

Report of the Head of Programme, PPP&PU

Report to Director of Children's Services

Date: 17th August 2015

Subject: Tender Acceptance Report – Farsley Springbank Junior School and Farsley Westroyd Infant School Learning Places Project



Springbank Capital Scheme Number: 16981/FSP/000

Westroyd Capital Scheme Number : 16981/FWR/000

Are specific electoral Wards affected? If relevant, name(s) of Ward(s): Calverley/Farsley	<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: Confidential under 'Access to Information' Procedure Rules 10.4 (3) – Appendix A,	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No

Summary of main issues

- 1 The Stage D construction, design and associated costs to deliver the proposed expansion of Farsley Springbank Junior School and Farsley Westroyd Infants School were the subject of the Procurement Strategy and Design and Cost report submitted to Leeds City Council's Learning Places Programme Board on 22nd April 2015 and subsequently approved by email, in the sum of £4,462,779 for Farsley Springbank Junior School and £1,295,400 for Farsley Westroyd Infants School. On further development of the Farsley Westroyd Infants School approval to access the capital risk fund to enhance the agreed budget of £1,295,400 by £797,424 was signed on 6th August 2015. The combined overall budget for the schemes is now £6,555,603.
- 2 The purpose of this report is to request authority to accept a tender in the sum of £5,186,738.00 to Willmott Dixon Construction Ltd. This incorporates £3,472,281 to construct a single storey extension to house six new classrooms, associated circulation, offices, toilets and other related areas for key stage 1 pupils as well as undertaking remodelling and refurbishment works to the existing building for the Learning Places expansion of Farsley Springbank Junior School. The remaining sum of £1,714,457 to construct a single storey one classroom extension to the main infants building alongside internal remodelling works to the existing building and a single

storey classroom extension with toilets and wet area to house the reception class which will create an early years foundation unit for the Learning Places expansion of Farsley Westroyd Infants School.

Recommendations

The Director of Children's Services is requested to:

- Approve the request to award the contract in the sum of £5,186,738.00 to Willmott Dixon Construction Ltd to :
 - a) Construct a single storey extension to house six new classrooms, associated circulation, offices, toilets and other related areas for key stage 1 pupils as well as undertaking remodelling and refurbishment works to the existing building for the Learning Places Need expansion of Farsley Springbank Junior School.
 - b) Construct a single storey one classroom extension to the main infants building alongside internal remodelling works to the existing building and a single storey classroom extension with toilets and wet area to house the reception class which will create an early years foundation unit for the Learning Places expansion of Farsley Westroyd Infants School.
- Authorise the signature of all other documentation that is required to deliver the project in the opinion of the Programme Manager Built Environment.

1.0 Purpose of this Report

1.1 The purpose of this report is to request authority to accept a tender in the sum of £5,186,738.00 to Willmott Dixon Construction Ltd. This incorporates £3,472,281 to construct a single storey extension to house six new classrooms, associated circulation, offices, toilets and other related areas for key stage 1 pupils as well as undertaking remodelling and refurbishment works to the existing building for the Learning Places expansion of Farsley Springbank Junior School. The remaining sum of £1,714,457 to construct a single storey one classroom extension to the main infants building alongside internal remodelling works to the existing building and a single storey classroom extension with toilets and wet area to house the reception class which will create an early years foundation unit for the Learning Places expansion of Farsley Westroyd Infants School.

2.0 Background information

- 2.1 The Learning Places programme represents the Council's response to the demographic growth pressures in primary school provision. The rapidly increasing birth rate in Leeds has required Leeds City Council to approve over 1300 new reception places since 2009 in order that it fulfils its statutory duty to ensure sufficiency of school places.
- 2.2 The scale of the response cannot be met through the existing estate; therefore the expansion of existing schools or the creation of new schools has been required in

many instances. Under the Education and Inspections Act 2006, these changes all constitute prescribed alterations, and each requires a statutory process to confirm the change and make it permanent. Capital school building solutions to the demographic need are managed via Children's Services Learning Places Programme.

