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Table of Contents

BACKGROUND 1
VALUE FOR MONEY 2
FINANCIAL BREAKDOWN 3
CONSTRUCTION PROCUREMENT 4
TIMESCALE 5
RISK MANAGEMENT 7
EQUALITY 8
DATA PROTECTION 8
ADVICE RECEIVED FROM OTHER OFFICERS 9
CHANGE CONTROL 9

BACKGROUND

The Blue Mountain Programme is a priority for Bracknell Forest Council.

The vision of the programme is to provide a combined living and learning environment, which enriches public open space and provides quality facilities to the community.

The programme will deliver statutory school places required in the Borough alongside meeting the need for new housing and the associated community facilities.

The Learning Village will consist of an all-through provision consisting of 2FE primary provision with a 52-place (PTE) nursery, 7FE secondary provision with post-16 provision, integrated SEN provision and community facilities from September 2017 to support the planned growth in the Borough.

This Procurement Plan is in respect of the construction works required to create the new school buildings and facilities, consistent with the School Capacity Strategy approved by the Executive in December 2013.

Reason for Requirement

The Site Allocations Local Plan (SALP) is an essential component to the Council's adopted Core Strategy. The proposed development at the Blue Mountain site is included within the SALP with an aim to create 400 residential units.

New dwellings at Blue Mountain as well as at other sites (particularly in North Bracknell) will create a deficit of secondary and primary school places from September 2016.

Under sections 13 and 14 of the Education Act 1996, as amended by the Education and Inspections Act 2006, a local education authority has a general statutory duty to ensure that there are sufficient school places available to meet the needs of the population in its area. Local Authorities must promote high educational standards, ensure fair access to educational opportunity and promote the fulfilment of every child's educational potential.

To meet the growing need for school places, a Learning Village at the Blue Mountain development is being proposed along with integrated community facilities.

Objectives

- The main objectives of the Blue Mountain programme for providing a multi-functional facility as follows:
 - Deliver a new 2FE primary provision, 1 Reception class operational from September 2017 with integrated SEN provision (15 places) by Sep 2017
 - Deliver a new 7FE secondary provision, two Y7 classes operational from September 2017 with integrated SEN provision (25 places) by Sep 2017
 - Build co-located on-site sports and integrated community facilities with re-use of the existing club facilities if possible, from 2017 onwards
 - Support the development of 400 new homes
 - Deliver high quality publicly accessible open space

Project Scope

- The scope for the programme is as follows:

Item	Summary
Master Planning	<ul style="list-style-type: none"> • Overall site options analysis and concept planning along with the movement strategy for Blue Mountain.
Learning Village	<ul style="list-style-type: none"> • All through school consisting of: <ul style="list-style-type: none"> - 26 FTE Nursery provision (52 places PTE) - 2FE Primary provision - 7FE Secondary provision with post-16 - Integrated SEN provision (primary & secondary)
Community Facilities	<ul style="list-style-type: none"> • Integrated Community Facilities • Re-use of existing club house if possible (detailed scope and funding to be decided, refer to paragraph 5.18)
Sport Facilities	<ul style="list-style-type: none"> • Football Club and co-location options

This procurement plan focuses on the delivery of the Learning Village. Procurement of contractors for other deliverables such as the community facilities will be included at a later date once the details of the type of facilities and timetable for delivery have been agreed with various stakeholders. Depending on the status, either this procurement plan will be updated or a new plan will be created to cover additional items.

Project Constraints/Assumptions

- Procurement plan currently covers the delivery of the Learning Village only.
- Surveys have not been carried out, hence, site unknowns could impact cost and delivery
- Planning approval will be required to enable the project to be delivered.
- Accuracy of forecast pupil numbers
- Funding in future years, including DfE grant and developer contributions to be confirmed

Dependencies

- Sufficient interest from suitable contractors at tender
- Property transaction to be completed before appointing a contractor.
- Possession of the site to be available.
- Service connections to the main grid to be made available through the developer's site.

VALUE FOR MONEY

A master plan has been developed for the site and the options identified through a feasibility study.

The construction work will be tendered in accordance with the Council's procurement procedures and value for money will be demonstrated at contract award.

The cost consultant will compare the competitive tender returns and also review against the

projects of similar nature and scale in South East England.

