

## HAMPSHIRE COUNTY COUNCIL

### Decision Report

<b>Decision Maker:</b>	Buildings, Land and Procurement Panel
<b>Date:</b>	23 March 2010
<b>Title:</b>	Procurement Initiatives
<b>Reference:</b>	1372
<b>Report From:</b>	Director of Property, Business and Regulatory Services

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#### 1. Executive Summary

1.1. The purpose of this report is to:

- Summarise progress of the procurement initiatives identified for 2009/10
- Provide a review of procurement activities during 2009/10
- Identify procurement initiatives planned for 2010/11
- Obtain approval to the selection and appointment of a contractor through the Improvement and Efficiency South East (IESE) Tier 1 Framework to provide pre-construction services for the proposed amalgamation of Barncroft Infant and Junior Schools in Havant
- Obtain approval to the selection and appointment of a contractor through the Improvement and Efficiency South East (IESE) Tier 2 Framework to provide pre-construction services for the proposed co-location project at Park Community School in Havant
- Obtain approval to the selection and appointment of a contractor through the Improvement and Efficiency South East (IESE) Tier 2 Framework to provide pre-construction services for the proposed

food technology projects at Purbrook Park Secondary School and Limington House Special School in Basingstoke

- Obtain approval to extend the appointment of the contractor selected through the Improvement and Efficiency South East (IESE) Tier 2 Framework to provide pre-construction services for the proposed package of Early Years projects in Private Voluntary and Independent (PVI) Settings to include the schemes at Brockenhurst Primary School, Fernhill School, Grange Infant School, Oakridge Infant School and Rucstall Primary School
- Obtain approval to extend the appointment of the contractor selected through the Improvement and Efficiency South East (IESE) Tier 2 Framework to provide pre-construction services for the proposed package of Children's Centres Phase 3 (Group 2) projects to include the schemes at Kings Worthy Primary School and Stockbridge Primary School
- Obtain approval, subject to confirmation of funding from the Department for Children, Schools and Families (DCSF), to negotiate the CCTV Upgrade and installation of perimeter alarm system required by the DCSF at Swanwick Lodge Secure Unit, Southampton
- Obtain approval to negotiate the Phase 3 (Year 3) works at Winchester Law Courts
- Obtain approval to negotiate the extension to the Landscape Maintenance Contract at Segensworth Industrial Estate.
- Obtain approval to the renewal of the Regional Construction Framework (Tier 1), which expires in July 2011
- Obtain approval to extend the Tier 3 contractors Hampshire Framework from March 2010 to March 2012, as permitted as an option under the original OJEU procurement
- Obtain approval for the installation of advanced boiler controllers at a cost of £500,000 on approx 160 corporate sites following the successful bid for an interest free loan through Salix Finance, the financial arm of the Carbon Trust.
- Obtain approval to extend the Engineering and Building Fabric Term Contract for the Castle Complex, which is due to expire on 31 October 2010
- Obtain approval to exercise the option to extend the partnership with Mace for a further twelve months ending on 31 March 2011.

- Obtain approval for the procurement of the software solution Programme, Project and Resource Management (PPRM) for a contract period of up to eight years.

## **2. Contextual Information:**

- 2.1. The Executive Member for Policy and Resources approved on 9 April 2009 the annual review of construction related procurement for 2008/9 and a series of new initiatives to be implemented during 2009/10 and beyond. A number of further proposals were approved at the meetings on 30 June 2009, 2 October 2009 and 12 January 2010.
- 2.2. The completion of projects and programmes of work through framework and term contract arrangements ensures that schemes and programmes of work are delivered in a cost-effective way, involving closer working and collaboration with the construction industry which ensures continuous improvement in the County Council's services and enhances the quality of place in Hampshire.

## **3. Development of Procurement Model**

- 3.1. The Property Services Procurement Model is based on the procurement of projects and programmes of work through a range of general and specialist framework and term contract arrangements. As previously reported to the Panel, the County Council has established three contractor frameworks on behalf of IESE; the Tier 1 framework for procurement of major building projects across the south east of England and the Tier 2 and Tier 3 frameworks for procurement of medium and small building projects within Hampshire. All of these frameworks are now being used for delivery of the County Council's building projects as detailed in section 4 of this report.
- 3.2. During 2009/10, OJEU tenders have been completed for the following additional arrangements identified in the procurement model:
  - Area based frameworks for provision of reactive building maintenance across the county, which will align with the current area based engineering maintenance term contracts and support the move towards a more strategic approach to facilities management
  - Consultancy frameworks for Transport Planning, Planning and Urban Design and CDM Co-ordinator
- 3.3. Further details on the scope of these frameworks and the successful tenderers are provided at Appendix 1.
- 3.4. Tender analyses for the following further arrangements are currently in progress and are due to be completed within this financial year:

- New consultant framework for building surveying services
  - A framework for procurement of external repair and decoration work
  - Renewal of the framework for hire and purchase of temporary buildings
- 3.5. In addition the following arrangement is currently out to tender:
- Framework for electrical testing and inspection (further information is provided elsewhere in this report)
- 3.6. Progress and the outcome of this tender will be reported to future Panel meetings.
- 3.7. By introducing framework arrangements for the procurement of lower value projects and specialist works, Property Services is seeking to achieve improved outcomes such as certainty of time and cost through involving contractors in pre-construction planning. These arrangements also support the aggregation of similar projects into programmes of work, providing efficiencies through a common approach to design and shared supply chains.
- 3.8. As the Panel will be aware, the downturn in the economy is having a significant impact on the construction industry and as a result the County Council has seen an increased interest in its tendering opportunities. The mixed economy approach to procurement, together with the development of framework arrangements for small to medium sized projects, ensures continuing opportunities suited to local contractors and suppliers. In addition, the use of local suppliers is encouraged through the contractor forums for the IESE frameworks. These frameworks also offer a platform to aid economic development through locally based skills and learning, apprenticeships and Small to Medium Enterprises (SME's) development.

#### **4. Construction Work 2009/10**

- 4.1. A total of approximately £62 million of construction work has been contracted by Property Services during 2009/10 on behalf of the County Council. This is lower than previous years in line with the County Council's reduced capital programme.
- 4.2. Contracts have been awarded through a range of procurement routes, including:
- Five schemes with a combined value of £19 million through the IESE Tier 1 framework

- Three schemes with a combined value of £6 million through the IESE Tier 2 framework
  - In excess of 50 schemes or programmes of work including a combined value of approximately £6 million of projects exceeding £100,000 through the IESE Tier 3 framework
  - Nine schemes with a combined value of approaching £1 million through the Hard Landscaping framework
- 4.3. A further £45 million of projects exceeding £100,000 are currently in the pre-construction stage of procurement through the IESE frameworks, of which £5 million is Sure Start, Early Years and Childcare Grant funded projects in Private and Voluntary and Independent (PVI) settings and £7 million relates to Children's Centres Phase 3. A schedule of framework schemes is provided at Appendix 2.
- 4.4. The IESE Tier 1 and Tier 2 framework arrangements are based on the selection and appointment of the main contractor early in the design phase of the project to work as part of the project team. The contractor provides a range of pre-construction services with a view to reducing the risks during the construction stage thereby increasing the certainty of outcomes in terms of cost, time, quality and health and safety. The pre-construction services include buildability advice, cost planning, subcontractor procurement and construction planning and programming for which the contractor is paid a pre-construction fee.
- 4.5. To ensure that the contractor's input can be used to advantage on the project, the appointment is normally made prior to approval of the project appraisal. Award of the construction contract is not completed until after project appraisal, once the sub-contractor procurement process has been completed.

**Barncroft Infant and Junior Schools in Havant**

- 4.6. It is proposed to select and appoint a contractor through the IESE Tier 1 framework to progress the proposed amalgamation of Barncroft Infant and Junior Schools in Havant on a contractor design basis.
- 4.7. To meet the anticipated construction programme, approval is sought for the selection and appointment of a contractor to provide pre-construction services prior to approval of the project appraisal and conclusion of the construction contract later in the year. The estimated maximum value of the contractor's fee for pre-construction services is £40,000.

