



Report to Cabinet Member for Achievement and Learning & Resources

Decision to be taken on or after 4 June 2007

Decision can normally be implemented at least 3 working days after decision has been signed.

Cabinet Member Report No. AL10.07

Title: Cressex One School Pathfinder – Selection of Construction and Design Partner

Date: 16 May 2007

Authors: Chris Munday, Divisional Director, Commissioning and Business Improvement, on behalf of the appointed selection panel

Contact Officer: Chris Munday (01296) 387849

Electoral Divisions Affected: Booker, Cressex and Sands

Relevant Overview and Scrutiny Committee: Children's Services

Summary

The Department for Education and Skill (DfES) has introduced the Building Schools for the Future One School Pathfinder programme in 2006. Buckinghamshire County Council was successful in securing sufficient resources from this initiative to rebuild Cressex Community School in Wycombe. The DfES required all Local Authorities to define their procurement route for the design and build element of the programme. It was agreed that Buckinghamshire would use the South East Centre of Excellence (SECE) for the procurement of the contractors. The Cressex Programme Board established and agreed with SECE a procurement approach. The process was concluded with interviews with the three selected providers on 15th May 2007. The interviews, together with the visits and the review of the tender documentations lead the panel to recommend to members HBG as the preferred design and construct partner for the Cressex Programme.

Recommendation

that HBG are appointed as the design and construct partner for the Cressex Programme

A. Narrative setting out the reasons for the decision

Background to SECE

The SECE Buildings workstream is led by Hampshire County Council supported by their Architect's Department and construction professionals from across the spectrum. SECE is funded by grant from the Department of Community and Local Government (DCLG) and its advice and framework are offered free of charge to participating authorities. There is a charge for more detailed involvement if required.

The Framework Agreement is an arrangement where a long term relationship is established with a number of contractors under which specific call-offs to form individual contracts can be made throughout the life of the agreement. SECE has created this framework for major schemes or programmes of work which can be accessed by any SECE Public Authority. This has been done through a process of advertising in the Official Journal of the European Union, pre-qualification and tender.

This process therefore complies with the requirements of BCC's Contract Standing Orders.

The Framework is not an approved list from which contractors can be selected to tender. The fundamental basis of the framework is one of early collaborative engagement with a contractor to develop a scheme with the professional team. Then, after agreeing an appropriate packaging of the project into subcontract elements, to tender then in an open book fashion to generate an agreed project contract sum. This is more akin to a two stage approach.

During the early collaborative period of a project, the contractor and client team will collaboratively develop design, programme, cost and procurement strategy. They will also identify and allocate all the project risk to ensure the most appropriate party is responsible. The framework is designed to harness the construction intellect of the framework contractors at an early stage to ensure a 'right first time' approach to the scheme development.

It is this open and honest collaborative working that will lead to predictable results in cost and time through the knowledge that buildability is thoroughly considered in the design

SECE carried out an initial contractor assessment criteria survey with all 7 contractors regarding the 8 BSF One School Pathfinder Projects in the South East Area.

3 contractors emerged from the Framework pool as top preference based on the criteria of:

- Preferred type of work
- Relevant Experience
- Capacity
- Geographic location

The three contractors are:

- HBG

- Mansell/Balfour Beatty Construction Ltd
- Willmott Dixon

The contractors were asked to complete the following tasks

- submit tenders using the SECE framework mini competition template
- arrange visits to see schools that they have designed and built
- participate in a selection interview

The Contractor Selection took place on 15th May 2007 and the Panel consisted of:
Chris Munday, Divisional Director Commissioning and Business Improvement,
Children's Services

David O'Donnell, Interim Head of Procurement & Commissioning

Diane Spencer, Head of Property Services

Keith Heard (SECE)

Richard Marshall Head teacher, Cressex School

Analysis

It is important to note that all of the providers could design and construct Cressex school. The analysis of the interviews incorporating information from the visits and the tender documentation is attached in table 1 below.

