

LONDON BOROUGH OF RICHMOND UPON THAMES

CABINET LONDON BOROUGH OF RICHMOND UPON THAMES

Agenda Item No.

DATE: 30 MAY 2006

REPORT OF: DEPUTY LEADER AND CABINET MEMBER FOR RESOURCES AND CABINET MEMBER FOR CHILDREN'S SERVICES AND EDUCATION

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LEAD OFFICER: ASSISTANT DIRECTOR ENVIRONMENT

SUBJECT: BUILDING SCHOOL FOR THE FUTURE – TEDDINGTON SECONDARY SCHOOL PROCUREMENT OF DESIGN TEAM

WARDS: HAMPTON WICK

KEY DECISION?: NO

IF YES, IN FORWARD PLAN?: NO

For general release

1. PURPOSE OF THE REPORT

2.1 This report considers the most appropriate method of tendering and letting the professional architectural and related services for Teddington Secondary School and seeks delegation of final approval down to the Cabinet Members for Resources and Children's Services and Education. The estimated contract value for these services is £1,040,000.00

2. RECOMMENDATIONS

(Subject to further and full approvals for the building works themselves)

That the Restrictive Tendering method (Contract Standing Orders clause 6.4) be approved for the professional and architectural related services for the construction of the new school, with final selection being made using cost weighted selection criteria and final appointment being delegated down to the Deputy Leader and Cabinet Member for Resources and the Cabinet Member for Children's Services and Education following the advice received from an interview panel.

3. DETAIL

- 3.1 The tender relates to the procurement of architectural, surveying and engineering services required in relation to the rebuilding/remodelling of Teddington Secondary School, Broom Rd, Teddington and is to be funded via the Building Schools for the Future programme. The services include the development of the employers brief & requirements, preparation of designs up to RIBA Stage D (Detailed Proposals), preparation of tender documentation for the building works and acting as the Councils supervising agents in relation to the construction of the building works.
- 3.2 Based on the current estimated build costs , the total professional fee's are estimated to be in the region of £2,880,000.00. However this report relates to the first stage of design, broadly up to the point a which a construction firm is appointed. The estimate for this first phase is £1,040,000. The further detailed design work required beyond this will be undertaken principally by the (to be) appointed construction firm, who will be selected via a further procurement exercise.
- 3.3 The recommendation and contents of this report have been informed by a review of the potential procurement options available in relation to the tendering of the construction work itself (See **Appendix A**) This work has been led by Curry and Brown, who were our appointed project managers for feasibility/application to DFES stages of the scheme. The Design and Build procurement route is favoured by Currie and Brown largely because this procurement method combines the required characteristics of cost control and certainly, risk control, quality management whilst still enabling the achievement of the required completion date. The appointment process for the Architect and Design Team that is proposed below fits in with this recommended construction procurement route and hence we are dealing only with the first phases of design work, through to when a construction firm is selected. Approval of this procurement route for the construction itself will however be subject to a subsequent further Cabinet report.

4.0 PROPOSED USE OF A OF QUALITY BASED SELECTION PROCESS FOR THE ARCHITECT AND DESIGN TEAM

- 4.01 Contracts standing orders clause 9.4 requires that acceptance of tenders received be on the basis of cost and quality.
- 4.02 The quality of the design proposals, and the ability to communicate and understand the client are critical areas, which will determine the successful delivery of the project and quality of the eventual school buildings delivered. Selecting the right architect and design team will significantly contribute towards the quality of the school buildings delivered through the project as well as the way in which the building project is delivered, whilst maximising the value of money invested in building. Good quality appropriate architectural design will not only provide buildings of aesthetic quality, but also provide facilities, which are fit for purpose, supporting and enhancing the Councils and Schools delivery of high quality education both in the immediate and long term future.

It is also hoped that the new school will be a sustainable demonstration project, with the Council hoping to create a school that achieves the highest environmental rating achievable. It is therefore important that the Council selects and appoints architects and designer who are understand sustainable design and construction and who have a good track record in such areas.

5.0 EUROPEAN UNION PROCUREMENT

- 5.01 this is a professional services contract, above the European Union threshold for public procurement rules. , In order to maintain progress against programme and completion date, the necessary procurement adverts under the E.U. process have already been placed in the European Union Tender Journal and within the UK press, prior to the formal cabinet approval, due to the legal minimum time scales such adverts are required to be

advertised for. These adverts requested expressions of interest to be returned by 5th May 2006.

