

## **CABINET MEMBER DELEGATED DECISION 19 NOVEMBER 2021**

**Report title:** Contract Award for the Maintenance of six Lambeth school roofs

**Wards:** Bishops, Gipsy Hill, Oval, Herne Hill, Ferndale and Vassall Wards

**Portfolio:** Cabinet Member for Children and Young people: Councillor Edward Davie

**Report Authorised by:** Bayo Dosunmu: Strategic Director, Resident Services

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### **REPORT SUMMARY**

This report summarises the results of the procurement process undertaken to appoint a contractor for the 6 Schools Roofing Works.

The report recommends that the contract for the 6 Schools Roofing Works is awarded to Breyer Group Ltd as the successful bidder who submitted the most economically advantageous tender at a total contract cost of £1,492,817.36.

The roofing works will be undertaken on six schools in the borough, namely Julian's (West Norwood), Elm Wood, Jessops, Ashmole, Stockwell and Walnut Tree Walk Primary Schools. The works form part of the overall Capital Maintenance of Schools Programme and the scope of works include roof replacement and roof refurbishment. A client-held contingency is included in the budget and will be detailed in Part II of this report.

### **FINANCE SUMMARY**

The funding for this project is reported within the Capital Investment Programme and is made up of grant money allocated by Central Government on an annual basis. The allocation for 2021/22 was £3,390,481. There is also an additional £174,786 of unspent 2020/21 Grant, bringing the total available funding to £3,565,267, which is forecast to be spent over the next two financial years.

The required contract sum for this award is £1,492,817.36 (in addition to a client held contingency).

### **RECOMMENDATIONS**

1. To approve the award of the contract to Breyer Group Ltd for the 6 Schools Roofing Works for a contract sum of £1,492,817.36 commencing on 30 November 21 for a period of 24 weeks, and a client held contingency with the total contract sum not exceeding £1,750,000.

## **REASONS FOR EXEMPTION FROM DISCLOSURE**

The accompanying part II report is exempt from disclosure by virtue of the following Paragraphs of schedule 12A to the Local Government Act 1972:

3. Information relating to the financial or business affairs of a particular person (including the authority holding that information).

## **1. CONTEXT**

- 1.1 This is a Gateway 3 Procurement Report seeking approval to appoint Breyer Group Ltd for the 6 Schools Roofing Works.
- 1.2 The Capital Maintenance Programme for Schools is an annual programme of major repairs to Lambeth Schools. It is funded through a capital grant with allocations from the Department for Education (DoE). These allocations are made annually. The current allocation totals £3,565,267.
- 1.3 The Programme deals with maintenance works to schools and is split into building works and mechanical and electrical works. This package relates to building working works, in particular roofing. The works are to ensure buildings are wind and water-tight, secure and provide adequate thermal comfort, while also addressing any works that pose health and safety risks.
- 1.4 Ingleton Wood LLP were appointed in 2016 for four years, as the consultant to lead on the delivery of the maintenance works required and have specified the works packages for schools with high priority needs and these work packages have been tendered to contractors. Ingleton Wood's contract was recently extended for a further two years to 2022.
- 1.5 This contract forms part of a package of works including six schools. There is an overall programme of works which is agreed between the council and Ingleton Wood consultants. Works are packaged according to priority and similarity of work types.
- 1.6 The Procurement Strategy (PSR) was approved in April 2019; however, addendums were granted approval by the Procurement Board in November 2020 and September 2021, which allows for the use of frameworks to engage contractors.
- 1.7 The purpose of this report relates to the council's Borough Plan 2019-2021, Resilient communities: communities that are thriving and connected. This part of the Plan states how Stronger relationships and a vibrant community sector, alongside economic growth, will enable communities to thrive. This includes:
  - Early years – ensure children have the support and resources to get the best start in life
  - Life-long learning and education – invest in skills, life-long learning and networks for children and adults
  - Community assets – supporting community assets such as libraries that help keep people well

