

**AWARD OF CONTRACT – SCHOOLS’ CAPITAL MAINTENANCE PROGRAMME 2017/18 - FIRE ALARM AND EMERGENCY LIGHTING UPGRADES AT BUSHFIELD, GREENLEYS AND LAVENDON SCHOOLS (REF: CU2563)**

Responsible Cabinet Member: Councillor Nolan (Cabinet Member for Children and Families)

Report Sponsor: Kamran Rashid (Capital Programme Director)

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**Executive Summary:**

This report is seeking approval to award the contract for Fire Alarm and Emergency Lighting Upgrade works at Bushfield, Greenleys and Lavendon Schools, as identified within the 2017/18 Capital Maintenance Programme.

The contract term is for a period of six weeks, with works commencing In July 2017 and being completed by September 2017.

Procurement and Commissioning previously agreed that the tender could progress at its meeting on 20 December 2016 (Minute PC46 refers).

**1. Recommendation**

1.1 That the contract for the Fire Alarm and Emergency Lighting Upgrade works at Bushfield, Greenleys and Lavendon Schools be awarded to the bidder who has scored the highest in accordance with the Most Economically Advantageous Tender (MEAT) evaluation.

**2. Context**

2.1 The contracted works will address identified capital maintenance issues at Bushfield, Greenleys First and Lavendon Schools and improve the energy efficiency and reduce carbon emissions. Works will be completed over the summer holiday period to ensure minimum disruption to the Schools.

2.2 These three projects have been grouped together in order to obtain efficiencies in both the time and financial resource by being managed by a single contractor.

**3. Background**

3.1 Decision to Proceed to Tender

This procurement was approved to proceed to Tender by Procurement and Commissioning on 20 December 2016.

### 3.2 Consultation

- (a) The specification and evaluation criteria for this contract were developed following consultation with the following key stakeholders, including the respective Headteachers, School Business and Site Managers alongside the Project team.
- (b) The consultation highlighted that that the schools needed to be fully engaged in the development of the scheme to ensure the programme and design would best suit the needs of school, whilst minimising disruption during the installation period. This was built into the specification and the procurement strategy following individual meetings with the three schools.

### 3.3 Tender Evaluation

- (a) The contract was advertised on the Council's E-Tendering system on 23/01/17 and 6 tenders were returned on 20/02/17.
- (b) The Tenders were evaluated by a suitably qualified and experienced panel of officers including the Project Leader, Capital and the Project Manager (a Chartered Building Surveyor).
- (c) A tender moderation session was held between the evaluators and chaired by Corporate Procurement.
- (d) The Evaluation criteria, scores and prices for all tenders are attached as an Annex (Exempt Paper) to this report. A summary of the Risk Assessment is set out in section 4.2 of this report.

Area*	Evaluation Area	Weighting (%)
1	Tender Price	70%
2	Quality Areas:  2.1 Programme and Supervision (40%) 2.2 Functional and Technical Compliance (40%) 2.3 Environmental Consideration (10%) 2.4 Social Value (10%)	30%

- (e) The MEAT evaluation of tenders resulted in the following results (note the actual names of suppliers their pricing and a breakdown of the Quality will be detailed in the Exempt Annex to this report).

	Total score	Position
Company A	77.2	1
Company B*	67.1	3
Company C*	65.0	4
Company D*	45.0	5
Company E*	40.1	6
Company F*	71.2	2
*Quality threshold not met – see para (h) below		

- (f) The evaluation criteria were weighted to ensure that essential quality aspects of the tender were scored accordingly, and minimum scores set.
- (g) A minimum quality threshold of 3 out of 5 marks (60%) was set for Question Area 2.1 - Programme and Supervision. The successful Company (A) did meet the minimum quality score of 3 out of 5 marks; however the remaining 5 tenderers did not. A full evaluation of tender was nevertheless undertaken for the tenders that failed to meet the set quality threshold for the purposes of providing full feedback including indicative ranking. This exercise also confirmed that Company A's tender, the only tender out of the 6 to meet the quality threshold, does represent the Most Economically Advantageous Tender to the Council taking into account their combined Quality and Price submission.
- (h) Public Services (Social Value) Act 2012 - Tenderers were asked to provide their proposals for working with the individual Schools to engage pupils in the project, within appropriate timescales. The recommended tenderer included in the response, proposals for age appropriate projects linked to Health and Safety on a construction site with the school children.

