

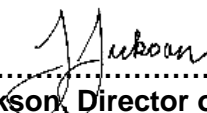



## DELEGATED OFFICER DECISION NOTICE

<b>SERVICE AREA:</b>	PLACE Strategic Property
<b>SUBJECT MATTER:</b>	<b>MEDIUM VALUE VARIATION AT GREAT ACADEMY ASHTON – BUILDING SERVICES LIFECYCLE WORKS</b>
<b>DECISION:</b>	That it be determined that: <ol style="list-style-type: none"><li>1. The Council will follow the Medium Value Variation process prescribed in the Facilities Management Contract to approve building system lifecycle repairs at Great Academy Ashton.</li><li>2. The project will be funded by Great Academy Ashton.</li></ol>
<b>DECISION TAKER(S):</b>	Julian Jackson Ashley Hughes Aileen Johnson
<b>DESIGNATION OF DECISION TAKER (S):</b>	Director of Place Director of Resources (Section 151 Officer) Borough Solicitor (Monitoring Officer)
<b>DATE OF DECISION:</b>	24 July 2024
<b>REASON FOR DECISION:</b>	<p>An Executive Decision was approved to install a new Building Management System at the school on 19 June 2023. The works were completed in September 2023 and as planned, a dilapidation survey of the building systems was carried out to identify repairs required to be completed to the plant and equipment to optimise performance of the system and provide greater stability to the operation of the systems which are failing.</p> <p>The request for this project was instigated by the Academy in conjunction the Council as the buildings are now 13 years old and elements of the building systems have reached the end of their life and or have become obsolete.</p> <p>As with the installation of the new BMS at Great Academy Ashton repairs are also required at Samuel Laycock, which is co-located on the shared site. The remedial works to the building systems cannot be undertaken in isolation by the individual schools as some of the plant serves both buildings.</p> <p>These works are intended to take place during a 7-week period, from July – September 2024 to run over the summer holidays, which is the only time that the works can be completed without disrupting the education of the pupils.</p> <p>The agreed cost for Great Academy Ashton’s share is £129,353.09, which is a fixed price sum including a contingency of 3% (see <b>Appendix 1</b> ‘cost plan’ for a breakdown of charges).</p>

	<p>As the Council has entered into a 25-year FM contract for the Academy any works should be procured via the Local Education Partnership (LEP), and sub-contracted to the FM provider, Robertson FM. The works will be delivered through the contract via a variation notice for a medium value change.</p> <p>The FM head contract is between the LEP and the Council. There is no contractual relationship between the LEP and the Academy so all works must be procured through the FM head contract via the Council.</p> <p>There is an Academy Services Agreement between the Council and Great Academy Ashton which governs the relationship between the two parties.</p> <p>The Council has issued a variation notice for a medium value change to procure the lifecycle works through the FM contract using the agreed process and the LEP have prepared the scope of the scheme and sought prices for the project which have been tendered and the share of the cost to be borne by the Council for Samuel Laycock through the lifecycle reserve has been agreed.</p>
<p><b>ALTERNATIVE OPTIONS REJECTED (if any):</b></p>	<p>Not to approve the medium value change meaning that the lifecycle investment for the Academy cannot proceed resulting in the risk of building system failures and inefficient control of utilities.</p>
<p><b>CONSULTEES:</b></p>	<p>Great Academy Ashton school  Samuel Laycock school  Local Education Partnership (LEP)</p>
<p><b>FINANCIAL IMPLICATIONS:</b></p>	<p>The decision provides details of the proposed Medium Value Variation to the FM Agreement between the Council and the Local Education Partnership (LEP) for the BMS installation project at Great Academy Ashton for a total value of £129,353.09 that is held until 12 July 2024. The split that has been agreed is that each Academy is allocated the cost of any specific items to its site and a 50/50 split of any joint plant.</p> <p>The current threshold for a high value change is £100,000 x inflation at approx. 1.76120 which equates to approximately £176,120 at April 2024 price base, meaning that this project would therefore be a Medium Value Change.</p> <p>The total cost of the project for Great Academy Ashton will be financed by the Academy. Provided a letter of indemnity is obtained from the Academy, this mitigates the financial risk to the council.</p> <p>As stated in section one of the decision, the Facilities Management (FM) agreement is between the LEP and the Council.</p> <p>The LEP have proposed that the payments will need to be paid in monthly installments. The LEP will issue these invoices to the Council at the time that they are invoiced by Robertson FM. The Council will need to pay the LEP</p>