## **2 PROPOSAL AND REASONS**

- 2.1 In accordance with the procurement strategy (2019), and subsequent addendums, the preferred route to market was by way of a framework for a contractor to deliver these works. The works were estimated to be below the current Find a Tender (FTS) threshold of £4,733,252, for Works but above Lambeth's tendering threshold of £100,000.
- 2.2 Following a review of multiple frameworks, it was recommended that the LHC Flat roofing framework (FR2) was accessed to provide suitable roofing contractors. The suppliers on the

framework were sent an Expression of Interest (EOI) by the LHC. Suppliers who registered their interest were then invited to the tender/method statement stage.

- 2.3 Four (4) contractors expressed their interest in bidding and were therefore invited to submit a tender through EU Supply, Lambeth's online tendering portal.
- 2.4 The e-tendering system ensures that the bidding process is auditable and is accessible to any potential bidders. The website link is <https://lambeth.eu-supply.com>. The ITT was published on 18 March 2021 date and the deadline for the submission of tenders was 29 April 2021
- 2.5 At the close of tender, two submissions were received.
- 2.6 The Evaluation Panel assessed the tender responses to the quality questions (detailed in Part II of this report). Members of the Evaluation Panel were formed of LB Lambeth Client-Side Senior Project Manager and Assistant Project Manager and Building Surveyor from Ingleton Wood LLP. Quality and pricing were evaluated by independent panels concurrently (with Pricing evaluated by Ingleton Wood LLP).
- 2.7 The providers were required to respond to method statement questions and submit price proposals for their services.
- 2.8 The selection of the successful provider was based on achieving the highest combined score for Quality and Price, based on a 60% Quality and 40% Price evaluation criteria. Only those bidders that achieved the minimum score of 3 for each method statement were included in the Price Evaluation Process. The second bidder failed to meet minimum quality award criteria therefore their proposed price was not taken into consideration.
- 2.9 Upon conclusion of the evaluation process, the proposed supplier achieved the highest quality score from those evaluated. This report proposes the appointment of Breyer Group Ltd. Their Tender submission indicated that they have the experience, capability, and capacity to carry out the works. Their prices were analysed and found to be inclusive and robust and provided good value for money. Breyer Group have confirmed that they can meet the contract period.

### **Contract Management**

- 2.10 The works contract will be managed by Ingleton Wood consultants as per the terms of the JCT form of contract and by Lambeth Project Managers. The JCT suite of contracts is an industry standard set of contracts suitable for works contracts of this nature. The works contract will prescribe that regular site visits are made. Each visit to site will be recorded and subsequent findings reported to the consultant and Lambeth (client) to enable appropriate action to be taken if required. Site progress meetings will be attended by the project delivery team.
- 2.11 Monthly project and update reports will be written and circulated to the project delivery team, along with relevant programme financial reporting.

## **3 FINANCE**

- 3.1 The Capital Maintenance Programme for Schools is an annual programme of major repairs to Lambeth Schools. It is funded through an annual capital grant from the Department for Education. The 2021/22 allocation was £3,390,481 but there was also an additional £174,786 of unspent 2020/21 grant. As a result, the total available budget for Capital Maintenance is £3,565,267. The total budget is profiled to be spent over the next two financial years.

- 3.2 The required contract sum for this award is £1,492,817.36 (in addition to a client held contingency) which is within the £3,565,267 assigned to the ongoing Capital Maintenance programme strategy.

