

	<p align="center">London Borough of Hammersmith & Fulham</p> <p align="center">CABINET</p> <p align="center">6 JULY 2015</p>
<p>DELIVERING THE SCHOOLS CAPITAL PROGRAMME – WINDOWS REPLACEMENT</p>	
<p>Report of the Cabinet Member for Children and Education – Councillor Sue Macmillan</p>	
<p>Open report</p>	
<p>Classification: For Decision</p> <p>Key Decision: Yes</p>	
<p>Wards Affected: All</p>	
<p>Accountable Executive Director Andrew Christie – Executive Director Children’s Services</p>	
<p>Report Author: Dave McNamara – Tri-borough Director of Finance & Resources (Children’s Services)</p>	<p>Contact Details: Tel: 020 (8753 3404) E-mail: (dave.mcnamara@lbhf.gov.uk)</p>

1. EXECUTIVE SUMMARY

- 1.1. This report establishes an affordable programme for the replacement/repair of windows in the council’s maintained schools.

2. RECOMMENDATIONS

- 2.1 That the creation and funding of a capital programme for the replacement and/or repair of windows in the borough’s maintained schools for which the Council is the responsible body, be approved.
- 2.2 That the cost of this capital programme be funded through prudential borrowing, or such other routes as established by the Council’s section 151 officer, and that repayments are financed through future capital allocations from the EFA and a top-slice of the schools maintenance budget (DSG).
- 2.3 That the commissioning of 3BM Ltd. to project manage on behalf of the Council the procurement of a framework contract from which suitably qualified providers can be competitively sourced to install and maintain the new windows in H&F schools where these are required, be approved.

- 2.4 That the appointment of 3BM Ltd to project manage each subsequent call-off made from the framework, and the delivery of the individual projects, be approved.
- 2.5 That Addison Primary school (for reasons described in paragraph 4.2.4 of the report) be prioritised and procured separately, in advance of the establishment of the framework.
- 2.6 That the commissioning of 3BM Ltd to project manage the procurement of a suitably qualified provider for the immediate works at Addison school, be approved.
- 2.7 That the inclusion of Social Value and local economic considerations as part of the criteria for award of the Addison school contract and for inclusion on the larger framework and award of call-offs from it as well as the requirement to provide work experience opportunities for students from the borough's schools, be approved.
- 2.8 That the award of the framework be approved.
- 2.9 Prior approval to delegate the award of the Addison school contract to the Leader and Cabinet Member, as per 12.6.1 of the Council's Contracts Standing Orders.
- 2.10 Prior approval to award call-off contracts from the framework that are less than £1m to the Cabinet Member for Children and Education, and those that are more than £1m and less than £5m to The Leader and Cabinet Member for Children and Education.

3. REASONS FOR DECISION

- 3.1. There is a need to invest in the school estate following lack of capital investment previously. This capital investment should be seen as a reflection of the administration's support for the borough's schools and the improvement in the learning environment for its children that such a programme would represent.
- 3.2. Lack of capital investment, poor maintenance and general ageing mean that a number of windows in the borough's schools are dangerous, have to be constantly monitored and need replacement. Without this course of action it is likely that schools will have to increase their maintenance regime to identify and repair an increasing number of dangerous windows.
- 3.3. Historically, school capital maintenance has been funded from allocations received from the DfE/EFA supplemented by a top-slice of the schools maintenance budget (DSG).
- 3.4. The current situation is that the main allocations for local authorities, Voluntary Aided partnerships, multi-academy trusts and non-maintained special schools and specialist providers, together with funding allocated to academies and sixth-form colleges through the Condition Improvement Fund, are made via School Condition Allocations. The budget has been set at

£1.2bn a year for each of the next 3 years and responsible bodies will get a 3-year indicative allocation from the model.

