

<b>Capital Programme – School Place Planning</b>	<b>Ref No: OKD29 (18/19)</b>
<b>March 2019</b>	<b>Key Decision: Yes</b>
<b>To appoint a contractor for the previously approved work at Bourne Community College and confirm the budget allocation for the project</b>	<b>Part I</b>
<b>Decision of Mr Harris, Executive Director Economy Infrastructure and Environment</b>	<b>Electoral Division: Bourne</b>

## **Decision**

That the Executive Director Economy Infrastructure and Environment awards the construction contract to expand Bourne Community College to E. W. Beard Ltd for the sum of £3,423,242.54 which is affordable within the overall budget for this project (£4,257,000.00).

### **1. Background and Context**

- 1.1 The County Council has a statutory duty to provide sufficient primary and secondary school places for all children who need a place. In its strategic role as commissioner of school places, the County Council must respond to changes in demand over time by increasing or reducing capacity in specific areas of the County.
- 1.2 Due to the need to provide additional places at Bourne Community College the Cabinet Member for Education and Skills took a decision during December 2018 (Decision ref [ES14](#) (18/19)) to approve the allocation of £3.674m from the Basic Need Capital Programme to fund expansion works at Bourne Community College to increase its admission number in September 2019 from 150 pupils in each year group to 180 pupils in each year group.
- 1.3 As part of the decision the Cabinet Member delegated authority to the Executive Director Economy Infrastructure and Environment to award the stage 2 building contract to carry out the necessary works.
- 1.4 In January 2019, following receipt of E.W. Beard Limited's Stage 2 tender sum, it became apparent that the gross approved budget was inadequate for the works as designed. The initial consultant's cost estimate also excluded Clients Contingency for unforeseen works which is required by the County Council's Building Contract Directives. This deficiency in the budget was dealt with through a change request as described in paragraph 3.7.

### **2. Proposal**

- 2.1 To award the building contract to undertake the stage 2 expansion work in relation to Bourne Community College to E. W. Beard Ltd. The contract will commence in April 2019 and the work is due to be completed by March 2020.

### **3. Resources**

- 3.1 The budget required to complete the whole project (Stage 1 and Stage 2) is £4,257,000.00.
- 3.2 A contractor for stage one, production of the costed design was procured via a competitive tender. The anticipated cost of stage one was £80,000 and has already been funded from the monies the Cabinet Member approved for allocation to School Basic Need design fees (Decision Reference [ES06 \(17/18\)](#)). The original balance required to fund the completed design was estimated to be £71,000, but after receiving the tender it became apparent that this figure was inadequate. The new balance required to fund the completed design is £124,813.24. A change request to cover the shortage was approved in March 2019.
- 3.3 The Stage 2 tender for construction works submitted by E.W. Beard Ltd. has been interrogated by the County Council's appointed Employer's Agent and Cost Manager so as to ensure value for money. The County Council's Employers Agent and Cost Manager has now confirmed that the stage 2 tender figure received from the main contractor, E. W. Beard Ltd, for £3,423,242.54 is fair and reasonable for the building works.
- 3.4 A Clerk of Works is to be appointed so as to protect the Authority's interests. Due to additional requirements, Direct Orders including Fees, ICT and Furniture and Equipment have increased from £240,000 to £276,000. As per County Council Building Contract Directives a Client's Contingency sum of £172,000 is also required.
- 3.5 The gross budget for the whole project is as follows:  
Stage 1 - £80,000  
Stage 2 - £4,177,000
- 3.6 The overall amount of Basic Need available in the 5 year Capital Programme is £48.091m after the approval of this scheme.
- 3.7 There is currently £4m of approved budget to fund this expansion approved within the Capital Programme. As the original budget allocation will be exceeded, in accordance with the Capital Programme governance a Change request to increase the project budget for an additional £257,000 has been agreed. This figure includes £172,000 of contingency funding, which may not be required.
- 3.8 The Cabinet Member for Education and Skills has been made aware of the increase to the budget allocation required for this project.

### **4. Risk Management and impact of decision**

- 4.1 These are set out in the Cabinet Member decision report (Decision ref ES14 (18/19)).

### **5. Other Factors taken into account**

5.1 These are set out in the Cabinet Member decision report (reference as above).

**Jerry Dillon**

Developments and Capital Advisor

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**Background Papers** -None