

## **Report to Andrew Edwards, Assistant Director (Property and Assets)**

**March 2022**

### **Award of contract for re-tendered project - Installation of modular teaching block at Queen Elizabeth II Silver Jubilee Special School, Horsham**

**Report by Philippa Hind, Head of Development**

**Electoral division: Horsham East**

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#### **Summary**

The Special Education Needs Team within Education and Skills has identified a need to provide additional accommodation at Queen Elizabeth II Silver Jubilee Special School (QE2) in Horsham to provide for the 105 pupils currently on roll. Over recent years additional pupils have been accommodated by the school but without the supporting investment in accommodation. Pupil numbers have increased from 85 in 2017 to 105 in 2019.

In July 2020 the Cabinet Member for Education and Skills approved the allocation of £1.4m to fund the provision of a three-class modular teaching block with ancillary accommodation to ensure the school can offer suitable facilities for the 105 pupils currently on roll (decision [ES02\(20/21\)](#) refers). Due to an increase in construction costs through the procurement process it was determined that an increased budget would be required for the project. Therefore a change request was submitted in August 2021 for £224,000, providing a total budget of £1.624m. Approval is now sought to award the contract for carrying out the works.

The proposal was published in the [Forward Plan](#) on 9 March 2022; however the decision is now urgent as it is necessary to enable the project to commence without additional delay or cost increase. Following a compliant procurement process in 2021, it was not possible, for reasons beyond the Council's control, to award the contract to the successful bidder from that tender process [Report Ref:OKD05 21/22](#) due to materials and resources shortages caused by the Covid-19 pandemic. The delay caused to the programme, as a result means that this decision to award the contract to Portakabin Limited is urgent; the modular buildings need to be constructed and installed at the school ready for the new academic year starting on 2<sup>nd</sup> September 2022. Due to the need for this decision to be determined as soon as possible the Assistant Director (Property and Assets), with agreement from the Director of Law & Assurance and the Chairman of the Children and Young People's Services Scrutiny Committee, will use his delegated powers under Standing Order 5.23 to take this decision without the required 28 days' notice in the Forward Plan.

#### **Recommendation**

The Assistant Director (Property and Assets) is asked to approve the award of contract for the installation of a three-classroom modular block at Queen Elizabeth II Silver Jubilee School, Horsham for the sum of £1,358,950 to Portakabin Limited.

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## **Proposal**

### **1 Background and context**

- 1.1 In order to accommodate the rise in pupil numbers at Queen Elizabeth II Silver Jubilee School from 85 in 2017 to 105 in 2019 a feasibility study undertaken to assess options for capital investment at the school indicated that installation of a new three-classroom modular building would provide the additional basic provision necessary for the pupils on roll.
- 1.2 In July 2020 the Cabinet Member for Education and Skills approved the allocation of £1.4m for the installation of this three classroom modular block and the commencement of a procurement to fully design and cost the new accommodation (decision [ES02\(20/21\)](#) refers). As part of the decision the Cabinet Member also delegated authority to the then Director of Property and Assets to enter into a construction contract with the successful provider.
- 1.3 Following the Cabinet Member Decision in July 2020, the initial chosen route to market to procure a contractor failed (see paragraph 1.5 below) and therefore the project to provide the three-classroom block at Queen Elizabeth II Silver Jubilee School is now being procured through the NHS Modular Build Framework.
- 1.4 The County Council's Multi-Disciplinary Consultant (MDC) is providing Project Management and technical services.
- 1.5 The first procurement, completed in the summer of 2021, failed as the successful contractor pulled out of the contract due to the Covid-19 pandemic. Subsequently, the contract was unsuccessfully awarded to another contractor (selected from the remaining five contractors from the original procurement). The original contract sum was £1,249,751.00 and the contract sum for the proposed contract with Portakabin Limited is £ 1,358,950.

### **2 Proposal details**

- 2.1 The Assistant Director (Property and Assets) is asked to approve the award of contract for the works to Portakabin Limited. The procurement method has been a call-off from the NHS Modular Build Framework. A Service Level Agreement (SLA) has been agreed and signed between Portakabin and the Council on 18<sup>th</sup> March 2022 to allow the order, fabrication and installation time slot to be confirmed. The time criticality stems from the works needing to be completed by the end of August 2022 ready for the start of the next school year. The works will be completed under a JCT Design and Build 2016 form of contract.
- 2.2 The proposal is to provide a three-class modular teaching block with associated group room, hygiene provision, storage and external works at Queen Elizabeth II Silver Jubilee School. This will enable the school to fully deliver all aspects of the curriculum to all pupils following its expansion in 2019 to 105 pupils.

2.3 Construction work is anticipated to commence on site in Summer 2022 and complete in September 2022.

### 3 Other options considered (and reasons for not proposing)

3.1 One alternative is to not undertake the proposed expansion project, but this would mean the school would remain over capacity in a non-compliant building for the number of pupils on roll.