- 3.5. The 2015-16 School Condition Allocations for Hammersmith and Fulham is £1,267,112 and is indicative of what we will also receive in 2016-17 and 2017-18. This level of funding is insufficient to improve the condition of the school estate and to allow the phasing of a replacement programme over a period of time that will provide assurance that the windows will be safe.
- 3.6. In aggregating the individual projects into a single programme it is expected that significant procurement savings can be achieved.
- 3.7. The convergence of three factors mean that this is the appropriate time to make a significant investment in the school estate and to improve the learning environment of children in the borough. Historic low interest rates, with the prospect of increasing construction costs and deteriorating school condition means that this is the optimum time to make the investment for the Council to extract maximum benefit for its schools.

4. INTRODUCTION AND BACKGROUND

4.1. Background

- 4.1.1. The London Borough of Hammersmith and Fulham have a large number of Victorian and Edwardian schools of similar period design with single glazed timber windows that have now reached the end of their effective operational life
- 4.1.2. Over the last 6 years the authority has received significant capital allocations from the Department for Education and Education Funding Agency but this has been targeted to the expansion of popular schools, and limited investment in suitability issues to support safeguarding and curriculum delivery.
- 4.1.3. From 2008 the unprecedented increase in demand for primary school places, which arose through a combination of the increased birth rate and the impact of the recession , required almost a 30% increase in capacity within the school estate. The Authority decided to target the majority of its capital resources towards school expansions (predominantly in the primary phase) and addressing areas where school capacities / facilities were impacting on educational standards.
- 4.1.4. With the pressure to deliver the capacity increases as a priority, the school building condition work was restricted to the minimum required to ensure that the Council met its health and safety responsibilities and schools remained “windproof and watertight”, thus preventing school closures through building failures.

4.2. Establishing the Need

- 4.2.1. The Health and Safety at Work Act 1974 requires employers to protect their employees at work. In schools, it also requires that 'pupils, visitors and all

other persons are protected from harm to their health and safety from known or foreseeable risks so far as is reasonably practicable'.

- 4.2.2. The Council is the employer with regard to community schools and there is increasing concern that the condition of windows in H&F maintained schools continues to deteriorate and that without significant capital investment schools will be required to increase their day to day maintenance expenditure to avoid emergency measures to repair windows, and avoid increasing the risk of accidents.
- 4.2.3. The external schools' condition surveys, carried out in 2010/11 by EC Harris, and 2014/15 by 3BM, identified varying levels of need for window replacement/repairs particularly in the Victorian and Edwardian listed buildings which make up the majority of the school estate. The earlier programme of surveys identified priority works needed to keep buildings safe over a five year period (2010 – 2015)
- 4.2.4. Of particular concern are the windows at Addison school where exposed school elevations to the north, south and particularly the east have increased the risk of window failure and consequential damage and personal risk.
- 4.2.5. Due to funding constraints and the lack of prioritisation previously it has not been possible to progress these works and in the intervening period the windows will undoubtedly have deteriorated further. It is not possible to predict when there will be a window failure but the purpose of a planned maintenance programme is to prevent this from happening.

4.3. **Funding Background**

- 4.3.1. Recommendations in this report relate to the need to address the issue of condition of windows in the Council's Victorian schools. Since the cancellation of the Building Schools for the Future programme DfE funding has targeted Basic Need i.e. the provision of sufficient school places over the condition of existing school buildings. What funding that has been made available for condition has been targeted at specific schools "in immediate danger of collapse" rather than providing sufficient capital to allow authorities to invest in the upkeep of their schools.
- 4.3.2. In Hammersmith & Fulham, condition surveys were last undertaken in 2011-12 and identified a 5 year programme of necessary works, subject to the availability of funding. The SCHOOLS ORGANISATION STRATEGY 2012/13 agreed at Cabinet in January 2013 allocated £7.77m of the LA 2012-13 Additional Basic Needs grant to address a number of condition issues across the school estate . This allocation was in addition to the £5.02m maintenance grant that the authority has received since 2012 which has been used on priority issues since then. Of the £1.48m Maintenance Grant received for 2014-15 £800k has been set aside to fund essential Asbestos works, the remainder is used for essential Health and Safety works.

- 4.3.3. The scope and criteria of Government funding is set out below in that it sets out the difficulty in obtaining sufficient funding. Without access to the necessary funds to maintain the school estate the condition of schools in the borough has deteriorated.
- 4.3.4. Two former council-maintained schools: Fulham College Boys; and the Alternative Provision School in Finlay Street; have both benefited from funding through targeted capital programmes provided by the EFA but which is only aimed at academies.
- 4.3.5. There is little optimism that the Council will be able to influence the EFA to secure additional funding for a windows replacement programme.