**Park Community School, Havant**

- 4.8. It is proposed to select and appoint a contractor through the IESE Tier 2 framework to progress the proposed co-location project at Park

Community School in Havant on a traditional basis with some contractor design elements.

- 4.9. To meet the anticipated construction programme, approval is sought for the selection and appointment of a contractor to provide pre-construction services prior to approval of the project appraisal and conclusion of the construction contract later in the year. The estimated maximum value of the contractor's fee for pre-construction services is £10,000.

**Purbrook Park Secondary School and Limington House Special School**

- 4.10. It is proposed to select and appoint a contractor through the IESE Tier 2 framework to progress the proposed food technology projects at Purbrook Park Secondary School and Limington House Special School in Basingstoke on a contractor design basis.
- 4.11. To meet the DCSF funding spend profile, approval is sought for the selection and appointment of a contractor to provide pre-construction services prior to approval of the project appraisal and conclusion of the construction contract later in the year. The estimated maximum value of the contractor's fee for pre-construction services is £60,000.

**Private and Voluntary and Independent (PVI) settings**

- 4.12. It is proposed to extend the appointment of the contractor selected through the IESE Tier 2 Framework to provide pre-construction services for the proposed package of Early Years projects in Private Voluntary and Independent (PVI) Settings to include the projects at Brockenhurst Primary School, Fernhill School, Grange Infant School, Oakridge Infant School and Rucstall Primary School on a traditional basis with some contractor design elements.
- 4.13. The projects at Brockenhurst Primary School, Fernhill School, Grange Infant School, Oakridge Infant School and Rucstall Primary School were not originally included as modular solutions. The estimated increase in value of the contractor's fee for pre-construction services is £6,000.

**Children's Centres Phase 3**

- 4.14. It is proposed to extend the appointment of the contractor selected through the IESE Tier 2 Framework to provide pre-construction services for the proposed package of Children's Centres Phase 3 (Group 2) projects to include the schemes at Kings Worthy Primary School and Stockbridge Primary School on a traditional basis with some contractor design elements.
- 4.15. The projects at Kings Worthy Primary School and Stockbridge Primary School were not originally included as part of the common design approach. The estimated increase in value of the contractor's fee for pre-construction services is £9,000.

- 4.16. The proposed project at St Marks' Primary School will not proceed and its proposed replacement is a project at Hatch Warren Community Centre, which will be added to Group 7 as reported to the Panel on 30 June 2009. Originally it was intended that Group 7 projects would be procured via a grant to third parties but this has had to be changed and it is now proposed that all three projects be procured on a traditional basis.

#### **CCTV installation at Swanwick Lodge Secure Unit, Southampton**

- 4.17. It is proposed, subject to confirmation of funding from Department of Children, Schools and Families (DCSF), to negotiate with the contractor who recently completed the CCTV installation at Swanwick Lodge Secure Unit in Southampton following a single stage selective tender.
- 4.18. To meet the anticipated construction programme, approval is sought to negotiate the CCTV upgrade and installation of a perimeter alarm system required by the DCSF at Swanwick Lodge. The estimated cost of the works is £250,000.

#### **Winchester Law Courts**

- 4.19. It is proposed to negotiate with the contractor who recently completed the Phase 1 and 2 works at Winchester Law Courts. The Phase 1 works were awarded following a single stage selective tender and the Phase 2 works were added as an addendum to the Phase 1 contract.
- 4.20. As with the previous phases, this phase involves out of hours working, court closures and significant liaison with the Court Services and Judiciary. The Courts Service are extremely pleased with the contractor's performance and understanding of the complex working arrangements and approval is sought to negotiate the next phase including window replacement, further hot and cold water pipework replacement and fire precautions at Winchester Law Courts. The estimated cost of the works is £1,100,000, of which the County Council will contribute 7.5%.

#### **Segensworth Industrial Estate**

- 4.21. It is proposed to extend the contract with the contractor who is undertaking the final year of the four year Landscape Maintenance works at Segensworth Industrial Estate.
- 4.22. The works are of a specialist nature including a cyclical programme of woodland maintenance in environmentally sensitive areas. The contractor has carried out the works for the past four years to a very high standard. The extension will allow time for the procurement of a long-term contract to ensure the cyclical maintenance can continue, which is part of a planning agreement for the state. The contractor had indicated they are prepared to undertake the works at the same costs as 2009/10 with an adjustment to cover the additional areas of

woodland included in 2010/11. The estimated cost of the works is £32,000.

## **5. Future initiatives**

5.1. Over the coming year, Property Services will continue to contribute to the development of procurement strategies for the County Council's major building related initiatives to ensure the appropriate use of frameworks and other procurement arrangements to deliver high quality projects in a cost-effective way. These will include building projects and contracts linked to the following key initiatives:

- Sure Start, Early Years and Childcare Grant funded projects in Private and Voluntary and Independent (PVI) settings
- Children's Centres Phase 3
- Primary Capital Programme - 2010/11 and beyond
- Building Schools for the Future
- 14-19 capital projects - subject to confirmation of DCSF grants
- Hampshire Workstyle
- Other Capital Programme works for Adult Services and Recreation and Heritage
- Apprentices

## **6. Electronic Tendering (E-Tendering)**

6.1. During 2009/10, Property Services has continued to procure projects and services through the County Council's e-tendering system called In-Tend. This has included traditional competitive tenders, mini-competitions for the selection of contractors and consultants, and full OJEU tenders. The requirements under the County Council's Standing Orders are adhered to throughout the e-tendering process.

6.2. Electronic tendering has worked well, requiring less hard copy documentation and therefore reducing the amount of administrative time required to support the tendering process. E-tendering is now the preferred approach for tenders managed through Property Services and the County Council as a whole and is now factored into procurement savings being achieved as part of the Property Services contribution to corporate savings.

## **7. Performance Management**

7.1. All of the work procured through Property Services is evaluated through agreed performance management arrangements. These include measuring the performance of projects, in-house project teams, consultants and contractors through a range of qualitative and quantitative key performance indicators.

- 7.2. A detailed analysis of performance will be submitted to the Panel in May 2010, once all the data for projects completed during the financial year 2009/10 has been collated and analysed.
- 7.3. To support ongoing improvement in the delivery of building construction projects, Property Services has implemented a gateway review process. Further information on Property Services' gateway review process is provided later in the report.

## **8. Improvement and Efficiency South East (IESE)**

- 8.1. The County Council continues to lead the IESE theme for construction and asset management. The Chief Executive has recently been asked to take over Chairmanship of the Chief Executive's Management Group for IESE from Kent County Council. This will be effective from 1 April 2010. As a result the County Council will take on the role of lead authority for IESE and manage the overall grant funding from Communities and Local Government (CLG).
- 8.2. The County Council have been successful in attracting total funding this year of just under £2 million to deliver a range of initiatives around construction, consultancy and highways frameworks. Around £1.6 million of this funding will be spent in this financial year, and to date benefits of around £20 million have been achieved in the year. The County Council will carry the remaining £400,000 into the next financial year, combined with further CLG funding, to continue to develop regional work streams.
- 8.3. New projects for next year include further highways initiatives around collaborative works frameworks for the Local Transport Plan (LTP) and major projects, and the development of a series of proposals around authorities in the Surrey sub-region. These may include sub-regional construction frameworks, a collaborative approach to asset management, and a sub-regional approach to maintenance and facilities management (FM).
- 8.4. The regional construction framework (Tier 1) expires in July 2011 and it is proposed that the renewal process will commence in summer 2010. This will look at ways to self finance the framework in the future to enable it to continue after CLG funding. The regional framework currently allows London Authorities to access the arrangements. The new arrangements will be let on a similar basis and discussions are underway with the Regional Improvement Partnership for London about the extent of services that will be included. As well as local authorities the new arrangement will be accessible to the further and higher education sectors and other local public services providers in connection with the Total Place agenda.