### 4 Consultation, engagement and advice

4.1 The Headteacher and Governors have been fully involved in the design and they will continue to be involved as the project progresses through the construction stage and into hand over.

4.2 Planning permission has been granted for this project [Application number: WSCC/010/21](#) refers.

4.3 The Chairman of the Children and Young People's Services Scrutiny Committee has been consulted on this proposal due to the need for this decision to come into effect immediately.

### 5 Finance

#### 5.1 Capital Approved Budget

	Current Year	Year 2	Year 3	Year 4	Total
	Previous Years	2021/22	2022/23	2023/24	
	£m	£m	£m	£m	
Approved Capital budget	0.059	0.111	1.230		1.400
Approved Change Request			0.224		0.224
Total Revised Capital Budget	0.059	0.111	1.454		1.624

The total Approved Capital Budgets shown above total £1.624m and this is available to fund the total project costs below of £ 1.624m.

#### 5.2 The Table below depicts the Project Cost:

Construction Cost, including ICT, Furniture, Fittings and Equipment (FFE)	£1,358,950
Professional Fees	£202,392

Planning application Fee	£2,310
Building Control Free	Included in construction
Sub-total	£1,563,652
Client Contingency 10%	£60,348
Total Project Budget	£1,624,000

This proposal creates accommodation for 24 students (Three 8 place classrooms) at a cost per place of £67,667 per place, this is below average Benchmark costs of around £70,000 per place and is affordable within the Approved Capital Budget of £1.624m shown in 5.1. It does not produce additional cost avoidance because the current pupils are accommodated already but it does address sufficiency & suitability accommodation issues.

### 5.3 The effect of the proposal:

#### (a) **How the proposal represents good value**

The route to market, through the NHS Modular Build Framework, is compliant with the Council's Standing Orders as well as Public Contract Regulations 2015, and the Contract Sum is under the Council's budget for this project.

#### (b) **Future savings/efficiencies being delivered**

None

#### (c) **Human Resources, IT and Assets Impact**

None

## 6 Risk implications and mitigations

<b>Risk</b>	<b>Mitigating Action (in place or planned)</b>
Project scope creeps following engagement with various parties increasing costs and delaying programme.	Ensure impacts of all scope changes are understood and managed via the change control process proposed before formally approved.
Project has a number of stakeholder interest groups. If these groups are not effectively and pro-actively managed, they may not 'buy in' to scheme and projects may not reflect their needs.	Regular engagement sessions have been discussed and included within programme, stakeholders have been mapped and processes put in place to ensure effective engagement occurs.

Risk	Mitigating Action (in place or planned)
The project value is £1,358,950 that has been through the NHS Modular Build Framework.	As the contractor has part of the responsibility through the Design & Build contract to design part of the project such as FFE and ICT, value engineering will take place and savings made where possible. The project budget will be managed closely throughout the project.

## 7 Policy alignment and compliance

### Legal Implications

- 7.1 The value of this contract is below the PCR 2015 threshold for works of £4,733,252. However, it was procured in line with the Council's Standing Orders and the form of Contract will be reviewed by the Commercial Legal Team. There are no TUPE implications or any risk that this contract will be considered to be grant funding under the new Subsidy Control regime.

### Equality Duty and Human Rights Assessment

- 7.2 Section 149 of the Equality Act 2010 requires that public bodies, in exercising their functions, have due regard to the need to (1) eliminate discrimination, harassment, victimisation and other unlawful conduct under the Act, (2) advance equality of opportunity and (3) foster good relations between persons who share a protected characteristic and persons who do not share it. This proposal will ensure those with protected characteristics have school places near to their home.
- 7.3 Everyone has the right to respect for private and family life, home and correspondence under Article 8 of the Human Rights Act. The impact of any proposed changes on the right to family life such as a need to travel further to an appropriate school has been taken into consideration and this proposal will provide high quality Special School places close to home. Article 1 of the First Protocol is the right to education. No person shall be denied the right to education. The proposals therefore support this right as school places will be available in the local area for all children of school age.

### Climate Change

- 7.4 The employer's requirements to consider climate change proposals, acts as part of the contract documentation and building regulations that must be adhered to.
- 7.5 Sustainability considerations will be fully imbedded in the design of the new building as it develops and will support the County Council's goals in relation to combatting climate change.

### Crime and Disorder

- 7.6 Not Applicable

### Public Health

- 7.7 Not Applicable

Social Value

- 7.8 The contractor appointment will reflect the County Council's duty under the Public Services (Social Value) Act 2012

Philippa Hind

**Head of Development**

**Contact Officer:** Liam Hayward, Contract Officer, 033022 25479

[liam.hayward@westsussex.gov.uk](mailto:liam.hayward@westsussex.gov.uk)

**Background papers** - None