## **4 LEGAL AND DEMOCRACY**

- 4.1 The authority to approve the recommendations in this report is delegated to the Cabinet Member for Children and Young People, in consultation with the Leader of the council.
- 4.2 Section 14 of the Education Act 1996 places a duty on the council as local education authority to secure that sufficient schools for providing primary and secondary education in its area. Sufficiency for the purposes of this section requires that they are sufficient in number, character, and equipment to provide for all pupils the opportunity of appropriate education.
- 4.3 The value of the proposed works is below the threshold above which the council would have been required to publish a contract notice in the Official Journal and follow a procurement procedure prescribed by the Public Contracts Regulations. In inviting tenders from a pre-qualified list of contractors the council has complied with its contract standing orders and with the principles of the public procurement regime.
- 4.4 This proposed key decision was entered in the Forward Plan on 9 August 2021 and the necessary 28 clear days' notice has been given. In addition, the Council's Constitution requires the report to be published on the website for five clear days before the proposed decision is approved by the Cabinet Member. Any representations received during this period must be considered by the decision-maker before the decision is taken. A further period of five clear days - the call-in period – must then elapse before the decision is enacted. If the decision is called-in during this period, it cannot be enacted until the call-in has been considered and resolved.

## **5 CONSULTATION AND CO-PRODUCTION**

- 5.1 The Cabinet Member for Children and Young People has been consulted on the Capital Maintenance Programme and will continue to be engaged throughout the life of the programme. Staff, parents, and carers of the schools involved with this project have also been engaged and informed of the purpose for the project and the benefits it will bring to individual schools.

The Equalities Team has also been consulted and their view is positive, based on the EIA result which shows no adverse impact on any groups affected by the works.

## **6 RISK MANAGEMENT**

- 6.1 The risks associated with projects similar to the one we are seeking permission to progress usually relate to impacts on the programme timeline and budget. These risks and mitigation measures are listed below.
- 6.2 The main risks that impede on the successful delivery of this procurement and contract are:

**Table 1 – Risk Register**

<b>Item</b>	<b>Risk</b>	<b>Likelihood</b>	<b>Impact</b>	<b>Score</b>	<b>Control Measures</b>
1	Timescale - Project Delays	likely	Significant	6	The contractor is aware that a poor spell of weather or uncovering unforeseen technical issues can be critical to delivering the project on time and to the required cost. A time delay is also likely to impact on delivery of the school curriculum. During the tendering exercise, the contractor provided evidence of their ability and experience in managing similar projects under similar circumstances. Officers are confident in the contractor's ability to manage difficult situations.
2	Financial impact	Likely	Significant	6	Officers are aware that unforeseen issues which could lead to additional works, or delays caused by adverse weather can increase the costs for this project. A contingency sum has been included in the budget, which will be more than adequate, to keep works within the overall budget. In addition, site investigations, surveys and tendering has been rigorous and designed to control the risk of unforeseen works and additional costs.
3	Interruption of school service	Unlikely	Serious	8	Working within an occupied school can be difficult to manage and any delays, risk or closure or any negative events could be challenging to address in a way that will not affect the council's reputation. The information provided by the contractor during the

Item	Risk	Likelihood	Impact	Score	Control Measures
					tendering exercise displayed excellent awareness and experience of similar challenges. The contractor provided officers with the confidence that they are capable of delivering the project effectively and that the council's reputation will not be harmed.
4	Health and Safety	Unlikely	Serious	8	During the tendering process, the potential issues relating to working on a site within an occupied school, were made clear to the tenderers and their approach to managing Health, Safety and Safeguarding formed a key part of determining the quality of their submissions. The successful tenderer's approach was assessed as excellent, and officers are confident that the contractor will manage Health & Safety and safeguarding within the council's guidelines.
5	Brexit	Unlikely	Significant	4	The works are scheduled to start in November 21 for approximately 26 weeks. A contingency plan and business continuity plan will be agreed with the contractor upon contract award, to minimise any risks.
6	Covid 19	Unlikely	Significant	4	The effects of Covid 19 could be significant. A national lockdown is unlikely to shut down the site. However, a Covid 19 outbreak on site will mean the site would have to shut down. This could cause delays. A Covid 19

Item	Risk	Likelihood	Impact	Score	Control Measures
					business continuity plan will be sought from the contractor, upon contract award.

