

DERBYSHIRE COUNTY COUNCIL

CABINET

18 April 2019

Report of the Strategic Director Commissioning, Communities and Policy

USE OF SCAPE FRAMEWORK

(Council Services)

1. Purpose of the Report

To seek Cabinet approval under Protocol 2A of DCC Financial Regulations 2018 for permission to use the SCAPE Framework to deliver two new primary schools at Boulton Moor and Highfield Farm, Littleover.

2. Information and Analysis

The new primary school projects at Boulton Moor and Highfield Farm are required to be delivered by no later than 31 July 2020 in order to ensure sufficient school places are provided for the start of the new academic year following the construction of housing developments in the surrounding areas.

Although these projects were agreed as part of the Children's Services Capital Programme 2018/2019, it would not be possible to achieve the required delivery date through a full open procurement process. Therefore it is proposed that Property procure the projects through the SCAPE Regional Construction Framework Lot 7 – Midlands Upper.

The SCAPE Regional Construction framework provides a single framework partner to deliver all works let through the framework. This will allow the framework partner, Morgan Sindall, to be appointed and offer assurance that the projects are delivered within the required timescales.

The consequences of not meeting the completion date of July 2020 would result in a loss in reputation for the Council, disruption for local children and residents together with significant costs in relation to transportation and temporary accommodation.

If the new primary schools at Boulton Moor and Highfield Farm are not delivered on time the Council would be required to arrange temporary accommodation until completion of the projects and incur all associated costs with providing transportation for pupils to attend other schools within the surrounding area. This complicated further with reception and nursery children, as the maximum distance they can commute in this instance is 2 miles. The additional costs associated with delays to the projects and providing temporary accommodation and transportation are estimated to be in excess of £250k.

The objective for the use of SCAPE Frameworks are:

- To deliver the new build schemes at Highfield Farm Primary School and Boulton Moor Primary School by 31 July 2020.
- To deliver a service using approved providers.
- To provide a product of high quality, on time and within budget.

The use of the SCAPE Framework in this instance is expected to shorten the procurement process by up to 18 weeks, providing an OJEU compliant procurement process at a much faster pace and enabling the specified projects to be delivered on time.

3 Financial Considerations

The costs associated with the use of the SCAPE Framework will be included within the project estimate. The project funding of £5M for Boulton Moor will be met from the current budget allocation within the Childrens Services Capital Programme and Section 106 receipts. The project funding of £4M for Highfield Farm Primary School will be met in part from the current budget allocation of £1.1M from the Childrens Services Capital Programme. Once the full project estimate has been determined, following the tender process, further allocations will be sought from the Childrens Services Capital Programme. There will be no progression from pre-construction to award prior to full funding allocation and Cabinet approval.

Whilst there are no upfront costs to access SCAPE Group, a levy is placed upon the contractor relative to the value of work undertaken under the framework and such costs are included within the budget of individual projects. The charge payable by the Contractor ranges between 0.5% and 0.95% ie between £25,000 and £47,500 for Boulton Moor Primary School and £20,000 and £38,000 for Highfield Farm Primary School. This is a sliding scale dependent upon the level of involvement from SCAPE Group and agreed prior to commencement of

procurement; the level of charge is relative to the actual charge of a project.

In accordance with protocol 2(A) of DCC Financial Regulations 2018 a Business Case has been prepared to support this procurement route and this has been approved by the Director of Finance and ICT and the Director of Legal Services.

Protocol 2(A) of the Council's Financial Regulations states that where it is proposed to use a non-DCC framework agreement and the value of the procurement exceeds the OJEU threshold, it is for Cabinet to decide whether to approve use of the framework.

Protocol 2(B) of the Financial Regulations provides that the award of contract from a non-DCC framework shall be approved by the Strategic Director and that the approval of call off terms shall be approved by the Director of Legal Services.

4. Legal Considerations

On the basis of the information set out in the report the Director of Legal Services considers that the procurement and award of contract is in accordance with the Council's Financial Regulations.

5. Social Value Considerations

This report is in line with the Council's Social Value Strategy and supports the 'Derbyshire that Cares' commitment by providing school buildings to a safe and acceptable standard, a 'Derbyshire that Works' by creating jobs and growing businesses and a 'Local Derbyshire' by committing to spend within the Derbyshire Area. The 'call off' rules of the frameworks are set geographically to promote the use of local suppliers.

6. Other Considerations

In preparing this report the relevance of the following factors has been considered; prevention of crime and disorder, equality and diversity, human resources, environmental, health and transport considerations.

7. Key Decision

YES

8. Call-in

Is it required that call-in be waived for any decision on this report? **NO**

9. Background Papers

The Framework Agreement for the Regional Construction Framework – Lot 7 between SCAPE procure and Morgan Sindall is with Corporate Property and available upon request.

10. Officer's Recommendation

That Cabinet:

10.1 Approves the use of frameworks provided by Scape Group to deliver the primary schools at Boulton Moor and Highfield Farm.

EMMA ALEXANDER
Strategic Director Commissioning, Communities and Policy