	invoices within the 14 day payment terms as stated in the FM contract.	
<b>LEGAL IMPLICATIONS:</b>	The Council is in discussions with Samuel Laycock regarding termination of the FM contract, however it is understood that both this school and GAA require the works to the shared plant room to be undertaken over the summer holidays, otherwise both schools heating systems are likely to fail over the coming winter. In carrying out the works the Council must ensure that the school indemnifies the Council against all costs associated with the works and agrees to hold the Council harmless in respect of the quality of the works.	
<b>CONFLICT OF INTEREST:</b>	None	
<b>DISPENSATION GRANTED BY STANDARDS COMMITTEE ATTACHED:</b>	N/A	
<b>ACCESS TO INFORMATION:</b>	Not Confidential	
<b>BACKGROUND INFORMATION:</b>	<b>Appendix 1:</b>	Cost plan
	The background papers relating to this report can be inspected by contacting Ben Middleton  Telephone: 07976 974702  E-mail: ben.middleton@tameside.gov.uk	



Signed  ..... Dated: 17 July 2024  
Julian Jackson, Director of Place.

Signed  ..... Dated: 24 July 2024  
Ashley Hughes, Director of Resources (Section 151 Officer)

Signed  ..... Dated: 18 July 2024  
Aileen Johnson, Borough Solicitor (Monitoring Officer)

**DELEGATED OFFICER DECISION REPORT**

<b>SERVICE AREA:</b>	PLACE Strategic Property
<b>SUBJECT MATTER:</b>	<b>MEDIUM VALUE VARIATION AT GREAT ACADEMY ASHTON – BUILDING SERVICES LIFECYCLE WORKS</b>
<b>DATE OF DECISION:</b>	24 July 2024
<b>DECISION TAKER(S):</b>	Julian Jackson Ashley Hughes Aileen Johnson
<b>DESIGNATION OF DECISION TAKER (S):</b>	Director of Place Director of Resources (Section 151 Officer) Borough Solicitor (Monitoring Officer)
<b>REPORTING OFFICER:</b>	Ben Middleton, Assistant Director of Strategic Property
<b>REPORT SUMMARY:</b>	That it be determined that:  1. The Council will follow the Medium Value Variation process prescribed in the Facilities Management Contract to approve building system lifecycle repairs at Great Academy Ashton.  2. The project will be funded by Great Academy Ashton.
<b>RECOMMENDATION:</b>	To progress with lifecycle investment works to the plant and equipment to optimise performance of the system and provide greater stability to the operation of the systems which are failing.
<b>JUSTIFICATION FOR THE DECISION:</b>	If the lifecycle investment for the Academy does not proceed, it may result in the risk of building system failures and inefficient control of utilities.
<b>ALTERNATIVE OPTIONS REJECTED (if any):</b>	Not to approve the medium value change meaning that the lifecycle investment for the Academy cannot proceed resulting in the risk of building system failures and inefficient control of utilities
<b>CONSULTEES:</b>	Great Academy Ashton school Samuel Laycock school Local Education Partnership (LEP)
<b>FINANCIAL IMPLICATIONS:</b> <b>Draft tbc by Finance</b>	The decision provides details of the proposed Medium Value Variation to the FM Agreement between the Council and the Local Education Partnership (LEP) for the BMS installation project at Great Academy Ashton for a total value of £129,353.09 that is held until 12 July 2024.  The split that has been agreed is that each Academy is allocated the cost of any specific items to its site and a 50/50

	<p>split of any joint plant.</p> <p>The current threshold for a high value change is £100,000 x inflation at approx. 1.76120 which equates to approximately £176,120 at April 2024 price base, meaning that this project would therefore be a Medium Value Change.</p> <p>The total cost of the project for Great Academy Ashton will be financed by the Academy. Provided a letter of indemnity is obtained from the Academy, this mitigates the financial risk to the council.</p> <p>As stated in section one of the decision, the Facilities Management (FM) agreement is between the LEP and the Council.</p> <p>The LEP have proposed that the payments will need to be paid in monthly installments The LEP will issue these invoices to the Council at the time that they are invoiced by Robertson FM. The Council will need to pay the LEP invoices within the 14 day payment terms as stated in the FM contract.</p>			
<b>LEGAL IMPLICATIONS:</b>	<p>The Council is in discussions with Samuel Laycock regarding termination of the FM contract, however it is understood that both this school and GAA require the works to the shared plant room to be undertaken over the summer holidays, otherwise both schools heating systems are likely to fail over the coming winter. In carrying out the works the Council must ensure that the school indemnifies the Council against all costs associated with the works and agrees to hold the Council harmless in respect of the quality of the works.</p>			
<b>CONFLICT OF INTEREST:</b>	None			
<b>DISPENSATION GRANTED BY STANDARDS COMMITTEE ATTACHED:</b>	N/A			
<b>ACCESS TO INFORMATION:</b>	Not Confidential			
<b>BACKGROUND INFORMATION:</b>	<table border="1"> <tr> <td data-bbox="624 1473 1034 1541"><b>Appendix 1:</b></td> <td data-bbox="1034 1473 1445 1541">Cost plan</td> </tr> </table>	<b>Appendix 1:</b>	Cost plan	<p>The background papers relating to this report can be inspected by contacting Ben Middleton</p> <p> Telephone: 07976 974702</p> <p> E-mail: <a href="mailto:ben.middleton@tameside.gov.uk">ben.middleton@tameside.gov.uk</a></p>
<b>Appendix 1:</b>	Cost plan			