### Key

<b>Likelihood</b>	Very Likely = 4	Likely = 3	Unlikely = 2	Very Unlikely = 1
<b>Impact</b>	Major = 8	Serious = 4	Significant = 2	Minor = 1

## 7. EQUALITIES IMPACT ASSESSMENT

7.1 An Equalities Impact Assessment (EIA) "The Schools Capital Maintenance Programme" dated 4th February 2020, was undertaken for the overall Capital Programme, and was assessed as Low Risk. The overall programme improves access to teaching and learning for all pupils within all the equality groups. The implementation of the programme addresses issues of condition, suitability, and sufficiency by providing improved facilities. As such, the main persons of interest are the pupils, staff of the schools, the surrounding community and Lambeth officers. There are no obvious barriers to service provision in terms of equality or diversity in the objectives of the programme. The EIA will be reviewed on an annual basis.

## 8. COMMUNITY SAFETY

8.1 There will be no impact on Community Safety.

## 9. ORGANISATIONAL IMPLICATIONS

### Environmental

9.1 The provision of new roofs will result in higher levels of insulation. This will reduce the Co2 Emissions produced by the school buildings.

In their tender submission, the contractor demonstrated their commitment to support the council's sustainability initiatives. They confirmed their commitment to commitments to the use of renewable energy and reduction of energy usage include:

- Breyer Group and Supply Chain report Carbon Emissions to comply with reporting under GHG Protocol Scope 3, with annual targets for reduction
- All energy procured from suppliers committing to 100% renewables.
- Site accommodation (site offices / welfare) are eco-cabins featuring high level insulation and other energy saving features, motion sensor controlled low energy lighting, efficient energy heating and water saving features.
- 110v electrically powered tools or plant used on site, providing recharging points as necessary.
- Will identify local suppliers for all minor consumables and use only environmentally friendly products.

### Health

9.2 With the roofs the schools will become warmer and water-tight. Health benefits to staff and children at the schools are expected to improve.

### Corporate Parenting

It is important that all Lambeth schools are kept in a good state of repair and maintenance for the benefit of all children and staff. This includes children who are Looked After by Lambeth Council who have priority in most schools' admissions criteria.

### **Staffing and accommodation**

9.3 N/A

### **Responsible Procurement**

*Good Quality Jobs with Fair Pay and Decent Working Conditions*

9.4 It is a condition of the contract that all staff engaged on the project will receive the London Living Wage.

*Quality Apprenticeships, targeted Employment for Lambeth residents and Lambeth Priority Group*

To support Lambeth Council's Employment and Skills Plan, the contractor has pledged to offer a minimum 2no. 7-week Work Placements for 16-24-year-old Lambeth Residents via their QS Academy.

This will provide delegates with the opportunity to learn new skills, including the role of the Quantity Surveyor, providing a talent pool of young people ready to pursue a Level 3 or 4 QS Technician qualification. Delegates will receive over 100 hours of paid Virtual Reality work experience, 1:1 mentoring and advice on careers within Construction, enabling them to better find work and transition into the workplace. We will ring fence vacancies with guaranteed interviews for all successful candidates on completion

*Reduce Emissions: Lambeth Council has a commitment to being Zero Carbon by 2030*

9.5 The council has adopted a target of reaching net zero emissions in its buildings by 2030, and schools are a key component of this target.

The contractor is committed to Environmental and Energy Management, which includes educating fleet drivers to drive in a fuel conservative and environmentally conscious manner. The contractor also has an objective for workforce to move away from single occupancy vehicles.

*Single Use Plastics*

9.6 Single use plastics are a challenge to the Construction Sector, particularly in terms of material packaging. As we are mindful of the need to reduce single use plastics, the contractor will be required to demonstrate how this will be implemented through their staff and any sub-contractors they appoint. This will be written into the contract with Breyer Group upon appointment, to ensure the contractor adheres to the commitments made in the tender submission

9.7 ConstructionLine Gold Accreditation (Breyer Group holds Gold accreditation) does require an embedded Environmental Management policy, including operative training as well as supplier monitoring. This will be written into the contract with Breyer Group upon appointment, to ensure the contractor adheres to the commitments made in the tender submission.

