

# Delegate Decision Report



8 June 2021

## Capital Maintenance Programme 2022-2027

Name of Cabinet Member      **Councillor Zoe Nolan**  
Cabinet member for Children and Families

Report sponsor                      **Stuart Proffitt**  
Director Environment and Property

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Exempt / confidential / not for publication	<b>No</b>
Council Plan reference	<b>8.3 - Increase the number of high-quality local placements for children and young people</b>
Wards affected	<b>Various</b>

### Executive summary

This report is seeking approval to commence the tender and award process for the capital projects included within the 2022/27 Schools Capital Maintenance Programme. Delegation of authority to award contracts following tender is being sought at the same time to ensure we meet schedules to appoint contractors to commence works from April 2022.

Each year investigations in to grouping projects will take place in order to drive best value. This may help drive potential cost savings through consolidated contracts and through reduced external consultant costs and reduced internal officer time. The projects will be clustered locally and be of a similar nature, so they can be managed by a single contractor.

The projects will enhance school buildings by upgrading elements in poor condition, which, consequently, will improve energy efficiency and reduce carbon emissions in the schools involved with the programme.

## 1. Decision/s to be made

- 1.1 This report requests approval to obtain tenders, through the open market via an open tender or appropriate frameworks, for the provision of professional services for the 5-year programme to help develop the detailed annual programmes to then tender for works required.
- 1.2 This report requests approval to obtain tenders, through the open market via an open tender or appropriate frameworks, following approval for the Capital Maintenance programme through relevant boards (Children's Services Infrastructure, Strategic Property and Corporate Portfolio).
- 1.3 That the authority to award the contracts for all schemes following a tender process be delegated to the Director Environment and Property or Head of Property & Facilities following the submission of Report of officers' decision.

## 2. Why is the decision needed?

- 2.1 The Schools Capital Maintenance Programme is primarily used to improve the condition of existing school stock of local authority-maintained schools. To also improve the efficiency of the stock and to bring it in line with modern legislation regarding Equality, Building Regulations, Health and Safety, curriculum requirements, etc.
- 2.2 The procurement is needed in order to address highest priority building condition items in Milton Keynes Council's maintained schools identified from the most recent survey data held by Capital Development within Corporate Property & Development.
- 2.3 A five (5) year Capital Maintenance Programme has been prioritised and agreed at the Education Management Board, with the inclusion of the schemes below with budgets split evenly throughout the 5 years:
  - Boiler & Distribution Replacements & Enhancements (£4,690K)
  - Fire Protection Improvements (£1,140K)
  - Roofs, windows and doors replacement (£3,040K)
  - Emergency/reactive health and safety improvements (£1,250K)
- 2.4 The above list is subject to change due to the urgency of works required in each scheme element and will be reviewed after any surveys are undertaken each year. This will then be notified at director level to ensure finance are aware of allocations required.

## 3. Implications of the decision

### **Policy**

- 3.1 The contracts will contribute to the delivery of the strategic theme of the Council's Corporate Plan 2016-20 Education and skills - supporting improvement in our education and skills sector, ensuring a good local school place for every child and a non-selective model of education.

## Resources and Risk

- 1.2 Resource allocation and spend approval for the 2022/27 Schools Capital Maintenance Programme will seek approval in December with the final budget being approved by Cabinet in February 2022. The projects identified will be funded from the Schools Condition Allocation Grant received from the Government no date has been set for the award of future funding from the DfE, but previous allocations have not “dipped” below £2,200,000.
- 1.3 Currently there is funding that is unallocated from previous years Asset Management Programme which can be used to fund the projects below until the final budget is approved.
- 1.4 The individual budgets for the projects subject to this approval will include the works, professional fees, surveys and a project contingency.
- 1.5 Each school will be asked to provide a financial contribution to its respective project equivalent to the annual capital allocation it receives from the Department for Education.
- 1.6 The key opportunity secured by these contracts is to address identified condition issues within school buildings ensuring access to safe and suitable teaching and learning accommodation.