- 2.3 As a consequence of the rapidly increasing birth rate in Farsley and surrounding areas, it is necessary to increase Farsley Springbank Junior School and Farsley Westroyd Infants School. As part of the Learning Places Programme for the City Farsley Springbank Junior School is to be expanded and converted from a 2FE Junior School with 240 pupil places, to a 2FE primary school with 420 pupils. Farsley Westroyd Infants School is to be expanded and converted from a 2FE entry Infant School with 180 pupil places to a 1FE Primary School with 210 pupil places. The new schemes will be completed under the City Council's Learning Places Programme which aims to ensure its statutory duties are met with respect to ensuring a school place for every child within the city.
- 2.4 The proposal for the extension to Farsley Springbank Junior School and Farsley Westroyd Infant School & Nursery building forms part of the on-going work to address capacity and sufficiency across all of Children's Services estate, which includes provision for primary and secondary school places, early years, as well as specialist provision. These proposals form part of the Council's Learning Places Programme that embeds the 'one council' approach that has achieved shared ownership of proposed solutions.
- 2.5 The expansion of places at these schools was approved by Executive Board in July 2013 following public consultation and the publication of the statutory notice for the expansion was published in 25th June 2014.
- 2.6 This proposal is for an increase in school places to serve the area and does not replace any existing schools or places within the community.
- 2.7 The scope of the project at Farsley Springbank Junior School is to build a single storey extension to house six new classrooms along with associated circulation, offices, toilets, and other related areas for key stage 1 pupils. The new classrooms will be accommodated by Reception, Year 1 and Year 2. The scope also includes the remodelling of the existing classrooms, relocation of the kitchen to a larger space to facilitate increased pupil numbers, toilets, staff room, and work space for all staff. External works to the play areas and landscape improvements are included within the scope of the project.
- 2.8 The scope of the project at Farsley Westroyd Infants School is to build a single storey one classroom extension to the main infants building alongside internal remodelling works to the classrooms, toilets, kitchen, improved circulation in the main corridor; and improved access to Reception and Office for all ages to enter via the Main Entrance.
- 2.9 At the Farsley Westroyd Nursery site there will be a single storey classroom extension with toilets and a wet area to house the reception class which will create an early year's foundation unit.

- 2.10 The construction of the extensions at Farsley Springbank Junior School and Farsley Westroyd Infants School and nursery block, remodelled internal areas and landscaping is scheduled for final completion in June 2016.
- 2.11 An enabling package for the Farsley Springbank and Farsley Westroyd scheme, at a value of £493,510.98, to carry out early site works prior to contract award was approved on 7th July 2015 by the Director of Childrens Services.
- 2.12 The tender sum listed within this report includes the value of the enabling package listed in section 2.11 of this report.

3.0 Main Issues

- 3.1 The proposed work to build the extension to Springbank Junior School consists of the following components:
- Construction of a single storey extension to provide 6 additional KS1 teaching spaces, new staff room and ancillary spaces, new entrance and open plan learning resource area.
 - Installation of 3 temporary teaching spaces, 2 Reception Year Classrooms and a temporary Reception, Head Teacher Office and staff social room are required as the scheme will not be completed in time for the new pupil intake which is currently scheduled for September 2015.
 - Remodelling internal teaching spaces to provide 6 KS2 teaching spaces with new fire screens, heating and electrical upgrade works.
 - New ceiling, lighting and heating within the main hall.
 - New kitchen area with servery counter.
 - Remodelling works to Yr 6 area to create small hall.
 - Full redecoration and internal finishes to affected areas.
 - A contribution toward fixed furniture and fittings and ICT infrastructure upgrades for increased capacity to the site as a result of the new build areas and additional pupils teaching requirements.
- 3.2 The proposed work to build the extension to Westroyd Infants School consists of the following components:
- Construction of a single storey Reception Class on the existing Nursery site
 - Internal remodelling of the existing Nursery area to provide appropriate toilets and staff spaces.
 - Construction of a small group room on the Infant School site
 - Internal remodelling of the existing building to make allowance for KS2 pupils.
 - Remodelling of toilet areas to provide correct sized spaces for KS2 pupils.
 - Refurbishment of main school kitchen to provide additional catering items required for larger school population

- A contribution toward fixed furniture and fittings and ICT infrastructure upgrades for increased capacity to the site as a result of the new build areas and additional pupils teaching requirements.