- 8.5. It is also proposed to extend the Tier 3 contractors Hampshire framework from March 2010 to 2012, as permitted as an option under the original OJEU procurement.

## **9. IESE Consultancy**

- 9.1. IESE has joined forces with the Office of Government Commerce (OGC) Buying Solutions in the development of their new national consultancy framework, which was launched on 17 June 2009.
- 9.2. Any local public authority in the South East is able to call off professional consultancy services for projects or programmes of work in excess of £500,000. In addition, local public authorities outside of the South East can access the framework where desired.
- 9.3. The cost of running the service is funded through the IESE grant supplemented by OGC Buying Solutions funding equivalent to the 1% tariff it recovers from the suppliers.
- 9.4. The value of projects that are being procured through the framework has surpassed £170 million.
- 9.5. Key Projects include:
- Woking Borough Council: Hoe Valley Regeneration Scheme £60 million
  - Surrey County Council: Wray Park Emergency Services Project £33 million
  - Metropolitan Police: London Custody Centres Project £26 million
  - Cambridgeshire County Council: Applied Learning Centre and Low Carbon Centre £5 million

## **10. National Construction Procurement**

- 10.1. Based upon the success of the construction workstream for IESE, the County Council has been asked to lead a new national partnership for construction.
- 10.2. The National Improvement and Efficiency Partnership (NIEP) for Construction builds on the success of the Regional Improvement and Efficiency Partnerships (RIEPs) across England, which have led best practice amongst local public authorities.
- 10.3. The South East Construction RIEP (IESE) was requested by Department of Communities and Local Government (DCLG) to lead the National Improvement and Efficiency Partnership (NIEP) for construction. The creation and development of the NIEP is led by the County Council's Chief Executive.

- 10.4. The NIEP's primary goal is to further raise the performance of local public authorities in construction procurement. It will do this by developing best practice models to be adopted by local public authorities. These models will be driven by firstly, sharing best practice amongst the RIEPs and secondly by having more cohesive communication between central and local government and the private sector.
- 10.5. Five key workstreams have been agreed and are as follows:
- Procurement and supply chains
  - Client Leadership
  - Asset management
  - Skills, apprenticeships and learning
  - Highways
- 10.6. Workstream leads have now been allocated and the County Council working with Manchester City Council are co leaders of the Procurement theme. Each theme will prepare a draft improvement plan which will be delivered in April 2010 and will form the basis of a business case for the NIEP and an ambitious national improvement and efficiency programme.

## **11. Building Schools for the Future (BSF)**

- 11.1. The County Council was successful in joining the BSF programme in September 2009. The default delivery mechanism prescribed by Partnership for Schools (PfS) is through the procurement of a Private Sector Partner via a Local Education Partnership (LEP) to take on all aspects of the programme, and to own all associated risks in scoping, design, construction, operation and maintenance. This methodology has a number of disadvantages, particularly for authorities such as the County Council, with an excellent track record in all aspects of education and property development and management. Hence, as previously reported, discussions about an alternative procurement and delivery approach have been under way with PfS for just over a year. This approach builds on the County Council's experience and success with the regional construction and consultancy frameworks established on behalf of Improvement and Efficiency South East (IESE). The submission to PfS to join the programme was based on this alternative approach.
- 11.2. The proposal involves the disaggregation of the individual components of the conventional LEP's into a series of regional frameworks for design and build (using the existing IESE framework), ICT, PFI projects, Facilities Management or Maintenance, and a shared service approach to the scoping of educational transformation. The proposal is to form a Regional Education Partnership (REP) which brings together each of these key delivery components and an educational

transformation workstream. A memorandum of understanding between the County Council and PfS has been signed, to jointly develop these proposals, and PfS has employed a consultant to work with the County Council to arrive at a mutually acceptable solution, formulated in a business case. This work is planned to conclude in March 2010 and will inform the Outline Business Case for the County Council's own BSF programme, due for submission to PfS in July 2010.

- 11.3. As early as possible in 2010, but after the agreement of PfS through a separate business case submission for the REP, procurement of the regional approach frameworks for ICT and PFI will need to begin. These framework contracts will be held by the County Council on behalf of the other authorities in the region in the same way as the IESE frameworks.

## **12. Reading Borough Council (RBC) – Shared Services**

- 12.1. During 2009/10 Property Services has completed and handed over six projects on behalf of RBC, with a total contract value of £13 million. All projects were completed within their respective programmes and budgets. Over the past six months Property Services has been working with RBC to set a development strategy and priorities for the delivery of their Primary Capital Programme.
- 12.2. Property Services recently facilitated two RBC Joint Contractor Workshops. The first held in July concentrated on lessons from the projects being completed through 2008/09. The second, themed 'Driving Efficiency' focussed on the opportunities and benefits that can be realised through linking projects into programmes, supply chain management and generic design principles. The workshops were seen by the client and contractors as a great success and provided a platform for all to jointly consider and drive efficiencies through the future programmes of work for RBC.
- 12.3 IESE has commissioned a report by independent cost consultants to assess the benefits of the asset management and shared services workstream, focusing on the shared service arrangement with Reading Borough Council. The report has concluded that the benefits to Reading are approximately £900,000 for 2009/10 based on procurement and fee savings, and shared management arrangements. There are further benefits from the arrangement that are still being quantified, which will be reported in due course.

## **13. Standardisation/Supply Chain/Aggregation**

- 13.1. With the efficiency agenda now being driven through all workstreams, Property Services has established a working group of various disciplines to review design methods, specifications and procurement with consideration of whole life costs in order to instigate the development and use of related standardisation across the appropriate

technical sections within Property Services. It is the intention that six elements will be reviewed to actively engage with staff. It is the intention of the group to progress this work using a rolling programme over the next year and beyond. This will ensure the use of generic design information and the benefits it offers in supply chain procurement is maintained which should open up opportunities for cost savings through aggregation of purchases. Once this is in place further application of this subject will be enforced to reap the benefits in the long term for the financial and business efficiencies it has to offer.

#### **14. Property Services Gateway Review Process**

- 14.1. The County Council's corporate procurement strategy identifies a requirement to implement a gateway review process for major contracts to improve performance and ensure that the benefits are maximised. A corporate gateway review process is being piloted but currently the corporate process can be replaced by specific departmental processes where these meet the minimum requirements. This process will also involve support and challenge from private sector partners and it is envisaged that the outcomes will form the basis of the toolkit to support other public sector partners locally and regionally.
- 14.2. The IESE Tier 1 framework incorporates a gateway process, however this process was not previously applied consistently across Property Services. This process is well established for construction contracts and exceeds the minimum requirements of the corporate gateway process and has been developed as an office standard for Property Services.
- 14.3. The purpose of the gateway review is to ensure that a project is fit to proceed to the next stage. It provides a robust quality assurance and risk management process for all projects, including those for external clients. The process has been embodied into a practice note within Property Services and is applied to all construction projects with a value of £1 million or more. This has been operating successfully as standard practice since September 2009. Facilitators are allocated for each relevant project to provide independent challenge and there are common templates and guidance notes to ensure consistency of implementation.

#### **15. Carbon Reduction/Management**

- 15.1. A Carbon Management Group has been established with senior officers from each department leading on a key workstream designed to deliver a reduction in carbon emissions.
- 15.2. Recognising the major role schools have in achieving a reduction in carbon emissions a separate Schools' Group has been established to focus on school's activities. Head Teachers from the Primary,

Secondary and Special Schools sectors are represented on the Group together with senior officers from Children's Services.

