

Report of: Programme Manager Contracting & Strategic Investment, Children's Services

Report to: The Director of Children's Services

Date: July 2015

Subject: Report for approval of the proposed extension and remodelling works to Oakwood Primary Academy through the Leeds 7 Schools PFI programme

Are specific electoral wards affected? If 'yes', name(s) of ward(s): Gipton and Harehills	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Are there implications for equality and diversity or cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for call-in?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information? If 'yes', access to information procedure rule number: 10.4 (3) Appendix number: <i>Appendix 1 – Cost Proposal from Rex Proctor and Partners</i>	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No

Summary of main issues

Oakwood Primary Academy has requested permission, through the PFI contract which they are party to, for the building of a minor extension to the rear of the building. This extension, along with internal remodelling of the area affected, will allow for more effective curriculum delivery and better use of learning spaces within the building.

The purpose of this report is to seek approval from the Director of Children's Services on behalf of Leeds City Council to grant approval to commence the project.

Recommendations

The Director of Children's Services is requested to:

- Authorise officers to provide approval to allow the works to proceed with the request for a proposed extension to Oakwood Primary Academy for the value of £271,850.
- Give consent to the approval of the Supplemental Agreement supporting these works.
- Note the officer responsible for implementation is the Programme Manager Contracting & Strategic Investment by November 2015.

1.0 Purpose of this report

1.1 The purpose of this report is to:

- seek approval for the proposed extension and internal remodelling works to the rear of Oakwood Primary Academy for the value of £271,850 to be carried out as part of Leeds 7 Schools PFI contract between Leeds City Council and The Education Support Company (Leeds) Ltd
- provide background information and detail to the Director of Children's Services in respect of the proposed extension through the Leeds 7 Schools PFI Variation process.

2.0 Background information

2.1 The 7 Schools Principal Agreement was signed on 31st October 2001. Under this contract five primary and two secondary schools in the City were rebuilt and will be operated and maintained over the period from Services Commencement to 31st July 2030.

2.2 At the meeting held on 18th December 2013, the Children's Services Programme, Risk and Control Group approved the Project Inception Documents submitted, detailing proposed extension projects at both Five Lanes Primary School and Oakwood Primary Academy, which were to be delivered through the PFI contract and funded by the schools themselves.

2.3 In May 2014, Oakwood Primary Academy submitted an official variation request through the PFI contract to seek planning approval to extend the rear of the building and carry out the associated internal remodelling works. On 30th July 2014, the planning application for the Oakwood proposed extension (Application number 14/03237/LA) was approved (See Appendix A)

2.4 The build programme was originally set to begin during the summer of 2014, however due to issues around determining the costs, this programme wasn't able to commence.

2.5 As part of the PFI contract, The Education Support Company (Leeds) Ltd, sub contract the Facilities Management at the 7 schools to Carillion Plc. Under the 'right of exclusivity' as part of the pre-procured supply chain would be responsible for the delivery of the extension project. Carillion commissioned Rex Proctor & Partners to develop a project proposal for the scheme which indicated the total project cost of £271,850 (See Appendix B)

2.6 On 1st June 2015, the Head of the Academy, Chair of Governors and the Director of the Trust gave their written approval to the costs submitted and their agreement to pay for the works in full (See Appendix C)

3.0 Main issues

3.1 The proposed work to build an extension to Oakwood Primary Academy consists of the following components:

- 3.1.1 Construction of a single storey extension to the rear of the Oakwood Primary Academy site. The extension will be a traditional build project in keeping with the current building. The internal remodelling will enable the school to meet the increasing needs of the SEN children whilst allowing the educating of pupils in small and medium groups which the current footprint of the school doesn't allow (See Appendix D). As a temporary measure to provide additional learning space, Oakwood have hired a temporary modular unit which provides additional space to allow the delivery of the curriculum. This unit has been on hire since May 2014.
- 3.1.2 There will be no changes to admission numbers as a result of the proposed extension. However the internal remodelling of this section of the school, will enable better use of the space available, and will allow for more effective curriculum delivery.
- 3.1.3 The external walling and roofing materials shall match those existing in accordance with the approved planning application. There is no need for extra parking or highways changes to incorporate this extension which totals 96m² in total (See Appendix E).
- 3.1.4 The intention is to begin the programme of works in the summer holidays of 2015 with the scheme set to take 12 weeks through to completion. However the project cannot continue until Leeds City Council grant permission for the work to commence under the variation process as part of the PFI contract.
- 3.1.5 The Authority and the PFI contractor are currently working on a Supplemental Agreement in order to record the various amendments which are required to be made to the Principal Agreement as a consequence of the proposed changes, and record consent to the Supplemental Operating Agreement with the FM sub-contractor. Prior to the commencement of any construction works, the Supplemental Agreement will be in place. Legal support is being provided by The Councils Public Private Partnership Unit (PPPU)

4.0 Corporate considerations

4.1 Consultation and engagement

4.1.1 The proposed scheme and associated works has been the subject of consultation with Children's Services Officers, Planning Officers, School representatives and PFI partners. The school management team have been integral to the development of the proposals contained within this report. Full support of the Governing body has been attained.

