cabinet on 18 March 2010 (minute 338 refers). Generally, the response to the proposed development was positive; many respondents cited the benefits that will be accrued by both the pupils in Pensby Primary and Stanley School as being their reason for supporting the scheme.
- 4.6 A Scheme and Estimate report was submitted to Cabinet on 23 September 2010 and duly approved (minute 139 refers)
- 4.7 The proposed single-storey scheme replaces the existing Pensby Primary School building on the same site and the Stanley School building presently located in Thingwall. The new building consists of three elements: the new primary school, the special school and a central hub containing shared facilities. The building is to be located on the existing Pensby Primary School site.
- 4.8 The scheme will be built in two phases - Phase 1 will consist of Pensby Primary School and part of the central hub containing school hall, plant rooms, kitchen, and dining and staff facilities. This phase will be constructed between February and December 2011. Phase 2 will consist of Stanley Special School and the remaining part of the central hub containing sports hall, swimming pool, hydrotherapy pool and further staff resource rooms. This phase will be built between April 2012 and March 2013 following the demolition of the existing Pensby Infant School early in 2012.
- 4.9 The style of architecture will be contemporary and predominantly of masonry construction. Maximum use of daylight and ventilation has determined the layout and profile of the building. The facility will provide a good quality learning and working environment for all users, with attractive support and personal spaces to encourage well-being, self-esteem and a sense of ownership. The

building also includes the development of outdoor learning areas to all classrooms and sensory awareness to consider the impact of a Schools environment on children's sensory experience.

- 4.10 The work will include all necessary finishes, fitted furniture, heating, lighting, power, fire and intruder alarms. State of the art facilities for disabled pupils including sensory rooms, hydrotherapy and physiotherapy facilities and hygiene facilities will be provided. The space will also permit specialist therapies to be delivered on site. Overhead lifts and ceiling tracks will be tailored to meet the school's needs.
- 4.11 External provision will include hard and soft landscaping; play area and multi-use games area; external dining area; covered outdoor learning areas; sensory gardens; service yard and car park.
- 4.12 The scheme is illustrated in Appendix A

5.0 RELEVANT RISKS

- 5.1 In order to comply with Planning Regulations, there was a requirement to consult with Sport England in respect of the proposed building and external areas. Initial contact with Sport England had raised some concerns with the overall footprint of the building and reduction of playing field. This issue has been resolved with the off set of land released following the demolition of the present Stanley School being classified as playing fields. This land will become part of the neighbouring Thingwall Primary School.
- 5.2 Security of funding has been a concern with major capital programmes over the past few months, at this point in time there have been no indications from Partnerships for Schools that Primary Capital Programme funding is being withdrawn. Other Wirral schemes in this programme have either been completed or are approaching completion by the end of the year.
- 5.3 Neighbourhood consultation has not resulted in any major concerns being raised at this stage of the scheme development.
- 5.4 A full risk management exercise has been undertaken for this project with design team members and the Council's risk management section owing to the complexity of the project and financial resources involved. This will be developed with the preferred bidder as a detailed risk register containing all critical project risks and monitored on a regular basis by the project team.
- 5.5 The proposed form of contract will be the New Engineering Contract, NEC Option C, incorporating a negotiated target cost. This is a nationally recognised standard form of contract widely used on major building and other construction projects. Based on a partnering philosophy, this is the preferred contract for schemes procured through the North West Construction Hub (NWCH). The contract will involve a negotiated target cost being developed in collaboration with the contractor prior to contract award. A principle of the NEC Option C form of contract is that there will be a pain/gain mechanism whereby the contractor can claim a limited bonus for completing the works under the target cost. However, the contract will incorporate a guaranteed maximum price which

will be set within the available budget and hence will help manage financial risks appropriately.

6.0 OTHER OPTIONS CONSIDERED

- 6.1 Options were considered at the early stages of the projects – see Cabinet reports referred to in section 4 - Cabinet of 22 May 2008 (minute 194), Cabinet 23 April 2009 (minute 468), Cabinet of 18 March 2009 (minute 338).

7.0 CONSULTATION

- 7.1 The detailed design has been developed in consultation with a range of stakeholders including staff, pupils, parents and Council officers and this will continue throughout the design development, target cost preparation and construction process.

8.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

- 8.1 The new schools will offer a number of facilities to the local community and specialist groups of which the details are still to be developed. These will include the assembly hall, sports hall, hydrotherapy pool and swimming pool and associated change rooms. Externally, the junior football pitch and the all-weather multi-use games area will be available to public use outside school hours subject to the conditions of the planning approval.