The admission limit for these schools will change permanently in September 2015.

- 3.3 Following a tender evaluation completed by NPS Leeds this report seeks to accept the tender in respect of proposed works at Farsley Springbank Junior School and Farsley Westroyd Infants School and award the contract in accordance with Leeds City Council procurement rules. A full copy of the tender report is appended to this document at Appendix A.

4.0 Programme

- 4.1 Formal acceptance of the tender is required at the earliest opportunity to ensure the overall programme meets the scheduled completion date of June 2016. In addition supplementary accommodation and remodelling works initiated with the enabling package of early works needs completion by the 7th September 2015 for the start of the new academic year.

5.0 Corporate Considerations

5.1 Consultation and Engagement

- 5.1.1 The proposals to expand the schools were subject to statutory process including public consultation which took place between the 26th March 2014 and 7th May 2014. The expansion of the school was subsequently approved by the Executive Board on the 25th June 2014.
- 5.1.2 The proposed scheme and associated work at Farsley Springbank Junior School and Farsley Westroyd Infant School has been the subject of consultation with Children's Services Officers, school representatives, local ward members and the local residents. The schemes have been fully supported by the local ward members and community as a whole. All detailed project communication is being managed via a formal project communication plan.
- 5.1.3 Pre-planning meetings were held with officers from Planning, Highways and building control prior to the submission of the planning application. Substantial engagement has taken place with key stakeholders. All ward councillors were invited to the public consultation events that took place during the design process and at the planning consultation event on the 9th July 2014 at Farsley Springbank Junior School and 10th July 2014 at Farsley Westroyd Infants. The ward members have also been briefed at various stages during the design stages. The last date that the members were briefed was February 2015.
- 5.1.4 Sport England has been consulted about the impact of the proposals at Springbank Junior School on the playing fields where there will be improvements to the current provision. A drainage survey has been undertaken which confirmed that an area currently under grass is unsuitable for play due to inadequate drainage. Sport England have agreed that part of this unusable grassed area can be converted to hard play surface, with marked out playing

pitches for 5-a-side football, netball and basketball. Sport England fully supported the development on the site subject to the additional play area being installed.

5.2 Equality & Diversity / Cohesion & Integration

- 5.2.1 The recommendations within this report do not have any direct nor specific impact upon any of the groups falling under equality legislation and the need to eliminate discrimination and promote equality.
- 5.2.2 An 'Equality, Diversity, Cohesion & Integration' screening document was completed to support the 'Design Cost Report' for this project; this is appended to this document as Appendix D

5.3 Council Policies & City Priorities

- 5.3.1 This scheme is due to be delivered under the City Council's Learning Places programme and is required to fulfil the Local Authority's statutory responsibility to provide sufficient school places.
- 5.3.2 All proposals within the report have been brought forward to fulfil the Council's statutory duty to secure 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.
- 5.3.3 The Farsley Springbank Junior School and Farsley Westroyd Infants School Learning Places expansion scheme is linked to the Best Council Plan 2013-2017 objective of becoming a Child Friendly City and an efficient and enterprising council by improving how we're organised and making best use of our assets. The council are ensuring value for money is achieved and costs are minimised through the effective procurement and delivery of projects.

5.4 Resource & Value for Money

- 5.4.1 NPS have carried out an evaluation of the tenders received and recommended that the revised tendered figure from Willmott Dixon Construction Ltd of £5,186,738.00 is arithmetically correct.
- 5.4.2 Due to early difficulties with the previous contractor and their withdrawal from the tender process, only a few months before the anticipated start date on site, there was not sufficient time to retender the work or seek competitive tenders in order to provide the required accommodation for September 2015. As a result Leeds City Council had no option but to negotiate with Willmott Dixon Construction through a quality initiated call off through the YORbuild Framework.
- 5.4.3 NPS have evaluated the tender price and confirmed that it is arithmetically correct, their report articulates they believe that although the price is above the level that could be expected from a competitive tender they are satisfied that all parties have done everything possible to agree a tender price which is not overly inflated and spreads risk appropriately.

5.4.4 All works have been procured in accordance with Leeds City Council's contract procedure rules. Following specific advice from LCC Procurement Unit the scheme was tendered through a Quality Call Off Initiative utilising an NEC3 contract form.