4.4. Planning Considerations

- 4.4.1. Of particular concern is the condition of traditional windows in a number of schools, especially Victorian and Edwardian London Board Schools, the majority of which have a form of planning protection in terms of being listed, or being in conservation areas and can not be exempted from the Council's general development management policies. An attempt to access funding for a programme of works through the Priority schools Building Programme was ruled out of order by the EFA. The specific consideration of planning issues are considered later in the report.

5. PROPOSAL AND ISSUES

5.1. School Windows

- 5.1.1. New surveys are being commissioned to ascertain the degree of deterioration over the last few years. Applying a prudent estimate for the replacement of wooden frame windows and scaffolding costs of approximated £250,000 the following sets out the summarised position of the Victorian Board schools that require replacement. The detailed schools are set out in Appendix 1. Included in the list are two schools that are due to convert in to academies during 2015 (Langford and New King's).

6. OPTIONS AND ANALYSIS OF OPTIONS

- 6.1. The scale of the proposed expenditure is significant and in reaching a recommendation officers have given consideration to the phasing of the programme and alternative options in relation to the total cost and how this would be affordable to allow the administration sufficient flexibility to invest in other school priorities. These are set out below:

6.2. Reactive Maintenance Solution

- 6.2.1. This would involve undertaking a programme that attempts to either repair or replace a proportion of the more dangerous windows. This would seek to keep costs significantly lower (broadly 50%) in the current cycle.
- 6.2.2. However the whole life costs of this approach would be significantly greater to the public purse and individual schools within the borough. An approach of ad-hoc replacement would not only be financially inefficient, it would also

increase the negative impact on teaching and learning with constant disruption over a prolonged period of years – as opposed to a focused programme.

- 6.2.3. Implementing a short term approach would create multiple areas of inefficiency in the process: the corresponding costs, both financial and its impact on teaching and learning are multiplied by requiring more frequent disruption due to classroom decants and re-instatement of scaffolding to replace and repair ad hoc windows, across different floors / elevations. There would also be a negative visual impact whereby buildings could have a variety of single and double glazed windows in varying states of repair,
- 6.2.4. Other factors, such as the impracticality of accurate individual window surveys until the scaffolding is in place, and the potential for hidden defects such as dry rot, require larger contingency sums. There would also be difficulties in relation to warranties and guarantees through ad hoc replacements and the subjectivity of what constitutes a window to repair / replace result. All of these factors contribute to a high life cycle costing for a single school.
- 6.2.5. 3BM were commissioned to exemplify the difference in costs of the various approaches, using Addison Primary School as an exemplar, being consistent with the other schools identified as part of this report. The outcome of this exercise established that the cost of a life cycle approach would be circa £6m through a reactive approach of replacing small sections over a continuous cycle over 60 years as compared with £3.65m to £4.05m through a full replacement approach. (Top Grade Timber windows/ uPVC)

6.3. **Choice of Material**

- 6.3.1. The choice of material has often been considered as a significant price consideration with uPVC suggested as the best value long term solution for window replacement. This created significant planning risks (especially in relation to Listed Buildings) which is considered later in the report. Further analysis has suggested that any price differential in relation to uPVC has been overstated. Analysis undertaken by 3BM has identified the following:

Comparative Projected Service Life

uPVC	25-35 years
High Performance timber years	56-65 years

As such, although uPVC has the lowest initial capital cost, high performance timber frames have the lowest lifetime cost for urban/suburban property locations.

- 6.3.2. CO² savings on high performance timber against uPVC could save a projected 160kgs CO² over 60 years in average conditions. Energy financial savings are dependant of building usage and energy cost. These CO² savings would contribute towards the Council wide carbon reduction targets

- 6.3.3. The principal concerns relate to the environmental and potential H&S impacts caused by the constituent chemicals both in production and at "end of life" disposal. uPVC products are manufactured using a number of chemicals with known health risks.