FINANCIAL BREAKDOWN

Capital Costs

Based on the feasibility study the total cost of the programme is £42.07m including £3m for contingency.

It is important to note that. Inflation can be expected to add as much as 15% (£6.3m) to the overall projected costs.

Revenue Costs

Schools are funded for their day to day revenue costs from the Dedicated Schools Grant (DSG), which is a ring-fenced grant, the amount of which is determined by the DfE and is therefore outside the financial responsibility of the Council. DSG is allocated to local authorities based on pupil headcount data, so as pupil numbers increase, so does overall income to the Schools Budget to allocate additional funds to relevant schools.

However, the Council needs to be aware of the impact of its investment decisions and ensure that no undue financial burden is placed on the Schools Forum which has responsibility for allocating funds within the Schools Budget. Any cost impact from these developments will reduce funding available to other areas of the Schools Budget.

The funding formula for schools is used to allocate resources on an objective and consistent basis to schools. This results in the majority of funding being allocated on the basis of the number of pupils on roll. Funding rates for 2014/15 are in the range of £2,820 to £4,000, and cover the vast majority of school costs.

As with most new/expanded schools, start-up costs pose a challenge. As the funding is based on number of pupils, the year on year rise in rolls in new schools places significant pressure on school budgets to meet fixed overheads including, full staff rota, extra heating, lighting and maintenance.

Pupil transport costs are a funding responsibility of the Council, however the school admissions process will be managed so as to minimise any home to school transport costs by placing pupils in local schools wherever possible.

Cashable Savings

None anticipated.

Project Costs

The cost of construction and fit out of the learning village are allowed for within the capital cost. It is inclusive of professional fees, furniture & equipment and ICT.

The costs allow for integrated community facilities which will be provided as part of the Learning Village development e.g. new sports hall for the secondary school could be used by the community during the non-school hours. Additional cost may be incurred for a comprehensive stand-alone provision e.g. major refurbishment of the existing club house. The full definition of the scope of the community facilities will be developed through a combination of internal workshops and the community engagement process.

CONSTRUCTION PROCUREMENT

Procurement process and methods

The construction value falls above the OJEU threshold. The Capital Construction Category Strategy considered all of the options for this type of procurement and that IESE framework is the preferred approach. In order to meet the Council's Contract Standing Orders, it is proposed to use a framework run by Improvement and Efficiency South East (IESE). The IESE framework is the preferred procurement route for major new school build projects in the Capital Construction Category Strategy approved by the Executive in 2012. It was used to appoint the contractor for the Building Schools for the Future project to rebuild Garth Hill College in 2010.

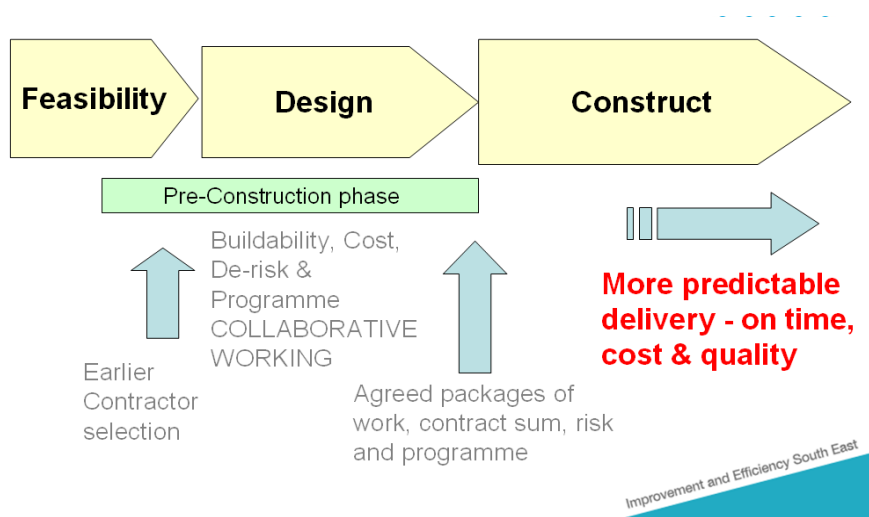
Contractors will be required to complete a mini-competition process. The contractors will be shortlisted to three or four in part 1 of the mini-tender. The Council will then select one contractor from the shortlist and will award a contract for delivering pre-construction services.