- 15.3. Work is now complete on establishing the County Council's carbon footprint in respect of the National Indicator and Carbon Reduction Commitment (CRC) requirements. National Indicator (NI185) data was submitted to Department for Environment, Food and Rural Affairs (DEFRA) in August 2009.
- 15.4. The County Council will become one of the organisations taking part in the CRC with effect from April 2010 and work is underway preparing for registration with the scheme.
- 15.5. The Director of Property, Business and Regulatory Services is currently drafting a Carbon Management Plan for approval by the County Council. The plan will outline the baseline carbon emission statistics, it will set the reduction targets and timescales for achieving these targets. The plan will outline how the targets will be achieved, the investment strategies involved and will set the ground rules for the deployment of alternative and renewable technologies.
- 15.6. The roll out of smart meters across the County Council's built estate will commence in the spring with the utility companies installing the principal meters. The School's Forum, in December 2009, agreed to carry forward funding into 2010/11 for the installation of sub-meters for the larger campus sites to enable better data to be gathered for energy management on those sites.
- 15.7. Following a successful trial of the technology during the spring of 2009, in late January the County Council put together a bid to secure an interest free loan of £500,000 through Salix Finance, the financial arm of the Carbon Trust, to fund the installation of advanced boiler controllers on approx 160 of its corporate sites.
- 15.8. In early February Salix Finance confirmed the bid had been successful and that the County Council could commence the installation works. The works, which will cost £500,000 need to be completed by November 2010 and will initially need to be funded by the County Council. It is proposed that the works will be undertaken by the Term Engineering Contractors and when signed off as complete Salix Finance will reimburse the County Council £500,000. The interest free loan period, will be spread over four years, commencing with the first repayment in April 2011 and thereafter every six months for the duration of the loan period. The County Treasurer is involved in the financial arrangement of this 'Invest to Save' scheme.

- 15.9. When the works have been completed the new boiler controllers will save in the order of 900 tonnes of CO<sub>2</sub> emissions per annum and approximately £140,000 of energy per annum generating an exceptionally quick payback period of around 3 years.

## **16. Engineering and Building Fabric Term Contract for Castle Complex**

- 16.1. The current term contract commenced on 1 November 2008 and expires on 31 October 2010. The contractor is also responsible for the Engineering Term Contract for Area A, which expires on 31 July 2012. The contractor is performing well and ongoing consultation has identified ways of converting efficiencies into savings.
- 16.2. As the Engineering and Building Fabric Term Contract for Castle Complex expires this year, rather than re-tender the contract, it is proposed to extend the contract so that it expires on 31 July 2012, thereby bring the expiry date into line with the other Engineering Term Contracts.

## **17. Electrical Testing and Inspection Framework**

- 17.1. The Prequalification Questionnaire (PQQ) evaluation following the OJEU Notice was carried out at the end of 2009 and eight tenders were selected out of the 21 PQQ documents that were received. Tender documents were issued via In-tend on 25 February 2009. The tender period is 7 weeks due to the a practical exercise for testing being included and the production of a sample report. Tenders are due back 14 April 2010 for evaluation and placement is predicted by end May 2010. The OJEU Notice was on the basis of a four year programme but based on an initial two years with the option to extend by up to a further two years. The value per year is approximately £300,000.

## **18. Mace Partnership**

- 18.1. The partnership with Mace was extended until 31 March 2010 using the new IESE/OGC Consultancy Framework. As well as regularising the arrangement, it has resulted in slightly lower unit cost levels due to the higher volume of work that this framework caters for.
- 18.2. Mace provide the County Council/IESE with essential market leading skills and knowledge in the areas of framework management, supply chain management, training and induction services and property services rationalisation. The partnership has successfully contributed to the County Council attaining and exceeding efficiency and improvement targets in the construction and asset management theme on which the County Council leads.
- 18.3. The trial partnership has an option to extend and approval is sought to extend for a further twelve months ending on 31 March 2011. The

anticipated cost is £500,000 and this will be funded from IESE direct funding or through specific commissions with external authorities.

## **19. Apprentices – Construction Sector**

- 19.1. The Government has confirmed that the Public Sector has an important part to play in ensuring continued investment in skills during the current downturn and beyond. Apprentices are critical to increasing skill levels, and a proven way to train the workforce. Apprentices can make contractors more effective, productive and competitive, by directly addressing their skills gaps. It is a key Government objective to promote apprenticeships, which give young people and adults the opportunity to work for an employer, learn on the job, build up knowledge and transferable skills, and gain nationally recognised qualifications for working life.
- 19.2. The Office of Government Commerce/Department for Business, Innovation and Skills (OGC/BIS) guide Promoting Skills through Public Procurement, published in April 2009, sets out the circumstances in which contract conditions can be used to address Apprenticeships.
- 19.3. Further consultation will take place with the Environment Department and with the Chief Executive's Department regarding the adoption of contract conditions, e.g. Contractors taking all reasonable steps to ensure that a specified percentage of the employees or proportion of hours worked are to be delivered by an employee on a formal apprenticeship programme.
- 19.4. Progress and the outcome of this consultation will be reported to future Panel meetings.

## **20. Programme, Project and Resource Management (PPRM)**

- 20.1. The successful management and delivery of projects has a large impact on the performance and efficient running of a large organisation such as the County Council. Throughout the County Council there are a number of various systems and processes in place running several thousand projects at any one time. The procurement of a single set of software tools to manage projects across the whole of the County Council will strengthen the ability to deliver robust, flexible and efficient systems and processes.
- 20.2. Existing systems in Property Services are nearing the end of their serviceable life and are now proving a blockage to further efficiency improvement and business development.
- 20.3. It is proposed to let a contract with an external provider for up to an eight year period subject to performance and the outcome of the procurement process, including options to extend past the initial fixed term period. The approach seeks to maximise economies of scale by sharing the solution across the County Council, minimise on going

support and business costs, and ensure flexibility in licence numbers as the number of users changes over time.

- 20.4. The procurement process will be fully met with in-house resources and existing revenue budgets split between Environment, Property and IT. Initial market place assessments, using mid-point pricing, suggest that capital software and external consultancy will be in the region of £465,000. Ongoing external support costs to support the final solution, will not be known until procurement concludes but likely to be in the order of £67,000 per annum. All these estimates are aggregated for the three business areas.
- 20.5. In addition to the stated benefits of the programme, this proposed collaboration across departments will reduce one off costs by an estimated £400,000 compared to each business proceeding independently.

**21. Outline of Options:**

- 21.1. The County Council's procurement actions are governed by the Public Procurement Regulations 2006 and the Council's Contract Standing Orders. In addition, the Council's procurement model and strategy for building construction work, approved by the Executive Member for Policy and Resources at his meeting of 9 April 2008, provides the framework within which procurement decisions relating to building construction work are made.

**22. Conclusions:**

In conclusion during the last 12 months:

- 22.1. Property Services has established a number of consultant and contractor frameworks through the OJEU tender process.
- 22.2. Property Services has procured £62 million of construction projects and programmes of work through various contractual arrangements including the frameworks established by the County Council on behalf of Improvement and Efficiency South East (IESE).
- 22.3. Property Services has procured in excess of 90% of it's tenders and mini competitions through electronic tendering and are intending to increase this to 100% from April 2010.
- 22.4. Property Services has continued to lead the Construction and Asset Management Partnership for Improvement and Efficiency South East (IESE), attracting total funding of just under £2 million. IESE has facilitated benefits of £20 million, of which just under £2.5 million relate to Hampshire County Council contracts.
- 22.5. The IESE Consultancy framework as launched on 17 June 2009 and the value of projects procured has already surpassed £170 million.

The cost of running the service is funded by IESE and by OGC Buying Solutions equivalent to the 1% tariff recovered from the suppliers.

