

Cabinet – 27 July 2011

Procurement and contract award for the children's Short Break Centre

Portfolio: Councillor A Andrew, Deputy Leader, Regeneration

Service: Regeneration

Wards: Pleck

Key decision: Yes

Forward plan: No

1. Summary of report

- 1.1 On 23 February 2009, Cabinet approved a £1.028m budget for the replacement of Eldon House children's short break centre. Eldon House is located in Chuckery providing short term break care for children with disabilities and provides respite accommodation, care and support for children and young people aged between 5 & 18 years old. It has the capacity to look after 9 children per night and provides day care during school holidays.
- 1.2 In order to mitigate risks to the fixed delivery period and budget availability it is proposed to include an additional option to that approved by cabinet on 14 April 2010 for the procurement and delivery route to ensure maximum value for money to the project and Council.

2. Recommendations

- 2.1 That cabinet approve a single-stage tendered procurement and project delivery option in addition to the procurement proposal approved by cabinet on 14 April 2010. Any procurement process will be carried out in compliance with the Council's Contract Rules.
- 2.2 To continue with the previous cabinet approval which delegates authority to the Executive Director for Regeneration in consultation with the Cabinet member for Regeneration, to approve the procurement and delivery procedure providing the best overall Value for Money to the project and Council.
- 2.3 That Cabinet delegates authority to the Executive Director for Regeneration, in consultation with the Cabinet member for Regeneration, to enter into a contract and related documentation with the preferred bidder following the conclusion of the procurement process.

3. Background information

- 3.1 On 14 April 2010 cabinet approved the construction of a new short break centre to replace the existing outdated facility at Eldon House, Chuckery. The new building to be co-located with the new Healthtec facility being created at Alumwell School site. The maximum budgeted amount for the project was £1.028m including design fees and 5% contingency which cannot be exceeded.
- 3.2 Designs have been developed to take the opportunity offered by the co-location whilst ensuring that each building is separate and has its own identity. Planning applications have been submitted and decisions are expected approximately 27 June 2011. Detail designs for the purposes of Building Regulation submission and construction are well progressed, although there are some foundation design issues arising from the existing ground conditions that need to be overcome.
- 3.3 The previous report included a proposal to engage Willmott Dixon under the SCAPE framework to develop the designs and construction and co-ordinate with the Healthtec project programme which is to complete in October 2011.
- 3.4 The report also required the completion of a 'gateway review' during the pre-construction design period to ensure that the project can be delivered on time and in accordance with Walsall Council's policies, procedures, and to enter the project onto the risk register to ensure that current issues and liabilities are identified and either mitigated or managed.
- 3.5 As a result of a number of ground problems arising on this site and costs arising, a series of value engineering proposals have been considered to align the programme and overall costs to the time and budget available to complete the project. This has also meant that the respite house building will complete in March 2012 being later than the Healthtec building thereby reducing some of the originally considered potential benefits from the SCAPE proposal.
- 3.6 In order to continue to actively pursue the best Value for Money outcome for the project, a proposal to include a further option to the procurement and subsequent project delivery has been considered and outlined in the recommendations of this report.

4. Resource considerations

- 4.1 **Financial:** A total budget of £1.028m has been approved by cabinet; this includes all design fees, surveys, and part fixtures and equipment. Further capital may be required from Aiming High Disability capital funding for fixed equipment.
- 4.2 **Legal:** The Council's Legal Services and procurement team will be consulted on the proposed procurement process. SCAPE is a fully compliant EU framework agreement that enables the Council to enter into a contract for this work without undertaking a separate EU procurement process. The procurement route that is followed will be carried out in compliance with the Council's Contract Rules.
- 4.3 **Staffing:** There are no staffing implications with this report.

5. Citizen impact

The re-provision of the short break centre will contribute to improved services for disabled children and provide significant benefits in co-locating with the Healthtec facility.

6. Community safety

The co-location of the facility on a school campus and with the Healthtec will enhance the campus at Alumwell School and the learning opportunities for young people making use of the Healthtec facilities.

7. Environmental impact

As part of the Council's Carbon Management planning all new buildings will aim to significantly reduce carbon emissions. A BREEAM (British research establishment environmental assessment method) will be included aiming to achieve an excellent rating.

8. Performance and risk management issues

8.1 Risk:

8.1.1 The key project risk of delivering on time and within budget will be limited by this additional proposal

8.1.2 A previous risk of DfE land disposal approval has now been signed off and agreement reached with DfE.

8.2 Performance management:

8.2.1 The project development will include 'gateway reviews' at key stages to ensure that the project objectives are being met.

9. Equality implications

9.1 There are no further equality implications with this report.

10. Consultation

10.1 Consultation with various stakeholders has taken place (School, Walsall Children's Services Serco, Planning and Building Control) and all have given their support and backing to the proposals set out within the Plan.

Background papers

None

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Tim Johnson
Executive Director
Regeneration

18 July 2011

A handwritten signature in blue ink, appearing to read 'A Andrews', on a light blue background.

Councillor A Andrews
Deputy Leader
Portfolio holder: Regeneration

18 July 2011