6.4. **Combined Approach**

When considering the above, factoring in that a reactive approach to ad hoc window replacement requires:

- a) Minimum scaffolding cycle of 2 – 3 years to deal with identified local failures on a purely reactive basis; and
- b) There would be no single warranty or repair life guarantee available for the repaired windows and there will be difficulties in procuring continuity of workmanship with a risk of different contractors winning respective "work phases" making accountability complex.

A comparison of the 3 approaches is as follows:

6.5. **Comparison of Window Options**

- 6.5.1. The estimated life cycle costs of the **repairing** of ad-hoc windows in the order of £5- £6m per school site based on detailed assessment of current condition of Addison School.
- 6.5.2. The estimated cost of uPVC over 60 years would be broadly £4.052m per school site reflecting the need for a year 15 and year 45 thorough check and invariable sealed glass unit replacements etc. and a full replacement of all windows in year 30. This reflects a maintenance cost of £2.82m over 60 years
- 6.5.3. The estimated cost of repainting the timber windows on a 10 year maintenance cycle gives a life cycle cost of £3.645m per school site. This reflects a maintenance cost of £2.11m over 60 years.

6.6. **Conclusion of Options**

The life cycle costs achieved by undertaking an ad-hoc programme of small window replacement programmes will create an on-going pressure that will ultimately cost the Council significantly more in the longer term. It also does not fully enable us to be confident that the windows (and just as importantly the metal fixtures and fittings around the roofing, guttering and downpipes of the triple decker Victorian Buildings that also have not been robustly and physically checked for many years) are secure, safe, and fit for purpose. In addition there are long term efficiencies and benefits to be achieved by undertaking a borough-wide programme. All the windows will be guaranteed and future maintenance/repair programmes will deliver an efficient use of scaffolding and associated costs which are the key driver of the lifecycle maintenance cost.

- 6.6.1. By undertaking a single programme it is believed that efficiencies can be derived by the supply chain due to the volume being procured.

- 6.6.2. By committing to undertake this programme, the Council have demonstrated its prioritisation and it will assist in lobbying the EFA for additional condition funding and also strengthen negotiations for developer contributions to education capital funding.
- 6.6.3. Currently no physical inspection has been made of all the metal fixtures including guttering, downpipes, fascia's and soffits
- 6.6.4. As landlord of the schools, statutory responsibility ultimately sits with the Council and we need to fulfil statutory obligations. It is not transparent how the EFA funding decisions prioritises individual academies, and in more recent years local authorities' capital allocations and the relationship with academies is becoming very grey.

7. PROPOSED APPROACH

7.1. By adopting a holistic strategy of window replacement and associated works, the Council can demonstrate a strong commitment to meeting its landlord's obligations by establishing a prioritised programme of works that addresses the highest need first, whilst achieving cost efficiencies for the public purse.

7.2. Procurement

7.2.1. There is a recognised need to address the condition of Addison windows within a timely period but this could conflict with the overall cost benefits of a borough-wide window upgrade/replacement programme. 3BM were requested to obtain indicative costings for the replacement of windows at Addison school through initial soft market testing at Addison School (the top priority as assessed by the EC Harris surveys). The results from that process have been reflected in the estimates contained within this report and give assurance that the cost estimates used will reflect broadly the tender values expected.

7.2.2. It is recommended that a rolling programme is commenced with Addison being the first school and that authority is delegated to the Cabinet Member in Consultation with the Children's Director of Finance to prioritise the remaining schools over the next three years in line with their condition and deliverability of respective programmes.

7.2.3. It is suggested that 3BM are tasked to develop a 2 pronged approach:

7.2.4. Undertake a tender process to create a framework of manufacturers, joiners, carpenters and installers to repair existing timber windows and/or supply and fit the treated timber windows. This will enable a single approach to ensuring that contractors can confirm in advance their adherence to the JCT contract including LBHF's amendments, enable a pool to be used to then individually bid the respective school projects as the Cabinet Member and Director of Children's Finance have approved their inclusion. 3BM to then implement the contract on the Councils behalf and project manage the delivery. By creating a smaller pool, further efficiencies will be derived from each individual school project as the successful framework bidders will be competing with an improved likelihood of success. This approach will also

encourage smaller and medium size local contractors to be successful through the framework, to help further the development of the local economy. The single approach to contracts will use the industry standard JCT contract with minimal changes in order to further protect the Council's interests.