- 22.6. The County Council has been asked to lead a new national partnership (NIEP) for construction. The creation and development of the NIEP is led by the County Council's Chief Executive and builds upon the success of IESE. The NIEP's primary goal is to further raise the performance of local public authorities in construction procurement by developing best practice models.
- 22.7. The County Council was successful in joining the Building Schools for the Future (BSF) programme in September 2009. As previously reported, discussions about an alternative procurement and delivery approach have been under way with PfS for just over a year, which builds on the County Council's experience and success with the regional construction and consultancy frameworks established on behalf of IESE.
- 22.8. Under the Shared Services arrangement, Property Services has completed and handed over six projects on behalf of Reading Borough Council (RBC), with a total contract value of £13 million. A report commissioned by IESE concluded that the benefits to RBC are approximately £900,000 for 2009/10 based on procurement and fee savings, and shared management arrangements.
- 22.9. In early February 2010 Salix Finance, the financial arm of the Carbon Trust, confirmed a bid by Property Services had been successful for an interest free loan of £500,000 to fund the installation of advanced boiler controllers on approximately 160 County Council sites. The new boiler controllers will save in the order of 900 tonnes of CO<sub>2</sub> emissions per annum and approximately £140,000 of energy per annum.
- 22.10. To date 21 additional construction apprentices have been engaged by IESE Tier 1 contractors. Further consultation will take place with the Environment Department and with the Chief Executive's Department regarding the adoption of contract conditions promoted in the Office of Government Commerce/Department for Business, Innovation and Skills (OGC/BIS) guide "Promoting Skills through Public Procurement", in order to potentially create more opportunities for construction apprentices.

**23. Recommendation(s)**

**That the Panel advises the Executive Member for Policy and Resources that:**

- a. The selection and appointment of a contractor through the Improvement and Efficiency South East (IESE) Tier 1 Framework to provide pre-construction services to a maximum value of £40,000 for the proposed amalgamation of Barncroft Infant and Junior Schools in Havant be approved.

- b. The selection and appointment of a contractor through the Improvement and Efficiency South East (IESE) Tier 2 Framework to provide pre-construction services to a maximum value of £10,000 for the proposed co-location project at Park Community School in Havant be approved.
- c. The selection and appointment of a contractor through the Improvement and Efficiency South East (IESE) Tier 2 Framework to provide pre-construction services to a maximum value of £60,000 for the proposed food technology projects at Purbrook Park Secondary School and Limington House Special School in Basingstoke be approved.
- d. The extension of the appointment of the contractor selected through the Improvement and Efficiency South East (IESE) Tier 2 Framework to provide pre-construction services for the proposed package of Early Years projects in Private Voluntary and Independent (PVI) Settings to include the schemes at Brockenhurst Primary School, Fernhill School in Farnborough, Grange Infant School in Gosport, Oakridge Infant School in Basingstoke and Rucstall Primary School in Basingstoke be approved.
- e. The extension of the appointment of the contractor selected through the Improvement and Efficiency South East (IESE) Tier 2 Framework to provide pre-construction services for the proposed package of Children's Centres Phase 3 (Group 2) projects to include the schemes at Kings Worthy Primary School and Stockbridge Primary School be approved.
- f. The negotiation, subject to confirmation of funding from the DCSF, of the CCTV Upgrade and installation of perimeter alarm system required by DCSF at Swanwick Lodge Secure Unit in Southampton be approved.
- g. The negotiation of the Phase 3 (Year 3) works at Winchester Law Courts be approved.
- h. The extension of the Landscape Maintenance contract at Segensworth Industrial Estate be approved.
- i. The renewal of the regional construction framework (Tier 1), which expires in July 2011 be approved.
- j. The option to extend the Tier 3 contractors Hampshire framework from March 2010 to March 2012 be approved.
- k. The installation of advanced boiler controllers at a cost of £500,000 be approved, following the successful bid for an interest free loan through Salix Finance, the financial arm of the Carbon Trust.
- l. The extension of the Engineering and Building Fabric Term Contract for the Castle Complex to 31 July 2012 be approved.
- m. The option to extend the partnership with Mace for a further twelve months ending on 31 March 2011 be approved.

- n. The procurement of Programme, Project and Resource Management (PPRM) for a contract period of up to eight years be approved with the initial cost of the procurement process being met from existing budgets of the three business areas (Environment, Property and IT).
- o. That further to (n) above, the Panel note the intention to rollout PPRM to other departments as appropriate.

**CORPORATE OR LEGAL INFORMATION:****Links to the Corporate Strategy**

<b>Hampshire safer and more secure for all:</b>	Yes
Corporate Improvement plan link number (if appropriate):	
<b>Maximising well-being:</b>	Yes
Corporate Improvement plan link number (if appropriate):	
<b>Enhancing our quality of place:</b>	Yes
Corporate Improvement plan link number (if appropriate):	
<b>OR</b>	

**Other Significant Links**

<b>Links to previous Member decisions:</b>		
<u>Title</u>	<u>Reference</u>	<u>Date</u>
<b>Direct links to specific legislation or Government Directives</b>		
<u>Title</u>	<u>Date</u>	

**Section 100 D - Local Government Act 1972 - background documents**

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

<u>Document</u>	<u>Location</u>
None	

## **IMPACT ASSESSMENTS:**

### **Race and Equality Impact assessment**

Race and equality impact assessment has been considered in the development of this report and no adverse impact has been identified.

### **Crime prevention issues**

The County Council has a legal obligation under Section 17 of the Crime and Disorder Act 1998 to consider the impact of all the decisions it makes on the prevention of crime. The proposals in this report have no impact on the prevention of crime.

### **How does what is being proposed impact on our carbon footprint / energy consumption?**

All new build projects will meet current standards for carbon and energy consumption. Refurbishment projects will generally see a reduction in energy consumption through incorporation of higher design standards with particular emphasis on increased insulation, air tightness, thermal mass, passive ventilation and reducing solar gain in order to reduce the need for mechanical ventilation. Projects also seek to incorporate efficient building services equipment and controls.

### **How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts?**

Current design standards used by Property Services seek to reduce reliance on mechanical ventilation and therefore reduce energy consumption by using passive ventilation strategies with a focus on increasing thermal mass, insulation and air tightness and reducing solar gain. Efficient building services equipment and intelligent building services controls are used to support this approach. Approaches such as sustainable urban drainage (SUDs) and on site surface water storage are also considered in the design to address flood risk issues.

## APPENDIX 1

OJEU tenders completed since April 2009

Contract	Scope	Term	Successful tenderers	Available for use by
Reactive Maintenance contracts	Area based reactive building maintenance and minor repair works in HCC and HFRS properties throughout the county. To include glazing, roofing repairs, plumbing and drainage investigation and repairs, minor building works and initial response to major incidents such as fires and floods.	4 years	Tew Brothers Ltd (Areas A, B and out of hours)  Rok (Area C)	HCC, Hampshire Fire and Rescue Service.
Transport Planning Services	Transport Planning services to support the delivery of capital projects, land development projects and land disposal schemes. Including the undertaking of transport assessments and access assessments to support planning applications, advice on Section 106 and Section 278 contributions, access option appraisals, procuring independent safety audits, advice on sustainability, preparation of contributions to Environmental Impact Assessments and policy advice relating to General Transport Policy.	4 years	JMP Consultants Ltd	HCC, Hampshire Fire and Rescue Service, Hampshire Police Authority, Reading Borough Council, Foundation, Voluntary Controlled and Voluntary Aided Schools within Hampshire.

## APPENDIX 1

Contract	Scope	Term	Successful tenderers	Available for use by
CDM Coordinator Services	CDM Co-ordinator services related to the Construction (Design and Management) Regulations 2007 and the associated Approved Code of Practice (ACoP) to support the delivery of capital building projects and maintenance and refurbishment schemes. May include support to health and safety training for staff.	4 years	Capita Symonds Ltd	HCC, Hampshire Fire and Rescue Service, Hampshire Police Authority, Reading Borough Council, Foundation, Voluntary Controlled and Voluntary Aided Schools within Hampshire.