5.5 Full Scheme Estimate

5.5.1 The tender submission provided by Willmott Dixon Construction Ltd of £5,186,738.00 is within the cost envelope set out in the DCR approval and the subsequent access to the Capital Risk fund approval.

5.6 Prior Approvals

5.6.1 A planning application for Farsley Springbank Primary School aforementioned works was submitted on 23rd January 2015, planning permission was subsequently granted on 25th March 2015 with minor conditions.

5.6.2 A planning application for Farsley Westroyd Primary School aforementioned works was submitted on 20th January 2015, planning permission was subsequently granted on 16th February 2015 with minor conditions.

5.6.3 Approval to spend was granted by Executive Board in September 2014. The Design and Cost Report signed by the Director of Children's Services on 22nd April 2015 granted approval to spend a total of £5,758,179 to cover all elements of the expansion of Farsley Springbank Junior School and Farsley Westroyd Infants School. The DCR report is attached at Appendix B.

5.6.4 Subsequent approval was signed by the Director of Children's Services on 6th August 2015 to enhance the budget for Farsley Westroyd Infants School by an additional £797,424 from the Capital Risk Fund. The call in period for this decision will expire on 21st August 2015. The Capital Risk Fund application is attached for information at Appendix C.

5.6.5 The overall budget for the schemes is now £6,555,603.

6.0 Legal Implications, Access to Information & Call-in

6.1 Implications for Council Policy & Governance

6.2 The Project has been detailed on the future list of 'Key Decisions' and has not been subject to any 'call-in' requests.

6.3 The tender has been procured in accordance with the City Council's contract procedure rules.

7.0 Risk Management

7.1 General risk to the project as a whole is to be managed through the application of 'best practice' project management tools and techniques via the Council's Best Project Management Methodology. Experienced Project Management resource

from PPP&PU will be tasked with ensuring the project remains within the predetermined risk tolerances.

- 7.2 There remain a number of risks which cannot be removed or passed to Willmott Dixon Construction without significantly affecting programme or increasing cost. To acknowledge this a level of client contingency has been built into the budget of both schemes. To recognise the complexity and challenges of Farsley Springbank Junior School the level of contingency has been set at 7.5%, a sum of £238,134. The level on contingency for Farsley Westroyd Infants School has been set at the standard 5%, a sum of £85,727.
- 7.3 The NPS tender report - Appendix D sets out a list of “Day 1 Compensation Events”. These are changes that have been identified as part of the value engineering exercise undertaken and or issues highlighted in the pre tender technical review which may on further exploration and agreement of cost and programme implication be added into the contract as a PMI.
- 7.4 A risk log has been maintained throughout the project and escalation is via the Learning Places Programme Manager. The risks identified in section 5 of the NPS report will be added to the projects risk log and actively managed through the projects construction phase.

8.0 Conclusions

- 8.1 An evaluation of the tender submission from Willmott Dixon Construction Ltd has determined that while the price provided is above the level expected from a competitive tender that NPS and the Council have done everything possible to agree a tender which is not over inflated and spreads the risk appropriately.
- 8.2 The recommendation therefore is to accept Willmott Dixon Construction Ltd’s cost for the works in the sum of £5,186,738.00 and proceed with contract award as soon as possible in order to achieve the programmes dates stipulated in section 4.1 of this report.

9.0 Recommendations

- 9.1 The Director of Children’s Services is requested to:
- Approve the request to award the contract in the sum of £5,186,738.00 to Willmott Dixon Construction Ltd to :
 - a) Construct a single storey extension to house six new classrooms, associated circulation, offices, toilets and other related areas for key stage 1 pupils as well as undertaking remodelling and refurbishment works to the existing building for the Learning Places expansion of Farsley Springbank Junior School.
 - b) Construct a single storey one classroom extension to the main infants building alongside internal remodelling works to the existing building and a single storey classroom extension with toilets and wet area to

house the reception class which will create an early year's foundation unit for the Learning Places expansion of Farsley Westroyd Infants School.

- Authorise the signature of all other documentation that is required to deliver the project in the opinion of the Programme Manager Built Environment.

10.0 Background documents¹

10.1 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.