- 7.2.5. Alongside the creation of the framework, that Addison school initial tender is concluded and the same JCT contract approach is used to start the programme of window replacement. The successful contractor would still need to submit a tender to be included on the broader framework.

7.3. Funding

- 7.3.1. The revenue funding is ring fenced from the £1.427m currently used within the Dedicated Schools Grant to support the annual revenue maintenance programme. Given the need to undertake this programme, this will be pared back to £0.7m and only urgent Health and Safety works will be undertaken.

- 7.3.2. This approach is affordable as the Council has almost concluded the four year rolling programme of major asbestos removals and the future burden in this area is decreasing and as more schools convert to Academies, the new guidance places a greater emphasis on the school trustees to maintain their stock rather than the local Authority.

8. CONSULTATION

- 8.1. As part of the funding decision making process, projects considered for funding under this draft strategy have been discussed at Cabinet Member briefings, and the schools in question have been visited by Cabinet Members and/or Council officers to appraise the merit of the projects for funding.
- 8.2. Schools Forum will be consulted on the proposed approach but the final decision as to how the capital allocation and maintenance funding is applied is a decision of the local authority.

9. PLANNING IMPLICATIONS

- 9.1.9.1 Traditional windows make a significant contribution to the overall significance of a building and for most listed buildings and those in Conservation Areas, surviving historic fenestration is an irreplaceable resource which should be conserved and repaired wherever possible. It is therefore welcomed that the recommendation in this report is for use of timber windows in these schools rather than PVC-u (Poly Vinyl Chloride unplasticised) which are unsuitable for older buildings as their design, detailing and operation make them look very different to traditional windows.

- 9.2.9.2 Appendix 1 of the report lists the schools that have the most urgent need for repairs. Eleven of the twelve identified schools are designated heritage assets. Five of these schools are Grade II listed buildings, four are Buildings of Merit, two are in Conservation Areas leaving one school without being formally designated a heritage asset. Retention and repair of traditional windows, unless they are beyond repair, should always be an option that is

initially considered, but this is particularly the case for listed buildings. Like for like replacements should be a fall back position. Dependent on the condition of existing windows, traditional windows can often (but not always) be simply and economically repaired usually at a cost significantly less than replacement.

- 10.** 9.3 Listed Building Consent is required for any changes to features of architectural or historic interest to a listed building, including works to windows. There is a risk that applications for Listed Building Consent for replacement windows to statutory listed buildings, even with single glazed timber windows, may not be looked at favourably by the Secretary of State (SoS), or Listed Building Consent may only be granted for single glazed timber windows. The council cannot determine its own applications for Listed Building Consent and they have to be referred to the SoS for decision. Any such listed building consent applications for replacement windows (including secondary or double glazing) would require a robust justification for replacement set out in the application documentation, drawing on the information from the relevant condition surveys

EQUALITY IMPLICATIONS

- 10.1. The delivery of the projects proposed within this report, will have a positive impact on the residents of Hammersmith and Fulham, with children of school age, as it is an integral part of an all-encompassing strategy for all learners in the borough. The project will provide a safe learning environment for children of local schools, regardless of race, gender, disability, or religious belief.

11. LEGAL IMPLICATIONS

- 11.1. The procurement of the Framework Agreement will need to be conducted in compliance with the EU requirements as set out in the Public Contracts Regulations 2015 (Regulations). The award of any call-off contract under the Framework Agreement will need to be made in accordance with Regulation 33 of the Public Contracts Regulations 2015.
- 11.2. In relation to the procurement of the works at Addison School, it is noted that the total value of the proposed works contract is of a value of £1.4m; thus the procurement is not subject to the main provisions of the Regulations, however it will be required to comply with Part 4 of the Regulations and the EU Treaty principles, if there is cross-border interest.
- 11.3. It is understood that the proposed commissioning of 3BM Ltd. to act on behalf of the Council and schools in the borough in project managing schools-related procurements is provided for under the Contract Notice that was published by the Council when creating the employee-led mutual.

