

**Report of the Head of Programme, PPPU**

**Report to Director of Children’s Services**

**Date:**

**Subject: Tender Acceptance Report – Castleton Primary School Learning Places Project**



**Capital Scheme Number: 32274/CAS/000**

Are specific electoral Wards affected? If relevant, name(s) of Ward(s): Armley	<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 RIBA Stage 3 construction, design and associated costs to deliver the proposed permanent expansion at Castleton Primary School were the subject of a Design and Cost report (DCR) dated 6 April 2016. The DCR budget of £5,636,542 for the scheme at Castleton Primary School was approved by the Director of Children’s Services on 8 April 2016. An application for £528,944 from the capital risk fund was included in this approval. The scheme budget was further enhanced by the injection of a Section 106 contribution of £107,598.
- 2 The purpose of this report is to request authority to accept the tender from Wates Construction Limited for the sum of £4,881,488. This budget will be used to construct a new two storey Children’s Centre, Family Centre and Nursery with ancillary facilities, an extension to the existing Castleton Children’s Centre to form the new Key Stage One building and required remodelling of the existing school to form the new Key Stage Two facility for the Learning Places Programme scheme at Castleton Primary School.

**Recommendations**

The Director of Children’s Services is requested to:

- Approve the request to award the contract for the sum of £4,881,488 to Wates Construction Limited to construct a new two storey Children’s Centre, Family

Centre and Nursery, an extension to the existing Castleton Children's Centre to form the new Key Stage One building and required remodelling of the existing school to form the new Key Stage Two facility at Castleton Primary 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 the tender from Wates Construction Limited for the sum of £4,881,488. This budget will be used to construct a new two storey Children's Centre, Family Centre and Nursery, an extension to form the new Key Stage One building and remodelling of the existing school to form the new Key Stage Two facility at Castleton Primary School.

## **2.0 Background information**

- 2.1 Leeds has an extremely dynamic and growing economy which makes the city a very attractive proposition for families and businesses to move to. As a result, the city's population is growing rapidly, at a faster rate than many of our neighbours and this is reflected in the increasing demand for school places.
- 2.2 The scale of the response cannot be met through the existing estate; the expansion of existing schools or the creation of new schools has been required. Under the Education and Inspections Act 2006, these changes constitute prescribed alterations, and each requires a statutory process to confirm the change and make it permanent.
- 2.3 The Council's response to the demographic growth pressures on school provision in the city are managed via Children's Services Learning Places Programme. Since 2009 the programme has created over 1,400 reception places in order that the Council fulfils its statutory duty to ensure sufficiency of school places. The schemes in the programme are working with a range of partners, including schools of varying governance models, to ensure enough places are created to meet demand.
- 2.4 As reported to Executive Board in October 2015, for the academic year 2015/16 many schools have had significant expansions with building work over the summer creating 500 new primary school places. This has included expansion of three existing schools to create additional places in completely new facilities, two of which are Specialist Inclusive Learning Centres providing a total of 200 additional pupil places for children with Special Education Needs (SEN), and the third which is a brand new primary school in South Leeds creating an additional 420 pupil places.
- 2.5 As a consequence of the increasing birth rate in Armley and surrounding areas, it is necessary to expand provision at Castleton Primary School from a 1 Form Entry with 210 pupil places, to a 2 Form Entry with 420 pupil places. The expansion to provision at Castleton Primary School will be available from September 2016 through the provision of temporary accommodation until the new accommodation is available. This new scheme 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.

- 2.6 The proposal for the extension to the school forms part of the on-going work to address capacity and sufficiency across all of Children's Services, 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.
- 2.7 The expansion of places was approved by Executive Board in 19 November 2014 following public consultation and the publication of statutory notices for the expansion in May 2014. 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.
- 2.8 The scope of the project at Castleton Primary School is to build a new two-storey Children's Centre, Family Centre and Nursery, an extension to the existing Castleton Children's Centre to form the new Key Stage One building and remodelling to the existing school building to form the new Key Stage Two facility.
- 2.9 The construction of the new build, extension and remodelling is scheduled for final completion in August 2017.
- 2.10 Temporary accommodation will be used to allow for the additional September 2016 Reception intake, and will house the Nursery until the new build Children's Centre, Family Centre and Nursery is complete. This has been procured through the main contract with Wates Construction Limited.

### **3.0 Main Issues**

#### **3.1 Design Proposals and Full Scheme Description**

The proposed work to build the new build, extension and remodelling at Castleton Primary School consists of the following components:

- Construction of a new build two storey Children's Centre, Family Centre and Nursery with ancillary facilities including toilets, cloaks, a lift and plant room will be located opposite the school on the corner of Green Lane / Holdforth Green. This will house the existing Children's Centre, Family Centre and Nursery services, which will decant from the existing school site and existing Children's Centre building. A new car park will be constructed adjacent to the new building.
- Construction of an extension to the existing Castleton Children's Centre to form the new Key Stage One building. The existing two classrooms will become the Reception classrooms. The extension will house four new classrooms for Years 1 and 2, a small hall, break-out teaching space, and ancillary facilities including toilets, cloaks and Key Stage 1 office.
- Remodelling of the existing school building to form the new Key Stage Two facility. This includes refurbishment of the kitchen to facilitate increased pupil numbers, relocation and refurbishment of the staff room and Co-Heads office, and refurbishment of toilets to reflect Key Stage 2 usage. This work will be undertaken as part of the main contract works.