4.1.2 Legal support is being provided by PPPU.

4.2 Equality and diversity, cohesion and integration

4.2.1 Oakwood Primary Academy is a larger than average primary school with an extremely diverse cohort. A third of the pupils speak English as an additional language. The number of pupils eligible for free school meals is above the national average. There are also a significant proportion of pupils who have been

identified as potentially vulnerable due to the challenges in their lives. This extension proposal would allow for the school to work more closely with the pupils most in need in these areas.

4.3 Council policies and the best council plan

- 4.3.1 This scheme is due to be delivered through the Leeds 7 Schools PFI contract where the Local Authority's statutory responsibility is to provide sufficient school places. In providing places close to where the children live the proposals will improve accessibility of local and desirable school places, and thus reduce any risks of non-attendance.
- 4.3.2 A key objective within the 'Best Council Plan 2013-2017' is to build a child Friendly city. Delivery of curriculum in an effective manner is one the key issues with regards the building of a Child Friendly City. A good quality school place contributes to the achievement of targets within the 'Children and Young People's Plan' such as our obsession to 'improve behaviour, attendance and achievement'.
- 4.3.3 A further objective of the 'Best Council Plan 2013-2017' is to ensure high quality public services. We want to promote choice and diversity for parents and families and deliver school places in the areas where families need them. Meeting this expectation while demonstrating the five values underpinning all we do is key to the goals of Children's Services.
- 4.3.4 The Council entered into a long term PFI contract with The Education Support Company (Leeds) Ltd until 31st July 2030 and is therefore bound by the requirements set within the contract.

4.4 Resources and value for money

- 4.4.1 The project has been priced at £271,850 as part of the project proposal created by Rex Proctor & Partners on behalf of the FM sub-contractor (Carillion). Carillion will carry out a small tender exercise through their own supply chain in order to determine value for money on this scheme. The contractors have already been made aware of the proposal and have indicated their intention to tender for this work. Any savings realised as part of this tender process will be passed through to Oakwood Primary Academy.
- 4.4.2 The capital costs for this extension would be paid in full to the PFI contractor by the Academy. Ongoing annual revenue costs would be recharged to the school.

4.5 Legal implications, access to information and call-in

- 4.5.1 As Oakwood is a PFI School, the PFI FM sub-contractor will be delivering the building works associated with this extension under the 'right of exclusivity' detailed within the PFI contract. Furthermore, the scheme needs to be approved by the PFI Consortia's funders before works can commence on site.
- 4.5.2 The Authority and the PFI contractor are currently working on a Supplemental Agreement in order to record the various amendments which are required to be made to the Principal Agreement as a consequence of the Changes and record consent to the Supplemental Operating Agreement with the FM sub-contractor.

Legal support in this matter is being provided by PPPU.

4.6 Risk management

- 4.6.1 Experienced Project Management has been factored into the cost proposal to deliver the programme.
- 4.6.2 Failure to approve the proposal in time to commence this project during the summer holiday would have significant consequences on the viability of the project as a whole.

5.0 Conclusions

- 5.1 Oakwood Primary Academy has requested permission, through the PFI contract which they are party to, for the building of a minor extension to the rear of the building. This extension, along with internal remodelling of the area affected, will allow for more effective curriculum delivery and better use of learning spaces within the building.
- 5.2 For the project to commence, under the terms of the PFI contract, Leeds City Council needs to grant approval to commence for this scheme valued at £271,850
- 5.3 Prior to the commencement of any construction works, the Supplemental Agreement will be in place. Legal support is being provided by PPPU

6.0 Recommendations

- 6.1 The Director of Children's Services is requested to:
 - Provide approval for the Authority to grant a Notice to Proceed on the Extension Proposal for Oakwood Primary Academy to the value of £271,850 required as part of the Leeds 7 Schools PFI programme.
 - Give consent to the approval of the Supplemental Agreement supporting these works
 - Note the officer responsible for implementation is the Programme Manager Contracting & Strategic Investment by November 2015.

7.0 Background documents¹

- 7.1 None

¹ 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.