## APPENDIX 1

Planning and Urban Design Services	Planning & Urban Design services including Development Planning, Site & Master Planning, Planning/Urban Design advice, Economic Development, Stakeholder/Community Participation, Sustainability, and Environmental assessments to support the delivery of projects and programmes of work	4 years	Barton Willmore Turley Associates Tibbald Planning & Urban Design	HCC, Hampshire Fire & Rescue Service, Hampshire Police Authority, Royal Berkshire Fire & Rescue Service, Reading Borough Council, New Forest District Council, Foundation, Voluntary Aided and Voluntary Controlled schools within Hampshire.
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## APPENDIX 2

### IESE Tier 1 Framework

PROJECT TITLE	CONTRACTOR(S)	CONSTRUCTION VALUE	SELECTION METHOD	REASON FOR PROCUREMENT STRATEGY
<b>PROJECTS CURRENTLY IN DESIGN DEVELOPMENT</b>				
Barncroft Primary School, Havant – Amalgamation of Infant and Junior Schools	Kier Regional Ltd	£4,900,000	Mini-competition between four framework contractors	<p>Early contractor involvement required to support pre-construction planning and risk management.</p> <p>Contractor has relevant experience and has the capacity to meet the project programme.</p>
East Anton Primary School – New Primary School	Mansell Construction Services Ltd	£7,150,000	Mini-competition between four framework contractors	<p>Early contractor involvement required to support pre-construction planning and risk management.</p> <p>Procured as part of a package of primary school projects in the Andover area.</p> <p>Contractor has relevant experience and has the capacity to meet the project programme.</p>
Havant Public Service Village – New Civic Centre and associated facilities	To be advised	£10,500,000	Mini competition between four framework contractors	<p>Early contractor involvement required to support pre-construction planning and risk management.</p> <p>Contractor has relevant experience and has the capacity to meet the project programme.</p>

## APPENDIX 2

Runways End, Farnborough – New Youth Adventure Centre	Morgan Ashurst	£4,655,500	Mini competition between three framework contractors	Early contractor involvement required to support pre-construction planning and risk management.  Contractor has relevant experience and has the capacity to meet the project programme.
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## APPENDIX 2

CONTRACTS AWARDED SINCE APRIL 2009				
Abbotts Ann Primary School – Extension and alterations	Kier Regional Ltd	£3,133,603	Mini-competition between three framework contractors	<p>Early contractor involvement required due to complexity of scheme and to engage pre-programming of the work.</p> <p>Project procured as part of a package of works at primary schools in the Andover area.</p> <p>Contractor has experience of working on similar education schemes and has necessary capacity to meet the operational timescale.</p>
East New Forest Special School – Enabling works	Morgan Ashurst	£182,336	Mini-competition between five framework contractors	Works in advance of main construction contract identified below.
East New Forest Special School – Rebuild project	Morgan Ashurst	£8,680,224	Mini-competition between five framework contractors	<p>Early contractor involvement required due to complexity of scheme, particularly in relation to phasing and programming of the works on an occupied site.</p> <p>Contractor has relevant experience and has the necessary capacity to meet the project programme.</p>

## APPENDIX 2

<p>Roman Way Primary School – Extension, alterations and refurbishment</p>	<p>Kier Regional Ltd</p>	<p>£1,248,970</p>	<p>Mini-competition between four framework contractors</p>	<p>Early contractor involvement required due to complexity of scheme and to engage pre-programming of the work.</p> <p>Project procured as part of a package of works at primary schools in the Andover area.</p> <p>Contractor has experience of working on similar education schemes and has necessary capacity to meet the operational timescale.</p>
<p>Spring Meadows Children’s Centre – Conversion of former Shepherds Spring Infant School</p>	<p>Mansell Construction Services Ltd</p>	<p>£1,846,786</p>	<p>Mini-competition between three framework contractors</p>	<p>Early contractor involvement required due to complexity of scheme and to engage pre-programming of the work.</p> <p>Project procured as part of a package of works at primary schools in the Andover area.</p> <p>Contractor has experience of working on similar education schemes and has necessary capacity to meet the operational timescale.</p>
<p>Wildern School – New Theatre</p>	<p>Morgan Ashurst</p>	<p>£3,826,385</p>	<p>Mini-competition between four framework contractors</p>	<p>Early contractor involvement required due to complexity of scheme, particularly in relation to phasing and programming of the works on an occupied site.</p> <p>Contractor has relevant experience and has the necessary capacity to meet the project programme.</p>

## APPENDIX 2

### IESE Tier 2 Framework

PROJECT TITLE	CONTRACTOR(S)	VALUE	SELECTION METHOD	REASON FOR PROCUREMENT STRATEGY
<b>PROJECTS CURRENTLY IN DESIGN DEVELOPMENT</b>				
Children's Centres Phase 3 (Group 2) – New Children's Centres: Barton Stacey CE Primary School £400k Brookfield School £400k Elvetham Heath Primary School £400k Frogmore Infant School £400k Mayhill Junior School £400k Morelands Primary School £140k Twesledown Infant School £545k Stockbridge Primary School £600k Kings Worthy Primary School £775k	Kier Regional Ltd	£4,060,000	Mini competition between three framework contractors	Early engagement of contractor to assist with development of common design approach and establishing common supply chains to provide efficiencies in project procurement.  Contractor will also provide pre- construction advice on risk management, site logistics and sequencing of projects to provide most efficient delivery of programme of work.  Kings Worthy Primary and Stockbridge Primary originally not included in the common design approach.

## APPENDIX 2

PROJECT TITLE	CONTRACTOR(S)	VALUE	SELECTION METHOD	REASON FOR PROCUREMENT STRATEGY
Package of Early Years projects in PVI settings involving common modular build solution at schools: Berrywood Primary School £354k Burghclere Primary School £345k Halterworth Primary School £270k Marchwood Infant School £423k Meonstoke Infant School £270k Newlands Primary School £303k Red Barn Primary School £331k Swanmore Primary School £247k Brockenhurst Primary School £398k Fernhill School £453k Oakridge Infant School £435k Rucstall Primary School £471k Grange Infant School £597k	Mansell Construction Services Ltd	£4,897,000	Mini competition between four framework contractors	<p>Early engagement of contractor to lead procurement and subsequent management of key supply chain to deliver cost effective modular solution.</p> <p>Contractor will also provide pre-construction advice on risk management, site logistics and sequencing of projects to provide most efficient delivery of programme of work.</p> <p>Schemes at Brockenhurst Primary, Oakridge Infant, Fernhill School, Grange Infant and Rucstall Primary originally not included as modular solutions.</p>

## APPENDIX 2

PROJECT TITLE	CONTRACTOR(S)	VALUE	SELECTION METHOD	REASON FOR PROCUREMENT STRATEGY
Fernhill School and Language College And Quilley Engineering College – SCOLA Re-cladding works	Morgan Ashurst	£1,000,000	Mini competition between three framework contractors	<p>Early appointment of contractor to assist with development of common design approach, procurement of key supply chains, planning and programming of the works.</p> <p>Contractor will also provide pre-construction advice on risk management, site logistics and sequencing of projects to provide most efficient delivery of programme of work.</p>
Basingstoke Discovery Centre – Refurbishment of main library, reorganisation and access works	Raymond Brown Construction Ltd	£880,000	Mini competition between three framework contractors	<p>Early contractor involvement required to support pre-construction planning and risk management.</p> <p>Contractor has relevant experience and has the capacity to meet the project programme.</p>
Dove House Special School, Basingstoke – Covered Sports Pitch	To be advised	£610,000	Mini competition between a minimum of three framework contractors	Early contractor involvement required to support pre-construction planning and risk management.
Limington House School, Basingstoke and Purbrook Park School – Food technology laboratory refurbishment	To be advised	£650,000	Mini competition between a minimum of three framework contractors	Early contractor involvement required to support pre-construction planning and risk management.
Park Community School, Havant – Community Block (Co-location project)	To be advised	£730,000	Mini competition between a minimum of three framework contractors	Early contractor involvement required to support pre-construction planning and risk management.
CONTRACTS AWARDED SINCE APRIL 2009				

## APPENDIX 2

PROJECT TITLE	CONTRACTOR(S)	VALUE	SELECTION METHOD	REASON FOR PROCUREMENT STRATEGY
Bridge Education Centre – Extension and alterations	Kier Regional Ltd	£2,498,104	Mini competition between four framework contractors	Early appointment of contractor to assist with procurement of key supply chains, planning and programming of the works.
Copper Beeches and Cherry Orchard Older Persons Homes – Fire precautions works	Mansell Construction Services Ltd	£1,600,000	Mini competition between three framework contractors	Early appointment of contractor to assist with development of common design approach, procurement of key supply chains, planning and programming of the works.
Woodcroft Primary School – Amalgamation of Meadowlands Infant and Junior Schools	Mansell Construction Services Ltd	£1,910,494	Mini competition between three framework contractors	Early appointment of contractor to assist with procurement of key supply chains, planning and programming of the works.