### 3.4 Contract Management

- (a) The Senior Client Officer for this contract is the Project Leader from the Capital Development Team based in the Resources and Commercial directorate. The contract adheres to the NEC3 Engineering and Construction terms and conditions which will be administered by a Project Manager partner from the Milton Keynes Council Professional Services Framework.
- (b) The key governance processes will be delivered using the methodology contained within the Capital Projects RACI, which aligns with the MK Approach.

- (c) Issues that cannot be resolved by, or are not within the remit of, the Project Manager and Client Officer, will be escalated to the Capital Projects Director in the first instance and then, if required, the overarching Education and Effectiveness Management Board.

#### 4. Implications

##### 4.1 Policy

The award of this contract will progress the following priorities within the Corporate Plan 2012/16:

- (a) Living in MK, through serving the needs of growing communities within Milton Keynes by ensuring sufficient school places for local communities.
- (b) The procurement of this contract has complied with Contract Procedure Rules, Financial Regulations and applicable European Procurement Regulations.

##### 4.2 Resources and Risk

- (a) A total resource allocation of £282,000 for these three schemes has been made available in the capital programme, funded by Schools Condition grant allocation. Each project budget includes all fees, surveys and works.
- (b) Any underspend at the end of the project will be returned to the Milton Keynes Council's Capital Programme budget.
- (c) The key opportunity secured by this contract is addressing identified condition issues within the school buildings ensuring access to safe and suitable teaching and learning accommodation. It is assessed that the delivery of this contract will provide Milton Keynes Council with a high positive Impact.
- (d) The key threats for this contract going forward have been assessed as:

<b>Risk</b>	<b>Likelihood/Impact</b>	<b>Mitigation</b>	<b>Likelihood/Impact after mitigation</b>
Time overruns	Low/Medium	Projects will be awarded with sufficient time to enable mobilisation of the contract and iron out any potential issues in advance of start on site.	Low

<b>Risk</b>	<b>Likelihood/Impact</b>	<b>Mitigation</b>	<b>Likelihood/Impact after mitigation</b>
School not engaged	Low/Medium	Continued engagement with the contractor and the school following award of contract and during mobilisation phase and then the works phase.	Low

The governance measures set out in 3.4 above provide a basis to conclude that these threats, properly managed represent a LOW likelihood or a LOW impact.

Y	Capital	N	Revenue	Y	Accommodation
N	IT	Y	Medium Term Plan	Y	Asset Management

#### 4.3 Carbon and Energy Management

- (a) The scheme to upgrade both the Fire Alarms and Emergency Lighting will reduce the carbon emissions and future energy costs (e.g. low-wattage replacement bulbs will only be required once every 5 years and will therefore reduce the cost to the schools).
- (b) Tenderers were required in their MEAT evaluation responses to explain how they would deal with recycling and waste material and the initiatives they would take to protect the environment and their compliance with relevant environmental legislation.

#### 4.4 Legal

- (c) The Council has a legal obligation under The Education Act 1996 to secure that the school premises maintained by it conform to the prescribed standards set out in the Education (School Premises) Regulations. The prescribed standard in this instance relates to the upgrade of the Fire Alarms and Emergency Lighting.
- (d) The procurement of the works is compliant with the Council's Contract Procedure Rules and United Kingdom and European legislation.
- (e) A formal contract will be executed as a deed between the Council and successful tenderer.

#### 4.5

## Other Implications

N	Equalities/Diversity	N	Sustainability	N	Human Rights
N	E-Government	Y	Stakeholders	N	Crime and Disorder
Y	Carbon and Energy Policy				

Background Papers:

Decision to Proceed to Tender 20 December 2016

Exempt Papers:

Confidential Annex