Table 1

Cressex Community School BSF OSP Scoring Contractor Selection

		HBG	Mansell / BBCL	Willmott Dixon
Score / weighted score				
Management Structure and Costs	0.17	5	4	4
Logistical Approach and Preliminaries	0.14	4	3	4
Supply Chain Strategy	0.07	4	5	4
Communication arrangements	0.10	5	5	5
Programme and Cost	0.07	4	3	3
Design Development	0.14	5	3	2
Pricing Submission	0.30	4	5	4
Total weighted score x/5 x 100	1.00	4.42	4.12	3.75
% of maximum available		88.4	82.5	75.1

From this analysis it is recommended that HBG are selected as the contractors for the One School Pathfinder project at Cressex school.

B. Other options available, and their pros and cons

Chose a different provider from those interviewed

Members could choose from the other providers. All of the selected providers will be capable building the Cressex school to the required standard. There is a risk that choosing one of the other providers could be subject to challenge as HBG did achieve the best overall scoring during the procurement exercise. This would be contrary to the SECE procurement framework

Re-tender

Members could choose to re-tender for the programme. It is unlikely that another tendering exercise will produce further more qualified companies. This would not enable the build to be completed in the required timescale.

Do nothing.

Member could decide not to appoint any contractors and return the resources to DfES. This would mean that Cressex could not be built and would remain in a poor state of repair until sufficient resource was found for it to be re-developed.

C. Resource implications

DfES has contributed £31 million for the completion of the Cressex Project. This is a fixed amount. The procurement route used mitigates against the risks of the project overspending. Regular financial and progress monitoring through the Programme Board will ensure that the project is completed on time and in budget

D. Value For Money (VFM) Self Assessment

In considering value for money it is important to note that the design and construction of Cressex will be funded through the BSF One School Pathfinder initiative. Analysis suggests that in line with the VFM strategy the following score would be achieved.

Effectiveness A

Efficiency C

Economy E (although the use of DfES resources to fund the Cressex build is highly beneficial to the Council)

E. Legal implications

The Council will be entering a contract for the work of rebuilding Cressex School with standard legal implications

F. Property implications

Cressex Community School was selected as the One School Pathfinder as it is the worst school building in relation to the Asset Management Register. The development will lead to the creation of a new state of the art school.

G. Other implications/issues

There are no other implications or issues.

H. Feedback from consultation and Local Member views

Significant levels of consultation have been undertaken with the school, governors and community as part of the development of the new Cressex school. There is general support for the development of the school. The school has been fully involved in the selection of the recommended provider.

I. Communication issues

The contractor will be informed of the decision.

J. Progress Monitoring

The implementation of the project will be monitored by the Cressex Programme Board. The Council will appoint a Clerk of Works to ensure that resources are used appropriately and that value for money is achieved.

Quarterly reports will be sent to the DfES as the funder of the project.

K. Review

This decision will not be reviewed for the lifetime of the project

Background Papers

Tender Submissions from Balfour Beatty Construction, Wilmott Dixon Construction, HBG Construction

Reports from South East Centre of Excellence

 Preliminary Report on Contractor Submissions (03 May 2007)

 Report on Constructor Site Visits (09 May 2007)

 Preliminary Review of Financial Information in Contractor submission (14 May 2007)

Report from Property Services

 John Collins analysis (10 May 2007)

Your questions and views

If you have any questions about the matters contained in this paper please get in touch with the Contact Officer whose telephone number is given at the head of the paper.

If you have any views on this paper that you would like the Cabinet Member to consider, or if you wish to object to the proposed decision, please inform the Democratic Services Team by 5.00pm on 1 June 2007. This can be done by telephone (to 01296 383610), Fax (to 01296 382538), or e-mail to cabinet@buckscc.gov.uk

CABINET MEMBER REPORT NO.

DECISION TAKEN:

I have taken into account any representations received concerning the contents of this report.

Signed: _____

Date: _____

DECISION NOT TAKEN:

Signed: _____

Date: _____

Reason: _____

For Reference

(Officers should sign below once the report has been finalised for printing and return to Democratic Services, Room 124, Old County Offices)

Professional advice supporting the decision was provided by the following Officers

Name	Signed	Date
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