IESE Tier 3 framework

PROJECT TITLE	CONTRACTOR(S)	VALUE	SELECTION METHOD	REASON FOR PROCUREMENT STRATEGY
<b>PROJECTS CURRENTLY IN DESIGN DEVELOPMENT</b>				
Children's Centres Phase 3 Group 1 - New Children's Centres at Libraries: Bishops Waltham £150k Chandler's Ford £189k Chineham £140k Fleet £83k Overton £236k Ringwood £140k	Hampshire Partitioning Contracts	£938,000	Mini competition between three framework contractors	Early engagement of contractor to assist with sequencing and timing of project.  Selection of single contractor to provide common approach to working within a library environment and ensure learning is transferred.
Children's Centres Phase 3 Group 5A – New Children's Centres: Botley CE Primary School £411k Denmead Infant School £488k	Ralls Builders Ltd	£899,000	Mini competition between three framework contractors.	Early engagement of contractor to assist with sequencing and timing of project.  Selection of single contractor for package of work to provide efficiencies in pre-construction and construction phases.
Children's Centres Phase 3 Group 5B – New Children's Centres: Bursledon Infant School £130k Sun Hill Infant School £263k Wildern Clinic £199k	Gregory Havant Ltd	£592,000	Mini competition between three framework contractors	Early engagement of contractor to assist with sequencing and timing of project.  Selection of single contractor for package of work to provide efficiencies in pre-construction and construction phases.
Children's Centres Phase 3 Group 6 – New Children's Centres at Schools: South Farnborough Junior School £474k Yateley School £251k	Jorgensen Ltd	£725,000	Mini competition between three framework contractors	Early engagement of contractor to assist with sequencing and timing of project.  Selection of single contractor for package of work to provide efficiencies in pre-construction and construction phases.

Brune Park Community School – Swimming Pool Improvements	To be advised	£595,000	Mini competition between four framework contractors	Early engagement of contractor to assist with sequencing and timing of project.  Contract will be let under Tier 3 Framework using template project.
Crofton Anne Dale Junior School – Small extension	Jorgensen Ltd	£123,000	Contract let 'off template' in accordance with Framework procedure	Early engagement of contractor to assist with sequencing and timing of project.  Contract will be let under Tier 3 Framework using template project.
Gomer Junior School and Elson Infant School – Single storey extensions	To be advised	£275,000	Mini competition between three framework contractors	Early engagement of contractor to assist with sequencing and timing of projects.  Contract will be let under Tier 3 Framework using template project.
Mengham Junior School and Rowlands Castle St John Primary School – Small extensions	To be advised	£275,000	Mini competition between three framework contractors	Early engagement of contractor to assist with sequencing and timing of projects.  Contract will be let under Tier 3 Framework using template project.
Package of Timber Re-cladding repairs at: Anstey Junior School, Alton Sharps Copse Primary School & Nursery, Havant Stoke Park Junior School, Bishopstoke New Milton Junior School	To be advised	£630,000	Mini competition between a minimum of three framework contractors	Early engagement of two contractors to assist with sequencing and timing of projects.  Selection of two contractors for two packages of work to provide efficiencies in pre-construction and construction phases.
Package of Fire Precaution improvements at various Primary Schools	To be advised	£170,000	Mini competition between three framework contractors	Early engagement of contractor to assist with sequencing and timing of projects.  Contract will be let under Tier 3 Framework using template project.

CONTRACTS AWARDED SINCE APRIL 2009				
Anton Infant School – SCOLA Re-cladding and extension works	Lakehouse Contracts Ltd	£541,871	Mini competition between three framework contractors.	Early engagement of contractor to assist with sequencing and timing of project.  Contract let under Tier 3 Framework using template project.
Capital House Offices, Winchester – Alterations and refurbishment	Lakehouse Contracts Ltd	£304,950	Mini competition between three framework contractors.	Early engagement of contractor to assist with sequencing and timing of project (linked to Ashburton Court redevelopment scheme).  Contract let under Tier 3 Framework using template project.
Copythorne Infant School – Alterations	Dart & Son (Builders) Ltd	£182,031	Mini competition between three framework contractors	Early engagement of contractor to assist with sequencing and timing of project.  Contract let under Tier 3 Framework using template project.
Crestwood Community School – Food Catering Facility	Nolan Davis Contracting Ltd	£222,922	Mini competition between three framework contractors	Early engagement of contractor to assist with sequencing and timing of project.  Contract let under Tier 3 Framework using template project.
Fire Precautions works in Elderly Persons Homes at: Thurlston House Bulmer House Addenbrooke Nightingale Lodge Cornerways Cranleigh Paddock	Ralls Builders Ltd Dart & Son (Builders) Ltd	£473,344 £458,095	Two framework contractors appointed following approval of Chief Executive.	Early engagement of contractors to assist with sequencing and timing of projects and to facilitate common approach and transfer of learning to minimise disruption within occupied properties.

Fire Precautions work in various HCC properties	Ralls Builders Ltd Dart & Son (Builders) Ltd Lakehouse Contracts Ltd	£294,100 £314,575 £299,401	Mini competition between three framework contractors	Early engagement of contractor to assist with sequencing and timing of project.  Contract let under Tier 3 Framework using template project.
Frogmore Infant School – SCOLA Re-cladding and repairs	Lakehouse Contracts Ltd	£499,873	Mini competition between three framework contractors	Early engagement of contractor to assist with sequencing and timing of project.  Contract let under Tier 3 Framework using template project.
Hook Junior School – Hall Extension	Woods Commercial Facilities Ltd	£224,520	Mini competition between three framework contractors	Early engagement of contractor to assist with sequencing and timing of project.  Contract let under Tier 3 Framework using template project.
Leesland Junior School – Alterations	Dart & Son (Builders) Ltd	£121,244	Mini competition between three framework contractors	Early engagement of contractor to assist with sequencing and timing of project.  Contract let under Tier 3 Framework using template project.
Long Parish CE Primary School – Staff Room and PPA Room	Lakehouse Contracts Ltd	£105,707	Contract let 'off template' in accordance with Framework procedure	Early engagement of contractor to assist with sequencing and timing of project.
Merdon Junior School – Administration alterations and SAI works	Dart & Son (Builders) Ltd	£112,594	Contract let 'off template' in accordance with Framework procedure	Early engagement of contractor to assist with sequencing and timing of project.
Nursling Primary School – Multi purpose room	Jorgensen Ltd	£178,755	Mini competition between three framework contractors	Early engagement of contractor to assist with sequencing and timing of project.  Contract let under Tier 3 Framework using template project.