## **1. BACKGROUND**

- 1.1. In 2009 the Council entered into a Soft and Hard Facilities Management agreement for Samuel Laycock School and a Facilities Management Agreement for Great Academy Ashton (formerly New Charter Academy) to manage all aspects of Hard FM, due to the academy sharing its main plant and some facilities Samuel Laycock.
- 1.2. Both Facilities Management (FM) agreements provide for the delivery of lifecycle services. The agreements are similar lines to the Building Schools for the Future PFI agreements which were also put in place around that time and are not due to expire until 31 August 2036.
- 1.3. The FM agreements are between the Council and the LEP, the terms and conditions are stepped down in a subcontract between the LEP and their subcontractor, Robertson Facilities Management.
- 1.4. The FM agreements state that any material changes needed to the building fabric need to follow the Change Process outlined in the FM agreement, with separate processes for small, medium and high value works. The change process should be managed by the LEP and provided by their FM subcontractor, subject to a tender process or value for money being proven.
- 1.5. An Executive Decision was approved to install a new Building Management System at the school on 19 June 2023. The works were completed in September 2023 and as planned, a dilapidation survey of the building systems was carried out to identify repairs required to be completed to the plant and equipment to optimise performance of the system and provide greater stability to the operation of the systems which are failing.
- 1.6. The request for this project was instigated by the Academy in conjunction the Council as the buildings are now 13 years old and elements of the building systems have reached the end of their life and or have become obsolete.
- 1.7. As with the installation of the new BMS at Great Academy Ashton repairs are also required at Samuel Laycock, which is co-located on the shared site. The remedial works to the building systems cannot be undertaken in silo by the individual schools as some of the plant serves both buildings.
- 1.8. These works are intended to take place during a 7-week period, from July – September 2024 to run over the summer holidays, which is the only time that the works can be completed without impacting on the education of the students.

## **2. OTHER OPTIONS CONSIDERED**

- 2.1. Not to approve the medium value change meaning that the Great Academy Ashton and Samuel Laycock cannot proceed with the proposed lifecycle works to the building systems.

## **3. FINANCE**

- 3.1. The LEP has provided a proposed cost of the works. The price of the works for Great Academy Ashton has been confirmed as £129,353.09 and **Appendix 1** 'cost plan' contains a full breakdown of charges.
- 3.2. Tenders were sought for the works from three contractors. One contractor declined to price the works and Horsfields provided a lower price and greater value for money through fixed prices than the second tender. The project management and quantity surveyor costs are as per the agreed rates in the FM contracts.

- 3.3. The LEP have confirmed that the payments will be sent through in equal monthly installments.
- 3.4. The FM agreement is between the LEP and the Council. Therefore, the LEP will issue the two invoices for the works to the Council at the time that the payment certificate is issued. The Council will need to pay the invoice within the 14 day payment terms as stated in the FM contract.
- 3.5. The Council will in turn recharge Great Academy Ashton for the cost of the works. Great Academy Ashton have approved the Medium Value Change and issued a purchase order.

#### **4. RISKS**

- 4.1. Completing this project via the LEP and RFM reduces the risks of non-compliance with the FM Agreement. The works package was put out to tender and an independent value for money report has been carried out.
- 4.2. If the lifecycle investment for the Academy does not proceed, it may result in the risk of building system failures and inefficient control of utilities.
- 4.3. The current quotation is fixed until 12 July 2024, the contractor requires formal instruction no later than 8 July 2024, to purchase required equipment for installation over the summer break.

#### **5. RECOMMENDATION**

- 5.1. As set out on the report cover.