*Positive Health and Wellbeing*

9.8 The works will benefit all buildings, resulting in warm and dry buildings. This will have a positive impact on the children and staff.

*Other Offers (Innovation)*

9.9 N/A

## **10. TIMETABLE FOR IMPLEMENTATION**

10.1 The table below details the stages and deadlines for implementing the recommendations:

<b>Activity</b>	<b>Proposed Date</b>
Date published on Forward Plan	09/08/21
Publication on Decisions online	11/11/21
End of Call-in Period (key decisions only)	29/11/21
Execution of Contract	30/11/21
Mobilisation Period for Contract	15/12/21
Commencement of Contract	07/01/22

# AUDIT TRAIL

## REPORT HISTORY

Name and Position/Title	Lambeth Directorate	Date Sent	Date Received	Comments in paragraph:
Councillor Claire Holland	Leader of the Council	18/10/21	27/10/21	All
Councillor Edward Davie	Cabinet Member for Children and Young People	27/09/21	05/10/21	All
Bayo Dosunmu, Strategic Director	Resident Services	22/09/21	27/09/21	All
Sandra Roebuck, Director Infrastructure and Capital delivery	Children's Social Care	31/08/21	10/09/21	All
Helen Wordsworth, Assistant Director, MPPG	Resident Services	23/09/21	28/09/21	All
Jo Sullivan-Lyons, Assistant Director, Education and Learning	Education and Learning	08/09/21	08/09/21	All
Andrew Ramsden, Assistant Director, Finance	Finance and Property	26/07/21& 28/09/21	26/07/21& 28/09/21	3
David Thomas, Legal Services	Legal and Governance	23/07/21	27/07/21	4
Marianna Ritchie, Democratic Services	Legal and Governance	31/07/21	07/09/21	
Helen Lee, Senior Procurement Officer	Finance and Property	19/07/21	22/07/21	Section 2 part 1 and part 2
Grace Ferris	Sustainable Growth and Opportunity	31/08/21	08/09/21	Section 9
Greg Wade, Head of Capital Programmes (Construction and Maintenance)	Resident Services	23/09/21	28/09/21	Throughout

<b>Original discussion with Cabinet Member</b>	20.01.20
<b>Report deadline</b>	XX.XX.21
<b>Date final report sent</b>	XX.XX.21
<b>Part II Exempt from Disclosure/confidential accompanying report?</b>	Yes
<b>Key decision report</b>	Yes
<b>Date first appeared on forward plan</b>	09.08.21
<b>Key decision reasons</b>	2. Expenditure, income, or savings in excess of £500,000

<b>Original discussion with Cabinet Member</b>	20.01.20
<b>Background information</b>	Decision on Schools Capital Maintenance 2017
<b>Appendices</b>	Appendix A – Equalities Impact Assessment

## APPROVAL BY CABINET MEMBER OR OFFICER IN ACCORDANCE WITH SCHEME OF DELEGATION

I confirm I have consulted Finance, Legal, Democratic Services and the Procurement Board, and taken account of their advice and comments in completing the report for approval:

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Post: Stella Denyoh  
Project Manager

I confirm I have consulted the relevant Cabinet Members, including the Leader of the Council and approve the above recommendations:

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Post: Councillor Edward Davie  
Cabinet Member for Children and Young People

**Any declarations of interest (or exemptions granted):** details of any alternative options considered and rejected by the member when making the decision.

**Any conflicts of interest:** a record of any conflict of interest declared by any executive member who is consulted by the member which related to the decision.

**Any dispensations:** in respect of any declared conflict of interest, a note of dispensation granted by the relevant local authority's head of paid service.