Implications completed by: Kar-Yee Chan, Solicitor (Contracts), Shared Legal Services, 020 8753 2772.”

12. FINANCIAL AND RESOURCES IMPLICATIONS

- 12.1. The proposal relies upon historic conditions to support capital investment in infrastructure. This requires the borrowing of £20m to fund the capital works over a three year period with the investment to be paid of over 25 years.
- 12.2. This proposal would increase the Council's headline debt measure – the Capital Finance Requirement (CFR) - by £20m. This would give rise to an annual MRP charge in the General Fund, which based on a 25 year asset life, would represent a charge of 4%. The MRP payments have the effect of setting aside capital repayments over the life of the asset.
- 12.3. It is not envisioned, in the first instance, that that the Council would need to borrow externally, however since the increase in the CFR represents an increase in the underlying need to borrow it is recommended that a reasonable interest rate is also applied. This could be based on a number of measures including the Council's current and future investment rate (in effect the opportunity cost - this would need to be reasonably estimated over the life of the project; the current yield on 25-year GILTS may be seen as a reasonable proxy), the current PWLB rate for 25-year debt or the Council's current consolidated loans rate.
- 12.4. Assuming an approach of MRP plus investment rate, the annualised cost of funding the investment would be approximately 6.75% p.a. including repayment of capital. The annual revenue cost of such an approach would be £1.35m. The proposal is that this would be financed from a mixture of DfE grant and a top-slice of the dedicated schools grant (DSG). Seeing as the costs will be borne through the debt management function it is recommended that budget be transferred from appropriate Education budgets to the net cost of borrowing budget.
- 12.5. Where schools become academies in the future the Council should require that continued contribution to cover the cost of the scheme are reflected in the Commercial Terms Agreement (CTA) of the Academy transfer.
- 12.6. This proposal is based on an assumption that the current financing regime continues into the future and the Council will continue to be able to apply a capital top-slice to the DSG.

Implications completed by: Chris Harris, Head of Corporate Accountancy & Capital, 0208 753 6440

13. RISK MANAGEMENT

- 13.1. The Children's Services Department maintain a risk management system that includes the recording and periodic review of risk. The proposals recommends improvements to safety, noted on the Shared Services Risk Register, risk number 8. Specific details concerning risk of window failure are expressed in 4.2. Managing statutory responsibilities with schools, the Local Authority as Landlord is responsible is a Strategic Risk, risk number 14 of the Shared Services Risk Register.

Comments provided by: Michael Sloniowski, Bi-borough Risk Manager 020-8753-2587.

14. PROCUREMENT AND IT STRATEGY IMPLICATIONS

- 14.1 The need and business case for a planned - as opposed to a reactive - capital programme for the replacement and/or repair of potentially dangerous and unsafe windows in the borough's schools for which the Council is responsible, is well made in the report, and the Director for Procurement and IT Strategy supports the recommendation to create a Framework contract from which suitably qualified providers can be invited to deliver this programme.
- 14.2 (As drafted 11th June) Paragraphs 7.2.3-7.2.5 of the report suggest a possible two-prong procurement approach: tendering an initial contract for the urgent replacement of windows at Addison School, followed by a further procurement for the borough-wide Framework; on which it is suggested the successful provider for the Addison contract could be included without them having to re-tender to gain inclusion on to it.
- 14.3 The Director of Procurement and IT Strategy:-
- supports the immediate prioritisation of procuring a contract for Addison school;
 - supports the creation of a H&F framework contract from which suitably qualified providers can supply, install and repair windows in other schools;
 - supports the commissioning of 3BM to project manage these procurements on behalf of the Council and schools in the borough;
 - cannot support the automatic placing of the successful provider for the Addison contract on to the later procured framework –
- for the following reasons.
- 14.4 The need for urgent action at Addison school is described in paragraph 4.2.4 of this report. Ideally, the sourcing of a contractor for the Addison works would come from the framework, once this has been created, in order to optimise potential efficiencies from economies of scale and lower process costs. The creation of such a framework able to service all similarly affected schools in the borough, however, will take time; 3BM believe the end-to-end process for creating a good quality, robust and vfm framework of suitably qualified providers for all of the affected schools and, once awarded, being able to call-off from it, could take until the end of this calendar year or early next. The sourcing of a provider to undertake the works at Addison, however, could be done fairly quickly if the Council is able to use an existing framework.
- 14.5 The estimated financial value of the Addison contract work is, at £1.3m, well below the EU threshold of £4.322m requiring advertisement of the works. The value of the Framework, however, will be well above this. It will need to be advertised in the EU and follow a fully regulated competition under the Public Contracts Regulations 2015. The Addison and framework contracts will therefore need to be treated as two separate procurement exercises. If

