

WIRRAL COUNCIL

CABINET

14 APRIL 2011

SUBJECT:	TENDER REPORT FOR CATHCART STREET PRIMARY SCHOOL REFURBISHMENT
WARD/S AFFECTED:	BIDSTON AND ST JAMES
REPORT OF:	DIRECTOR OF LAW, HR AND ASSET MANAGEMENT
RESPONSIBLE PORTFOLIO HOLDER:	COUNCILLOR SHEILA CLARKE MBE CHILDREN'S SERVICES & LIFELONG LEARNING
KEY DECISION?	YES

1.0 EXECUTIVE SUMMARY

1.1 The purpose of this report is to advise Cabinet Members of the outcome of the two stage tender process for the project to remodel and refurbish Cathcart Street Primary School which includes the provision of a re-located satellite Children's Centre. The report seeks ratification from Members to the selection of the Constructor named on Appendix 1 as the Councils 'preferred constructor' for the scheme.

2.0 RECOMMENDATIONS

- 2.1 That Paragon Construction, who submitted the most economically advantageous tender, as detailed in Appendix 1, be accepted as the Councils 'preferred constructor'.
- 2.2 The Director of Law, HR and Asset Management be authorised to execute an appropriate construction contract with the preferred constructor in due course based upon a partnering philosophy, subject to them developing a satisfactory Health & Safety Plan.
- 2.3 That call in be waived to allow early mobilisation of the preferred constructor and minimise disruption to the school.

3.0 REASONS FOR RECOMMENDATION

3.1 A Scheme and Estimate report fully detailing the proposals for this site was presented to Cabinet on 3 February 2011 and Cabinet resolved that the Director of Law, HR and Asset Management be authorised to seek tenders and all statutory approvals for the works (minute 314 refers).

4.0 BACKGROUND AND KEY ISSUES

- 4.1 The proposed scheme will refurbish and upgrade the existing building at Cathcart Street Primary School, add a Satellite Children's Centre and re-provide the temporary mobile accommodation on site used for before and after school provision and holiday activities.
- 4.2 It is proposed to complete the refurbishment works before the start of the autumn term in September 2011, in order to make use of the current availability of spaces in the building, and to commence the extension for the Children's Centre shortly after. To assist in achieving this tight timescale, window replacement, roof replacement and fencing works will be let as separate contracts prior to the main contract works.
- 4.3 Because of issues including technical, logistical and operational site challenges, multiple contractor working and both time and budgetary constraints associated with this scheme, tenders have been evaluated on a quality/price basis.
- 4.4 In view of the tight timescale referred to above, Members' approval is requested to waive call-in. The reasons for this are as follows:
- There is a very tight programme for the proposed works, with pupils moving from Cole Street Primary School for the start of the autumn term. An early start will allow the contractor more flexibility in view of the currently low pupil numbers at Cathcart Street.
 - There is a considerable amount of work to be done to the existing building as part of the alteration/refurbishment works with a lot of disruption to the school. As well as building work, all of the services (heating, lighting, fire alarms etc) are being renewed as part of the scheme.
 - To make the most of the school holidays, including Easter (when the building will be empty), early mobilisation of the contractor is required. Easter is only days after the Cabinet date, and the intention is to carry out service isolation works which form part of the main contract during the Easter break.

5.0 RELEVANT RISKS

- 5.1 Subject to final approval, the scheme will be funded by a combination of local and national capital resources.
- 5.2 Due to the time constraints for completion and the technical and operational complexity, the project will be managed under a 'partnering contract' arrangement whereby the contractor's expertise is maximised and an early start on site can be achieved. A key principle within the contract is that there will be a pain/gain mechanism whereby the contractor can claim a limited financial bonus for completing the works within an agreed maximum price, which will be set within the available budget, and hence will help manage financial risks appropriately. Should unexpected additional work be encountered this will be managed through engineered savings which may result in minor changes to the specification or scope of the works. All contractor costs will be on an 'open book' basis and will be monitored by the Design Consultancy in the Department

of Law, HR and Asset Management and overseen by Internal Audit in the Department of Finance.

- 5.3 A full risk management exercise in accordance with Council procedures will be undertaken for this project owing to the complexity and limited financial resources involved. This will be developed with the preferred constructor as a detailed risk register containing all critical project risks and monitored on a regular basis by the project team.

6.0 OTHER OPTIONS CONSIDERED

- 6.1 Cabinet considered other options for primary school provision in the area at its meetings of 1 October 2009 and 24 June 2010 (minute 24 refers) and determined that proposals should be published in respect of the closure of Cole Street Primary School and alternative provision with effect from 31 August 2011.

7.0 CONSULTATION

- 7.1 The design proposals have been developed in consultation with the building users. A range of stakeholders including staff, pupils, parents/carers, community groups, and the Department of Children and Young People's Primary Team, will continue to be consulted throughout the construction process.

8.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

- 8.1 The CATS club (before, after school and holiday club) will be housed in permanent accommodation within the school building.
- 8.2 There will be considerable involvement of local community groups in the use of the proposed satellite Children's Centre in line with the usual working arrangements for these centres.

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

- 9.1 The Department of Law, HR and Asset Management will provide all Professional Services.
- 9.2 The Director of Technical Services in accordance with the Construction (Design and Management) Regulations 2007 will carry out the role of CDM Coordinator.
- 9.3 There are no additional staffing implications with these proposals.
- 9.4 Stage 1 Tender submissions were received on 25 March 2011 have been scored by a panel of officers from The Department of Law, HR and Asset Management. Stage 2 interviews were held with the four best scoring tenderers from stage 1 with a panel including officers from Children and Young People's Department and the school representatives on 1 April 2011. Details of the selection process and relevant scoring of tenderers is included at Appendix 1. The model used to determine the most economically

advantageous tender was lodged with the Council's procurement team in the Department of Finance prior to receipt of tenders.

9.5 The agreed maximum contract price will be set within the available budget reported to Cabinet on 3 February 2011.

9.6 The scheme will be funded from the following sources:

- | | |
|-------------------------------------|---------------|
| • Council Capital Programme 2011/12 | £1,500,000.00 |
| • Primary Capital Programme 2010/11 | £ 367,712.00 |

Total	<u>£1,867,712.00</u>
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9.7 Provision will be 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 for the completion of the contract.

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. The building design has followed the principles of the Council's generic Equality Impact Assessment (EIA) for schools and children's centres.

11.2 A project-specific EIA will be completed before the works begin on site.

12.0 CARBON REDUCTION IMPLICATIONS

12.1 Low energy electrical fittings, light fittings, heating controls, water saving devices and high levels of insulation will all be used to help reduce the consumption of natural resources and contribute to the councils CO2 reduction objectives. The 2011/12 carbon budget target for Cathcart Street School is a saving of 56 tonnes of CO2.

12.2 The successful constructor will be encouraged to employ local labour and source materials from local suppliers as far as possible.

13.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

13.1 Planning permission was applied for on 24 February 2011 and a decision is expected by 14 April 2011

13.2 Rationalisation and refurbishment of schools allow the most vulnerable accommodation to be removed and other security improvements carried out.

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APPENDICES

Appendix 1 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 report	3 rd February 2011
Cabinet report	25th November 2010
Cabinet report – CYPD Capital Programme 2010/11	22nd July 2010
Cabinet report	24th June 2010
Cabinet report	1st October 2009
Cabinet report	28th May 2009