Once the pre-construction services have been delivered and planning has been granted, the Council will award the contract for main works to the same contractor for the construction phase.

The IESE Framework for Major Projects went live on 20 July 2011 and can be used for procuring construction projects of more than £1m in value, with no single project upper limit. The framework will expire in July 2015. A new replacement framework is currently being procured by Hampshire County Council. Whilst one can only guess at this stage, it is expected that the new set of contractors may be appointed at a higher framework rate next year. This view is supported by the evidence that the construction market has seen a major improvement in business coming out of the recession and inflation in cost is expected to rise significantly. The current forecasts from Atkins indicate that from Q1 2014 to Q2 2015, price inflation for constructing the schools will be 7.82%. Hence, the Council could benefit from using the existing framework rates under the current 2011 IESE framework.

IESE is expecting to appoint eight contractors on the revised framework from July 2015, which means the total number of contractors will remain unchanged from current 2011 framework. Hence, the volume of competition is expected to remain unchanged.

IESE approach:



The key benefits of IESE framework are:

- Value based tender process
- Early contractor involvement
- Integrated project team
- Cost-Time-Benefit recording
- Quality assurance process
- KPI performance approach
- Compliant with OJEU procurement
- Open book negotiation
- Time cost and quality certainty

The framework is based upon a 2 stage collaborative process. It is designed to complement Contracting Authorities' project processes and gives an increased emphasis to deliver efficiencies.

Timescale

The key milestones proposed are as follows:

Item No.	Description	Timetable
1.	Procurement Plan Approved	Oct 2014
2.	Specification	January 2015
3.	Project Notification	January 2015
4.	First stage selection – The 'mini competition'	
5.	<ul style="list-style-type: none"> • The Contracting Authority issues its mini competition document to all contractors. 	February 2015
6.	<ul style="list-style-type: none"> • The contractors submit mini competition part 1 to Contracting Authority. 	March 2015
7.	<ul style="list-style-type: none"> • The Contracting Authority evaluates and invites the top 3 or 4 contractors to submit mini competition part 2. 	March 2015
8.	<ul style="list-style-type: none"> • The contractors submit mini competition part 2 to Contracting Authority. 	April 2015

9.	<ul style="list-style-type: none"> The Contracting Authority evaluates and identifies the best bid. 	April 2015
10.	<ul style="list-style-type: none"> The Contracting Authority enters into a Pre-Construction Agreement with the successful contractor. 	April 2015
11.	<ul style="list-style-type: none"> The Contractor completes the pre-construction service to the Authority's satisfaction. 	September 2015
12.	Second stage selection	
13.	<ul style="list-style-type: none"> The Contracting Authority enters into the underlying contract for the works. 	December 2015
14.	* Construction Phase	January 2016 to June 2017

* Subject to the council having sufficient rights to access the site.

Tender Evaluation

The evaluation criteria for the procurement will be pre-determined and issued with the Invitation to Tender. Tenders will be evaluated on Quality 55%, and Cost 45% as per the IESE Framework, as follows:

Part 1

- Availability Yes/No
- Available Resources and Project Understanding 20%

Part 2

- Technical Criteria 35%
- Finance Criteria 45%

The Part 1 scores for shortlisted bidders carry forward and are combined with their scores for Part 2 of the mini-competition.

The tenders will be evaluated with advice from the Council's technical advisory team Atkins.

Other procurement options considered:

Many procurement options were reviewed, of which the main alternative routes considered were as follows:

a) A full OJEU tender procurement was considered to be unsuitable. Due to the complex property transaction for this programme timetabling a lengthy procurement timeline as sequential activity may lead to abortive cost and/or costly changes at a later stage. The full OJEU option will also carry a higher level of risk that that programme may not be delivered by September 2017.

b) The EFA framework has also been considered as a procurement route. However, its suitability is also compromised because the Blue Mountain programme has a unique set of on-going property issues. The EFA framework is better positioned when an initial feasibility study by the Council is followed by short-listing two contractors to progress the design stage. Surveys should ideally be completed ahead of the short-listing of the two contractors, which will not be possible until May 2015. Applying the framework after gaining site access from April 2015 may mean that that programme may not be delivered by September 2017. As two contractors develop the design in parallel, the cost incurred by the short listed contractors is significant. This risk to the contractor is generally not worthwhile if underlying risks exist e.g. the property deal may not materialise as per the timetable. Hence, it is highly likely that that several contractors may willingly not participate in the bidding process, which could have a significant impact on value for money.

c) Government Procurement Service is now part of the Crown Commercial Service was reviewed. The framework has recently been used by the Council to procure the Garth Hill College expansion for £6.5m but it was considered unsuitable for the large-scale Blue Mountain Programme.