9.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS

- 9.1 The Design Consultancy Unit within the Department of Law, HR and Asset Management will provide all Professional Services with the exception of landscape design, which will be undertaken by the Council's framework consultants, Halsall Lloyd Partnership.
- 9.2 The Director of Technical Services in accordance with the Construction (Design and Management) Regulations will carry out the role of CDM Coordinator.
- 9.3 It is anticipated that there will be an increase in fuel revenue costs as a result of this scheme as the new building will be considerably bigger than the present primary and special school due to Building Bulletin 102 requirements (BB102). However, this will be minimised with the provision of a more energy efficient building which will be built to a higher standard than the current regulations require. The Energy Conservation Unit within the Department of Law, Human Resources and Asset Management will closely monitor costs.
- 9.4 There are no staffing implications with the proposals as staff will be transferred from the existing schools.
- 9.5 As the value of the contract exceeds the relevant threshold under European regulatory regime for "works," the procurement route was via the newly implemented Northwest Construction Hub (NWCH), administered through Manchester City Council with support from the North West Improvement and

Efficiency Programme (NWIEP) and the Centre for Construction Innovation (CCI).

9.6 The proposal is to accept the most economically advantageous tender received by the Authority using a cost/quality evaluation model. This model was lodged with the Council's procurement team in the Finance Department prior to receipt of tenders and included a 30% Price 70% Quality evaluation.

9.7 The high value list of the NWCH Framework was selected as the most appropriate tender list on advice received from both NWCH and the Council's Corporate Procurement team. The list comprises 5 large building contractors, all of whom have satisfied comprehensive pre-qualification criteria on quality assessment to gain selection to the framework. Two of the five contractors declined to tender for the scheme. The contractors have already tendered overhead and profit percentages, which remain fixed for schemes awarded under the framework.

9.8 Tender submissions were received on 21 December 2010 and interviews were held with all three tenderers on 10 January 2011. As a result of the selection process it is recommended that Wates Construction be appointed as the preferred bidder, to develop the target cost and proceed to contract with the Council. Details of the selection process and relevant scoring of tenderers is included at Appendix B (exempt item).

9.9 Guaranteed maximum price to be agreed within the available budget

- Guaranteed maximum price for construction
- Departmental Charges at 13.5% including:
 - Professional Fees
 - Clerk of Works Salary
 - CDM Coordinator
 - Planning and building regulation fees
 - Landscape design
- ICT Costs (infrastructure and hardware)
- Furniture fittings and Equipment.

Total **£12,500,000.00**

9.10 The scheme will be funded from the following:

- Primary Capital Programme £6,000,000.00
- Targeted capital fund (SEN/14-19) £6,500,000.00

Total **£12,500,000.00**

9.11 Provision has been made within the contract for Targeted Recruitment and Training (TRT) so that Wirral Council can continue the policy of developing a Construction Employment Integrator (CEI).

10.0 LEGAL IMPLICATIONS

10.1 There are no specific legal implications associated with this report. The Legal and Member Services Section within the Department of Law, Human Resources and Asset Management will arrange the contract with Wates Construction.

11.0 EQUALITIES IMPLICATIONS

11.1 There are no specific implications in this report for equal opportunities, including women, ethnic minorities or the elderly. Access will be provided for children and adults with disabilities to all areas of this building. The new building will also comply with current recommendations on design for the deaf and partially sighted. An Equality Impact Assessment has been carried out for this project and there are no negative impacts identified for any specific groups.

12.0 CARBON REDUCTION IMPLICATIONS

12.1 The new building will be designed to be efficient and economic to operate and maintain. It is intended that the building will use, as far as is economically possible, ecologically responsible materials to create a pupil-orientated environment in accordance with DfE recommendations and guidance. The scheme will achieve a 60% reduction in carbon emissions when compared with 2002 approved levels and achieve a BREEAM (Building Research Establishment Environment Assessment Method) rating of "very good". The design follows the principles of the Council's Green Specification as approved by Cabinet on 25 November 2010 (minute 226) and will incorporate rainwater harvesting, attenuated drainage system and a sedum moss roof. The provision of photovoltaic power generation will be incorporated subject to budget availability.

13.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

13.1 Planning permission was granted for the phase 1 works on 4 January 2011. The application for phase 2 will be submitted for approval in March 2011. Extensive consultation has taken place with Planning Control regarding the development

REPORT AUTHOR: **Bryan Gilbert**
Principal Architect
telephone: (0151 606 2392)
email: bryangilbert@wirral.gov.uk

APPENDICES

Appendix A Illustrations of proposed development

Appendix B **Exempt** -Tenderers' evaluation scores

REFERENCE MATERIAL

The information used in the preparation of this report was obtained in consultation with the Children and Young Peoples Department and with reference to their bidding documents. No other background papers have been used in the preparation of this

report with the exception of the Architects files B02365 and B02366 and the Quantity Surveyor's working papers.

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Cabinet confirmed the principles of Primary Strategy for Change (minute 19 refers).	22 May 2008
Cabinet approval, in principle, to the replacement of both Stanley and Elleray Park Special schools on new sites, each located with a mainstream primary school (minute 468 refers).	23 April 2009
Cabinet approval for formal consultation to take place on the proposal to co-locate Stanley Special School on the new Pensby Primary site (minute 194 refers).	26 November 2009
Cabinet report on the results of the formal public consultation (minute 338 refers).	18 March 2010
Cabinet approved the Scheme and Estimate report for the proposed development (minute 139 refers).	23 September 2010