an Addison contract is tendered separately, whoever wins that will have to re-tender for the Framework.

- 14.6 Whichever way the Addison contract is sourced (via an existing framework or by a bespoke procurement) the Director advises that, in order to incentivise good quality and vfm bids for the Addison contract, the advert and invitation to tender should communicate clearly to the market the forthcoming larger framework, the Council's objectives and timetable for tendering it. This may help mitigate any potential loss of efficiency gains from having to tender the two contracts separately.
- 14.7 The direct commissioning of 3BM Ltd. to act on behalf of the Council and schools in the borough in project managing schools-related procurements is provided for in section II.1.5 of the contract notice posted in the Official Journal of the European Union (OJEU) prior to the creation of 3BM.
- 14.8 Where H&F is the contracting authority and 3BM are acting on the Council's behalf as technical agents in carrying out a procurement, 3BM need to ensure compliance with the Public Contracts Regulations 2015 where they apply, as well as the Council's Contracts Standing Orders. This must include the recording and keeping of key procurement strategy decisions in line with Regulation 84 and CSO 18, and the Council's Procurement and Legal Services teams will advise 3BM on compliance with these. If a school, rather than the Council, act as the contracting body, the school's governing body will be required to demonstrate Best Value in the procurement outcome.
- 14.9 Should Cabinet wish to give prior approval to delegate call-offs from the framework to the Cabinet Member for Children and Education for contracts below £1m, and to the Leader and Cabinet Member for contracts between £1m-£5m, this is provided for in section 12.6.-12.6.1 of the Council's Contracts Standing Orders, so long the tendered sum is within budget.
- 14.10 The Public Services (Social Value) Act 2012 requires the Council to consider how Social Value might be obtained from how it commissions and procures its contracts, such as possible opportunities for local small businesses in the supply chain, and employment and training opportunities for local residents. The Director also supports the report's recommendations to consider the seeking of these where possible and of benefit to the Council and local community.

Comments provided by: John Francis, Principal Consultant, H&F Corporate Procurement. 020-8753-2582.

LOCAL GOVERNMENT ACT 2000
LIST OF BACKGROUND PAPERS USED IN PREPARING THIS REPORT

No.	Description of Background Papers	Name/Ext of holder of file/copy	Department/ Location
1.	None		

Appendix 01 – List of Victorian Board Schools

Condition Priority

D = Life Expired	1 = Immediate (<1 year)
C = Poor	2 = Urgent Priority 2 (1-2 years)
B = Fair	3 = Urgent Priority 3 (3-5 years)
A = Good	4 = Non-Urgent (>5 years)

1. Addison Primary School: ECH Condition category 2011 D1
2. Miles Coverdale: ECH Condition category 2011 C3/B2
3. Brackenbury Primary School: ECH Condition category 2011 C3
4. Fulham Primary School: ECH Condition category 2011 C3
5. Kenmont: ECH Condition category 2011 C2
6. Peterborough (Marie D): ECH Condition category 2011 C2
7. Langford: ECH Condition category 2011 C3
8. New Kings: ECH Condition category 2011 B3
9. Melcombe: ECH Condition category 2011 B3
10. Queens Manor: ECH Condition category 2011 C2 overhauled 2012/13
11. Wormholt Park: ECH Condition category 2011 C3
12. William Morris Sixth Form: ECH Condition category 2011 C3/B3