RISK MANAGEMENT

Risks and Mitigation Options

Affordability Risk is HIGH as these works are dependent upon external borrowings.

Programme Risk is assessed as MEDIUM. The programme has several external dependencies, hence, may slip by a year to 2018.

Planning Risk is HIGH, because the works involve redevelopment of a golf club which may also contain protected species. Survey will be carried out from April 2015 onwards. There will be issues with highways. Objections to the planning application from the community are expected.

Availability of Site Risk is HIGH. The site transaction is progressing but obtaining vacant possession could be delayed due to various reasons e.g. lack of a commercial deal with the land owner of the Blue Mountain site, delay in the golf club exiting site.

Contingency Plans – Business Continuity

Not applicable. Garth Hill College is currently undergoing an expansion of 350 places from September 2015 as an interim measure until the new secondary school at Blue Mountain is open.

SUSTAINABILITY

With respect to the works being purchased, the following sustainable areas will be considered as part of the procurement process:-

Social

- The facilities will provide bright and flexible accommodation for children, giving the best start and opportunities for the pupils.
- The programme is seeking input from the Council's Business & Enterprise team to ensure that apprentices and trainees are included in the delivery. IESE has partnered with the CITB to establish a flexible, low cost and easy to use construction industry Shared Apprenticeship Scheme (SAS) for London and the South East. The scheme is fully endorsed by the Skills Funding Agency, National Apprenticeship Service. It operates across the IESE region with two not for profit organisations, CoTrain and Evolve, complimenting the contractors existing training schemes. The Council will give due consideration to suppliers and contractors whose employment practices include the use of apprenticeships.

Environment

- The building and facilities will impact on the environment but this will be mitigated through the statutory planning and building control processes to ensure that the construction meets current standards.
- A method statement on how the contractor will manage the construction will be required.
- Proposals for reducing carbon and managing waste during the construction and within the scheme design will be requested.
- The Council's energy manager will be consulted on the design and specification to ensure they are satisfied with the proposals.
- Renewable technology, probably solar panels and solar water heating will be part of the scope.
- A BREEAM rating of 'very good' is being targeted.

Economic

- The school will have new facilities to support teaching and learning to 21st century standards.
- The Council will seek to encourage potential contractors to engage local trades and businesses. As per the IESA published data, 92% of all sub-contractors are SMEs, 62.3% of the money goes to local SMEs and 61% of labour is local.
- The Council will require that the project is registered with the Considerate Constructor Scheme. IESE claims that Considerate Constructor Scheme Projects out performs industry average of (35.3) by 14%.

EQUALITY

Equality Impact Assessment (EIA)

- Particular attention will be paid to the disability access requirements and any age specific requirements in the design of the accommodation.

DATA PROTECTION

Privacy Impact Assessment (PIA)

- A PIA Screening Record Form is not required as the procurement does not include any system or services where personal data is collected or processed.

Project Steering Group

The Project Director will chair the Programme Steering Group (PSG) which will meet monthly to review the project against cost and programme, to deal with detailed issues raised by the project manager and to manage risk and change control.

Contract Management

Contact management will be provided by Atkins, subject to fee confirmation.

ADVICE RECEIVED FROM OTHER OFFICERS

Procurement Comments

Provided by: Derek Fitz-Gibbon

Programme uncertainties serve to increase the risk of a compromised procurement process and cost escalation both of which will need careful management.

Legal Comments

Provided By: Simon Heard

There are complex legal issues that will need to be resolved in relation to the land deal prior to the commencement of the procurement exercise.

Finance Comments

Provided by: Paul Clark

Included within the body of the procurement plan.

Category Manager Comments

Provided by David Watkins

This procurement is being carried out in accordance with the approved Category Strategy.

CHANGE CONTROL

If any major changes are required to this document it will be re-issued as a revision for approval. Change will be managed through a formal change control procedure and coordinated by the Programme Manager. Additional expenditure will not be incurred without written approval by the Project Director.