- 5.02 European Procurement rules allow for a number of alternative procurement processes to be undertaken, corresponding to the options allowed for within Contract Standing Orders. These are the Restrictive, Open, Negotiated, Competitive Dialogue and the Dynamic Purchasing processes. The Dynamic Purchasing option is not suitable because it is designed for framework type contracts. The possibility of utilising an existing framework contract for these services was evaluated but was rejected, as the contracts in this area are still being tendered and hence not available for use. The Open method of tendering was not considered appropriate due to the anticipated high number of suppliers who would be submit tenders and the time/resources required subsequently to review them all. The Negotiated method of tendering was not considered appropriate, as the constraints, which normally leave negotiation as an option, do not apply in this case and it is important to demonstrate value for money via competition.

The Restrictive method is recommended, as this will allow all potentially interested suppliers to express an interest in formally tendering, thus enabling the Council to review all those who submit such expressions of interest for their suitability effectively and economically before their formal invitation to tender.

- 5.03.1 Under this Restrictive process potential architect and design teams have been to submit expressions of interest based on outline information. These expressions of interest will now be reviewed and a formal tender list will be created. This evaluation process will be undertaken by staff within the Property, Parks & Procurement in the Environment Directorate and within the Buildings Development team in Children's Services, with support from the Commission for Architecture and Built Environment (CABE). CABE were the body set up by Central Government to advise it and others on the design of the built environment. References would be taken up and financial checks undertaken on those who have submitted expressions of interest prior to their invitation to submit a formal tender. The intention being to ensure that all those invited to tender have the broad skills and abilities to deliver the project.

It is anticipated that six to eight of those suppliers expressing an interest will be invited to submit formal tenders. Suppliers would be asked to submit tenders which will be judged on both quality and price using pre-determined criteria and a scoring system.

The Quality Scores will be based on an assessment of each tenderers formal submission supplemented by interview. Evaluation of each tender would be undertaken by an Appointment Panel, composed of the School Head Teacher, 2Nr. School Governors, 1Nr Representative of CABE, Councillor(s), 1Nr Staff member LEA and 1Nr Staff member for Property, Parks & Procurement. Each Panel member would score and evaluate each tender separately after each interview, panel scores would then be averaged and fed into a cost weighted evaluation model, with 80% of marks set aside for quality and 20% for price as set out in **Appendix B**. The Panel's views would then be reported to the Cabinet Member for Children's Services and Education.

6.00 APPOINTMENT OF ARCHITECT AND DESIGN TEAM

To enable occupation of the new buildings by September 2009 as required by the Department for Education and Skills, the building works required, need to commence during the middle of March 2008, to allow sufficient time to undertake and complete the works. This ambitious timescale will require the urgent appointment of an architect and professional design, if the necessary pre-construction work such as design, planning approval, procurement of the building works is to be completed in time to enable works to commence on site when required.

Contract Standing Orders Clause 9.9 requires that the acceptance of all contracts where the tender price, has an estimated value of over £500,000.00, be carried out by the Cabinet.

However it is requested that Cabinet devolve this decision down to the Cabinet Member for Children's Services and Education in liaison with the Appointment Panel as all decisions for this scheme will need to be taken urgently, and will not readily fit into the cabinet decision making cycle.

This recommendation is subject to the tender price that is to be approved being the most economically advantageous tender and being within 10% of the pre-tender estimate. Otherwise the decision will revert to Cabinet.

4. CONSULTATION

4.1 None required.

5 FINANCIAL IMPLICATIONS

5.1 The report makes no request for detailed approvals at this stage, rather it outlines the process of procurement of apart of the whole project. The general update report on the BSF proposals that is elsewhere on the agenda makes specific comments about the funding of the whole scheme.

6. POLICY IMPLICATIONS/CONSIDERATIONS

6.1 None

7. RISK ASSESSMENT

A risk schedule has been produced and is available via the Assistant Direct of Environment (contact details below) should anyone wish to see the detail.

8. EQUALITY IMPACT/CONSIDERATIONS

The scheme will provide a modern secondary school built to comply with all modern construction standards, be fully accessible and designed to enable the delivery of the modern education curriculum.

9. LEGAL IMPLICATIONS

10. BACKGROUND DOCUMENTS:

11. CONTACTS

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