

REPORT TO: Cabinet

DATE: 25th November 2010

SUBJECT: Proposed New Post 16 Special Educational Needs Facility,
Thornton

**WARDS
AFFECTED:** Manor

REPORT OF: Peter Morgan
Strategic Director for Children's Services.

Peter Moore
Environmental and Technical Services Director

**CONTACT
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Children's Services
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David Kay
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**EXEMPT/
CONFIDENTIAL:** No

PURPOSE/SUMMARY: To seek authorisation to waive the standing orders necessary to enable a negotiated contract to be placed for the works required to provide a new post 16 Special Educational Needs (SEN) facility at the site of the former Thornton CP School, Thornton.

REASON WHY DECISION REQUIRED: The timescale for delivery of this project does not permit procurement via an traditional approach and authorisation to proceed as proposed is required in order to ensure that the projects required delivery date is met.

RECOMMENDATION(S): It is recommended that Cabinet:

- (i) Authorise the appointment of Conlon Construction as preferred contractor.
- (ii) Subject to the conditions outlined in Paragraph 3.3, authorise the Environmental and Technical Services Director to enter into a formal contract with Conlon Construction for the delivery of the Thornton Special Educational Needs project.

KEY DECISION: No

FORWARD PLAN: Not Appropriate

IMPLEMENTATION DATE: Following the expiry of the “call-in” period for the Minutes of the Cabinet meeting.

ALTERNATIVE OPTIONS:

All alternative options have been considered and have been discounted.

IMPLICATIONS:

Budget/Policy Framework: Funding totalling £2,000,0000 is included in the Children’s Services Capital Programme for the works necessary to provide a new post 16 SEN facility on the site of the former Thornton CP School, Thornton.

Financial

Subject to Members approval it is proposed that a negotiated target cost will be identified with the preferred contractor and, provided the total scheme cost is contained within the funding available, a formal contract be entered into accordingly.

This will also be subject to the receipt of formal planning approval for the scheme.

<u>CAPITAL EXPENDITURE</u>	2010/ 2011 £	2011/ 2012 £	2012/ 2013 £	2013/ 2014 £
Gross Increase in Capital Expenditure				
Funded by:				
Sefton Capital Resources				
Specific Capital Resources				
<u>REVENUE IMPLICATIONS</u>				
Gross Increase in Revenue Expenditure				
Funded by:				
Sefton funded Resources				
Funded from External Resources				
Does the External Funding have an expiry date? Y/N	N/A			
How will the service be funded post expiry?	N/A			

Legal: Not appropriate

Risk Assessment: Not appropriate

Asset Management: Not Applicable

CONSULTATION UNDERTAKEN/VIEWS

FD 559 The Interim Head of Corporate Finance & Information Services has been consulted and has agreed to the Contract Procedure Rules being waived in this instance.

The Acting Head of Corporate Legal Services has also been consulted and has agreed to the Contract Procedure Rules being waived in this instance.

CORPORATE OBJECTIVE MONITORING:

<u>Corporate Objective</u>		<u>Positive Impact</u>	<u>Neutral Impact</u>	<u>Negative Impact</u>
1	Creating a Learning Community	√		
2	Creating Safe Communities	√		
3	Jobs and Prosperity	√		
4	Improving Health and Well-Being	√		
5	Environmental Sustainability	√		
6	Creating Inclusive Communities	√		
7	Improving the Quality of Council Services and Strengthening local Democracy	√		
8	Children and Young People	√		

LIST OF BACKGROUND PAPERS RELIED UPON IN THE PREPARATION OF THIS REPORT

Report to Cabinet 2 September 2010: Capital Programme Review
 Children's Services Capital Programme

1.0 Background

- 1.1 Funding of £2,000,000 has been made available in the form of a Targeted Capital Grant for the Authority to provide a new post 16 SEN facility for up to 70 pupils within the Borough.
- 1.2 The development of this specialised facility will enable the Authority to provide better post 16 learning for pupils with significant learning difficulties, providing better vocational training and relieving pressure on spaces in existing special schools. Additionally it is envisaged that students who currently attend Independent Specialist Provider Placements will in future attend the Thornton centre, reducing the cost of such placements in future years. This fits with the new responsibilities of the LA to commission such provision since the demise of the Learning and Skills Council.
- 1.3 The former Thornton CP School, which closed in July 2010, has been identified as the most appropriate site for the new facility and outline proposals have been developed for the extensions and alterations necessary to provide the teaching and other facilities necessary.
- 1.4 There are up to 16 pupils currently studying at schools within the borough who have indicated intent to commence studies at the new facility in September 2011. In the event that there is any doubt that the facility will not be ready then the parents of potential pupils may seek to find an alternative place for the 2011/12 school year at an increased cost to the Authority.
- 1.5 In addition the constraints placed upon the funding provision are such that the vast majority of the expenditure must be made before the end of August 2011.
- 1.6 There is therefore a severely constrained timetable for the successful delivery of this project.

2.0 Procurement Proposals

- 2.1 The options for procurement of contractor(s) in order to ensure the delivery of construction works to the required timetable has been considered jointly by the Environmental and Technical Services and Children's Services Departments and the Authorities Technical Services consultant, Capita Symonds.
- 2.2 It is felt that the project timescale is now such that procurement by any traditional route, in full compliance with the Council's Constitution and Financial Regulations, will fail to deliver the project in sufficient time.
- 2.3 It is therefore proposed that a single contractor should be selected without formal tender but rather through an analysis of who is most likely to meet the project timescale requirements and yet still ensure the Authority of good value.

- 2.4 The 'preferred contractor' will provide input and work with Capita Symonds to develop an economical design solution and agree a target cost for the project. The preferred contractor would then act as main contractor to undertake competitive market testing for each specialist work package and thereby provide the Authority with reassurance of good value for these works.
- 2.5 The main contractors overhead and profit and site set up and preliminary costs will be established through negotiation but these can be benchmarked against similar projects that have been competitively tendered, to again provide reassurance that the Authority is in receipt of good value.
- 2.6 Following discussions Conlon Construction, currently undertaking the Netherton Activity Centre project, have been identified as being the most appropriate contractor to undertake this project having demonstrated a commitment to co-operative working both for Sefton and other authorities in the region. The Council's Audit Section has reviewed the process of selection.
- 2.7 In anticipation of this report to Cabinet, and without making full commitment at this stage, Conlon Construction have been approached and they have indicated that they would be pleased to be considered for the project.

3.0 Implementation Proposals

- 3.1 Subject to Members approval it is proposed that Conlon Construction be immediately appointed as preferred contractor for the delivery of the proposed Thornton SEN facility.
- 3.2 Once a final target cost and total scheme cost has been identified it is proposed that, in order to further curtail the procurement timescale, a formal contract would be entered into with Conlon Construction without further reference to members.
- 3.3 Members are, in effect, being requested to give authorisation to proceed in advance. Such authorisation would however be subject to a number of caveats. The authorisation would be subject to:
- 3.3.1 The total scheme cost being contained within the £2,000,000 funding provision identified.
- 3.3.2 The receipt of planning approval for the proposed scheme.

4.0 Recommendations

It is recommended that Cabinet:

- (i) Authorise the appointment of Conlon Construction as preferred contractor.
- (ii) Subject to the conditions outlined in Paragraph 3.3, authorise the Environmental and Technical Services Director to enter into a formal

contract with Conlon Construction for the delivery of the Thornton Special Educational Needs project.