

**Report of the Principal Development Officer**

**Report to the Head of Strategic Development and Investment**

**Date: 11<sup>th</sup> September 2014**

**Subject: Burmantofts Community Nursery – 2 Year Old Scheme  
Capital Scheme Number: 16778/BUR/000**



Are specific electoral Wards affected? If relevant, name(s) of Ward(s): Burmantofts and Richmond Hill	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: RULE NO 10.4 (3) Appendix number: 1 : Tender Report	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No

**Summary of main issues**

1. On the 14<sup>th</sup> May 2014 the Head of Strategic Development and Investment approved a Design & Cost Report pertaining to the delivery of 2 Year places at Burmantofts Community Nursery, as part of the Achieving 2 Year Old Places Programme.
2. The report detailed proposals to spend up to £343,100 for the remodelling and extension of the existing Burmantofts Community Nursery accommodation.
3. This report seeks approval to accept a tender in respect of these works at Burmantofts Community Nursery

**Recommendation**

- 4 The Head of Strategic Development and Investment is requested to;
  - Note that Burmantofts Community Nursery has correctly procured the works and that the scheme represents value for money and;
  - To authorise expenditure in the sum of £343,100

## **1.0 Purpose of the Report**

- 1.1 The Head of Strategic Development and Investment is requested to accept the tender supplied by Broadstone Group Ltd in the sum of £265,636.83 to carry out the required works at Burmantofts Community Nursery

## **2.0 Background**

- 2.1 BCN is a registered charity which was established 13 years ago funded by SRB 5, Yorkshire Forward and Neighbourhood Nurseries. The accounts for the nursery are audited annually by the Charities Commission. BCN is led by a strong well established committee and the nursery was awarded “good” in their September 2013 Ofsted report.
- 2.2 The BCN committee has commissioned its own architectural company to design and procure the work. The design and proposed transfer of capital monies to BCN to carry out the work was agreed by the Children’s Services Achieving Two Year Old Steering Group on the 25th of March 2014. The Steering Group agreed to a request from BCN to provide it with grant funding support to finance the cost of their building proposals. Funding would be provided subject to a satisfactory evaluation of the Centre’s building design proposals and cost estimates.
- 2.3 The proposed extension and remodelling of BCN will provide 63 quality educational places for 2 year olds

## **3.0 Main Issues (Proposal)**

- 3.1 The proposed work to Burmantofts Community Nursery consists of the following components:
- Construction of an extension 100 meters square to provide a Kitchen, store, baby unit, staff room and reception.
  - Remodelling of existing space to provide additional toilets and a larger nursery area to accommodate the additional children.
  - Relocation of the main entrance and new pedestrian side entrance to alleviate the congestion that occurs at the adjacent school gates at drop off and pick up times, in accordance with advice from Planning.
- 3.2 It is proposed that the works will commence on 29<sup>th</sup> September 2014 with completion by 13 February 20145

## **4.0 Corporate Considerations**

### **4.1 Consultation and Engagement**

- 4.1.1 Planning approval for the scheme was granted on 24th July, 2014 (14/02368/FU)
- 4.1.2 The proposed scheme and associated works has been the subject of consultation with Children's Services Officers, Children's Centre representatives and Burmantofts Community Nursery staff and governors. A public consultation is not required for this scheme.
- 4.1.3 Consultation with Ward Member has taken place 09.04.2014.

## **4.2 Equality and Diversity / Cohesion and Integration**

- 4.2.1 The recommendation within this report does not have any direct nor specific impact on any of the groups falling under equality legislation and the need to eliminate discrimination and promote equality. A screening document has been prepared (attached) and an independent impact assessment is not required for the approvals requested.

## **4.3 Council policies and City Priorities**

- 4.3.1 The introduction of free entitlement for eligible two-year olds is part of the Government's 'Fairness Premium' to drive up social mobility and improve life chances by supporting children from disadvantaged backgrounds through high quality early years education and childcare.
- 4.3.2 This scheme is due to be delivered under the City Council's Achieving Two-Year Olds programme and is required to fulfil the Local Authority's statutory responsibility to provide sufficient places for eligible two-year olds by January 2015.
- 4.3.3 With regard to the CYP plan and city priorities, creating places for eligible two-year olds positively impacts directly on the priority around school readiness and on supporting families to provide a safe and supportive family life.

## **4.4 Resources and value for money**

- 4.4.1 The overall construction design and costs were the subject of a report which was approved by the Head of Strategic Development and Investment on 14<sup>th</sup> May 2014 in the sum of £343,100.
- 4.4.2 Through a competitive tender exercise the lowest priced acceptable tender was submitted by Broadstone Group Ltd in the sum of £284,919.51.
- 4.4.3 The lowest tender is circa £45K above the Budget Cost Estimate of £240,000.00 due to additional works being incorporated into the scheme. In order to reduce the overspend, a list of potential savings amounting to £27,262.15 was issued for consideration. Following a meeting with the Client, savings totalling £19,282.68 were agreed with Broadstone, resulting in a revised tender of £265,636.83. A copy of the Tender Report is included as Appendix 1.

4.4.4 Although the tenders were in excess of the pre tender estimate, a thorough value engineering exercise has taken place, which has resulted in an affordable tender sum that represents value for money.

4.4.5 Due to the additional works being added to the scheme, the total cost of the scheme is £368,864.20. Children's Services will contribute funding of £343,100 only. The shortfall of £25,764.20 will be funded by Burmantofts Community Nursery. This has been accepted by the nursery.

#### **4.5 Legal Implications, Access to Information and Call In**

4.5.1 Appendix 1 of this report has been marked as confidential under Access to Information Procedure Rules 10.4 (3) on the basis that it contains information relating to the financial or business affairs of any particular person (including the authority holding that information) which, if disclosed to the public, would, or would be likely to prejudice the commercial interests of that person or of the Council.

#### **4.6 Risk Management**

4.6.1 Risk is to be managed through the application of project management tools and techniques by the appointed consultant and this will be closely monitored and risk assessed on a regular basis by Children's Services Project Managers. The transfer of grant funding will be provided on the basis that BCN agree to the Terms and Conditions of the funding agreement.

#### **5.0 Conclusions**

5.1 The tender value exceeds the budget provision outlined in the Design and Cost Report which was approved by the Head of Strategic Development and Investment, on 14<sup>th</sup> May 2014.

5.2 The lowest tender is circa £45K above the Budget Cost Estimate of £240,000.00 due to additional works being incorporated into the scheme. In order to reduce the overspend a list of potential savings amounting to £27,262.15 was issued for consideration. Following a meeting with the Client, savings totalling £19,282.68 were agreed with Broadstone, resulting in a revised tender of £265,636.83

5.3 The tender evaluation has been carried out by the appointed consultant, Colin S Charlesworth and Partners who have recommended that Burmantofts Community Nursery accepts the tender of Broadstone Group Ltd to undertake the internal remodelling and extension of Burmantofts Community Nursery.

#### **6.0 Recommendation**

6.1 The Head of Strategic Development and Investment is requested to;

- Note that Burmantofts Community Nursery has correctly procured the works and that the scheme represents value for money and;
- To authorise expenditure in the sum of £343,100.

## **7 Background documents<sup>1</sup>**

None

---

<sup>1</sup> The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.