Purbrook Junior School – Hall extension	Woods Commercial Facilities Ltd	£156,675	Mini competition between three framework contractors	Early engagement of contractor to assist with sequencing and timing of project. Contract let under Tier 3 Framework using template project.
Redlands Primary School – Reception/Administration Office	Jorgensen Ltd	£218,268	Mini competition between three framework contractors	Early engagement of contractor to assist with sequencing and timing of project.  Contract let under Tier 3 Framework using template project.
St Martins East Woodhay Primary School – Hall Extension and Toilet Refurbishment	Jorgensen Ltd	£144,947	Mini competition between three framework contractors	Early engagement of contractor to assist with sequencing and timing of project.  Contract let under Tier 3 Framework using template project.
Thornden School – Conference Room and Sports Hall Refurbishment	Gregory Havant Ltd	£496,681	Mini competition between three framework contractors	Early engagement of contractor to assist with sequencing and timing of project.  Contract let under Tier 3 Framework using template project.
Westfield Infant School – SCOLA Re-cladding and extension	Ralls Builders Ltd	£455,451	Mini competition between three framework contractors	Early engagement of contractor to assist with sequencing and timing of project.  Contract let under Tier 3 Framework using template project.
Various HCC Sites - Fitting of SCOLA Window Brackets	West End Roofing & Construction Ltd	£204,357	Mini competition process between three framework contractors	Early engagement of contractor to assist with sequencing and timing of programme of work at various properties.  Contract let under Tier 3 Framework using template project.

Hard Landscaping Framework

Landscape Framework projects let since April 2009				
Fernhill Secondary School – Landscape improvements	PT Contractors Ltd	£150,690	Mini competition between three framework contractors	Early engagement of contractor to assist with sequencing and timing of project.  Contract let under Hard Landscape Framework using template project.
Fryern Infant School – Landscape improvements	Rocon Contractors Ltd	£61,895	Direct selection of contractor 'off template' in accordance with Framework procedure	Early engagement of contractor to assist with sequencing and timing of project.  Contract let under Hard Landscape Framework using template project.
Noadswood School – Mini Synthetic Turf Pitch	Dyer & Butler Ltd	£347,205	Mini competition between three framework contractors	Early engagement of contractor to assist with sequencing and timing of project.  Contract let under Hard Landscape Framework using template project.
Park View Infant and Junior School and Liphook Junior School – SAI works	Dyer & Butler Ltd	£81,523	Direct selection of contractor 'off template' in accordance with Framework procedure.	Early engagement of contractor to assist with sequencing and timing of project.  Contract let under Hard Landscape Framework using template project.
Perins School – Courtyard improvements	Scandor Landscape Contractors Ltd	£93,103	Direct selection of contractor 'off template' in accordance with Framework procedure.	Early engagement of contractor to assist with sequencing and timing of project.  Contract let under Hard Landscape Framework using template project.
Queens Inclosure Primary School – Early Years Outdoor area	Scandor Landscape Contractors Ltd	£45,000	Direct selection of contractor 'off template' in accordance with Framework procedure.	Early engagement of contractor to assist with sequencing and timing of project.  Contract let under Hard Landscape Framework using template project.

St Michael's Infant School – Access path and ramps	Rocon Contractors Ltd	£39,593	Direct selection of contractor 'off template' in accordance with Framework procedure.	Early engagement of contractor to assist with sequencing and timing of project.  Contract let under Hard Landscape Framework using template project.
Stoke Park Infant School – Early Years Playground	Scandor Landscape Contractors Ltd	£54,839	Direct selection of contractor 'off template' in accordance with Framework procedure.	Early engagement of contractor to assist with sequencing and timing of project.  Contract let under Hard Landscape Framework using template project.
Sun Hill Infant School & Anstey Junior School – SAI works	Dyer & Butler Ltd	£69,330	Direct selection of contractor 'off template' in accordance with Framework procedure.	Early engagement of contractor to assist with sequencing and timing of project.  Contract let under Hard Landscape Framework using template project.

Other best value procurement

PROJECT TITLE	CONTRACTOR(S)	VALUE	SELECTION METHOD	REASON FOR PROCUREMENT STRATEGY
Negotiated projects				
Basingstoke School Plus (Grangeside) – Kitchen extension	Drew Smith Group Ltd	£120,000	Negotiated with a preferred contractor Work approved by Chief Executive – April 2009	Contractor already working on school site at time of request from client.  Contractor has good working knowledge of school and good relationship with client.  Contractor able to respond quickly and to work within in tight timescale to minimise disruption to school.
Cranbourne Business College – Fire Reinstatement works	Hampshire Partitioning	£190,000	Negotiated with a preferred contractor Works approved by Chief Executive - June 2009	Contractor already working on school site at time of fire – early engagement to reduce set-up costs.  Contractor has good working knowledge of school and good relationship with client.  Contractor able to respond quickly and to work within in tight timescale to minimise disruption to school.
Elson Infant & Junior Schools – Glazing and Roofing	ROK Building Limited	£356,845	Negotiated with a preferred contractor Work approved by Chief Executive – March 2009	Contractor has successfully completed similar projects to a high standard.  Good management structure and ability to undertake work in a tight timescale.

Hamble Community Sports College – New Sports Pavilion	Morgan Ashurst	£566,056	Negotiated with main contractor undertaking major building project on site Work approved by Governors of Hamble Community Sports College – May 2009	Early contractor involvement required due to complexity of scheme and to engage pre-programming of the work.  Contractor has experience of working on similar education schemes and has necessary capacity to meet the operational timescale.
Hatch Warren Infant School – Removal and replacement of defective patent glazing	ROK Building Limited	£350,000	Negotiated with a preferred contractor Works approved by Chief Executive – August 2009	Contractor has successfully completed similar projects to a high standard.  Good management structure and ability to undertake work in a tight timescale.
Swanwick Lodge Secure Unit – Upgrading of CCTV and Perimeter Alarm Systems	Alarming Company Ltd	£250,000	Negotiated with a specialist preferred contractor following approval of funding from DCSF	Contractor has successfully completed similar projects to a high standard.  Good management structure and ability to undertake work in a tight timescale.
Tile Barn Campsite, Brockenhurst – Replacement Toilet and Shower facilities	Kyoob Space Ltd	£345,000	Negotiated with a specialist preferred contractor following approval of Chief Executive - October 2009	Contractor has successfully completed similar projects to a high standard.  Good management structure and ability to undertake work in a tight timescale.
Townhill Farm Community Centre – Extension, Alterations & Refurbishment to provide Children’s Centre facilities	Dart & Son (Builders) Ltd	£177,896	Negotiated with a preferred contractor. Works approved by Chief Executive – January 2009	Contractor has successfully completed similar projects to a high standard.  Good management structure and ability to undertake work in a tight timescale.
Wellstead Primary School – Flood Damage reinstatement works	BAM Construction Ltd	£425,040	Negotiated addendum to main building contract. Works approved by Chief Executive – September 2009	Contractor completed new build construction in summer 2008 and was due to be on site to undertake additional works during summer holidays 2009.

Whiteley Primary School – Administration extension	Gregory Havant Ltd	£99,599	Negotiated with a preferred contractor Project approved by Director, PBR & IT – June 2009	<p>Contractor has successfully completed previous projects to a high standard at this site.</p> <p>Good working relationship with the client.</p> <p>Good management structure and ability to undertake work in a tight timescale.</p>
Winchester Law Courts Phase 2 (Year 2) – Replacement air handling units, associated lighting and upgrade of fire alarm system	Raymond Brown Construction Ltd	£2,200,000	Negotiated with a preferred contractor. Project approved by Executive Member – P&R June 2009	<p>Contractor had successfully undertaken previous phase of work to a high standard.</p> <p>Her Majesty’s Courts Service were keen to use the same contractor to ensure understanding of complex working arrangements within operational courts building.</p> <p>Work primarily funded by Her Majesty’s Courts Service.</p> <p>Work let as an addendum to original contract following approval in June 2009.</p>