Financial	Y	Human rights, equalities, diversity	N
Legal	Y	Policies or Council Plan	N
Communication	Y	Procurement	Y
Energy Efficiency	Y	Workforce	N

### a) Financial implications

The Head Teachers of the schools have all agreed to the respective schemes and as such have agreed to the contribution of one years devolved capital budget. A nominated representative from the senior leadership team of each school will be involved throughout the lifecycles of the projects to develop programmes and designs that best suit each school building, whilst minimising disruption to the schools’ operations and keeping the overall costs within budget.

Year	22-23	23-24	24-25	25-26	26-27	Total
Spend & Resource	£000	£000	£000	£ 000	£000	£000
Boiler & Distribution Replacement & Enhancement	940	940	940	940	930	<b>4,690</b>
Fire Protection Improvement	230	230	230	230	220	<b>1,140</b>
Roofs, windows and doors Replacement	610	610	610	610	600	<b>3,040</b>
Emergency/reactive improvements in H & S	250	250	250	250	250	<b>1,250</b>
Total Programme Allocation	<b>2,030</b>	<b>2,030</b>	<b>2,030</b>	<b>2,030</b>	<b>2,000</b>	<b>10,120</b>

The above table is subject to change due to the urgency of works required in each scheme element and will be reviewed after any surveys are undertaken each year. This will then be notified at director level to ensure finance are aware of allocations required.

## b) Legal implications

The Council has a legal obligation under the Education and Inspections Act 2006 to provide sufficient, high quality school places.

The Council also has various health & safety obligations under the Health & Safety at Work etc.1974 Act.

This report requests approval to commence tender process through via an open tender or available frameworks where appropriate. The Council must adhere to procurement rules and legislation despite the method of procurement used.

The use of frameworks is recognised as a legitimate route to market. The Council can utilise frameworks provided that they cover the scope of the works required, they have been procured in compliance with the law and are open to the Council to use as one of the organisations intended to benefit from such frameworks. Basic due diligence of any frameworks identified will need to be conducted before the Council can use them. In order to remain compliant with procurement law, the Council shall need to adhere to the terms of any framework used.

## c) Other implications

### **Procurement**

- (i) Each scheme will be assessed whether to use a framework or go to open market.
- (ii) The procurement will be carried out in compliance with the Council's Constitution, Contract Procedure Rules, Financial Regulations and applicable UK Procurement Regulations. Legal Services and Corporate Procurement will continue to provide support and guidance.

### **Evaluation Criteria and Panel**

- (iii) The MEAT evaluation of all tenders will be evaluated by quality and price, dependant on each project the weighting may vary, the criteria for each tender will be specific to the requirement.
- (iv) All tenders submitted will be evaluated by a panel comprising the Project Leader (Capital) and technical specialist(s) appointed. The commissioner of the project will also be invited to evaluate the quality elements of the tender returns. Colleagues within Finance, Legal and Corporate Procurement will be engaged to support the tender process.

## Carbon and Energy Management

- (v) The heating works include the upgrade of the distribution pipework, emitters (radiators/fan convectors), plant, controls and sensors, which will allow the new systems to operate more efficiently, reducing carbon emissions and future energy costs.
- (vi) The MEAT document for the open tenders is to include criteria to evaluate the contractors' environmental consideration and to confirm their compliance with the relevant environmental legislation.

## 3. Alternatives

a) **Do nothing**: This will result in the condition works not taking place.

- i. Pros - Capital funding could be reallocated within the capital programme to address other priority issues.
- ii. Cons - this would result in worsening building issues, leading to larger, more costly schemes in the future to rectify the faults. This may also have an implication on the safety and suitability of each identified site with potential closure of elements, or all, of the buildings.

The Schools Condition Allocation Grant is allocated by the Education Funding Agency to enable local authorities to address high priority condition items. Funding allocations are likely to reduce in the future meaning the Council will need to fund capital maintenance works from an alternative source.

b) **Restricted Tender**: This form of tendering isn't required given the nature of the works for these projects, compounded by the fact that there is insufficient time in the programme to undertake a Restricted Tender process.

## 4. Timetable for implementation

Approval to proceed with procurement: June 2021

Procurement process for Design Team: August 2021 / September 2021

Approval to award: September 2021

Design Development: October – November 2021

Procurement process for Construction: December 2021

Construction: April – October 2022

Operational: October 2022

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## List of annexes and background papers

None