- External works included within the scheme are to increase the capacity of staff and visitor parking, provision of designated play areas at the new Children's Centre, Family Centre and Nursery building, and landscaping at the new Key Stage 1 facility. In addition to these works, off-site highways road safety improvements and parking restrictions are included.
- In addition to these works, off-site highways road safety improvements and parking restrictions are included.
- The scheme includes fixed furniture and fittings within all new and refurbished areas, as well as an allocation of loose furniture. ICT infrastructure upgrades are included for increased pupil capacity to the site and to facilitate the successful operation of the new Children's Centre, Family Centre and Nursery.

3.2 The tender was received via the YORtender electronic tendering system on 19<sup>th</sup> May 2016. Following a tender evaluation completed by PPPU & NPS, this report seeks to accept the tender in respect of proposed works at Castleton Primary School and award the contract in accordance with Leeds City Council procurement rules. A full copy of NPS' 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 contracted works can start on site as planned on 25 May 2016 and the overall programme meets the scheduled completion date of August 2017.

#### **5.0 Corporate Considerations**

##### **5.1 Consultation and Engagement**

5.1.1 The proposal to expand the school was subject to statutory process which commenced in May 2014 including public consultation. The expansion of the school was subsequently approved by the Executive Board in November 2014.

5.1.2 The proposed scheme and associated work at Castleton Primary School has been the subject of consultation with key stakeholders including Children's Services officers, ward members and the Executive member for Children and Families. Consultation has also involved school staff and governors, the local residents and parents as well as other colleagues within the Council.

5.1.3 Pre-planning application 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 event that took place on the 9 September 2015. The ward members have also been briefed at regular intervals during the design development.

5.1.4 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.

## 5.2 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 B**.

## 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 An objective in the Best Council Plan 2013-2017 is build a child friendly city with a focus on: our three Children's Trust partnership obsessions (looked after children, NEET and attendance); ensuring the best start in life; raising educational standards; and ensuring sufficiency of school places. The programme seeks to deliver a supply of good quality accessible local school places which can contribute to these objectives.
- 5.3.4 A further objective of the Best Council Plan 2013-2017 is to become a more efficient and enterprising Council. We want to promote choice and diversity for parents and families and deliver additional 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 Learning Places Programme.

## 5.4 Resource & Value for Money

- 5.4.1 NPS have carried out an evaluation of the tenders received and confirm that the tendered figure from Wates Construction Limited of £4,881,488 is arithmetically correct.
- 5.4.2 The Tender Report articulates that NPS believes 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. In order to meet the scheduled completion date of August 2017, there would be insufficient time to undertake a competitive tender.
- 5.4.3 All works have been procured in accordance with Leeds City Council's contract procedure rules. In line with the Joint Procurement Strategy for Castleton, Gledhow and Hollybush Primary Expansions approved by the Deputy Director of Children's Service on 20 March 2015, the scheme was tendered through a Two Stage Mini Competition using an NEC3 contract form.

5.4.4 Further design development and refinement will continue after contract award to value engineer further savings for the project. These include a review of the ventilation strategy which is currently based on a full mechanical system, kitchen redesign works to refine one of the commercial kitchens etc. This design development will generate savings that can be re-invested into other education projects.

## **5.5 Full Scheme Estimate**

5.5.1 The tender submission provided by Wates Construction Limited of £4,881,488 is inside the cost envelope set out in the DCR approval which includes the Capital Risk fund approval.

## **5.6 Prior Approvals**

5.6.1 A planning application for Castleton Primary School aforementioned works was submitted on 9 September 2015 and planning permission was subsequently granted on 15 December 2015 with minor conditions.

5.6.2 The Design and Cost Report signed by the Director of Children's Services on 8 April 2016 granted approval to spend a total of £5,636,542 to cover all elements of the expansion of Castleton Primary School. This included approval to enhance the scheme budget by an additional £528,944 from the Capital Risk Fund. The DCR report including the Capital Risk Fund application is attached at **Appendix C**.

5.6.3 The overall budget for the schemes is £5,636,542.

## **6.0 Legal Implications, Access to Information & Call-in**

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

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

## **7.0 Risk Management**

7.1 Risk is to be managed through application of 'best practice' project management tools and techniques via the City Council's 'PM Lite' risk methodology. Experienced project management resource from the Projects, Programmes and Procurement Unit (PPPU) is tasked with ensuring the project remains within the predetermined risk tolerances.

7.2 The Council's project risk log has been maintained and updated throughout the project and escalation of any risks that sit outside the agreed tolerances will be managed via the Head of Programme (PPPU). The risks identified in NPS's report will be added to the project risk log and actively managed through the project's construction phase.

7.3 Risk associated with impending changes, for example to the kitchen designs and to the security system at the new Children's Centre, will be addressed and

managed immediately post contract-award. Opportunities to reduce the risk of overspend, for example through a review of the ventilation strategy at the Children's Centre, will also be considered as part of the detailed design process. The Governing Body and Children's Services officers will be fully consulted throughout the review process and formal agreement will be sought for any proposed changes accordingly.

## **8.0 Conclusions**

8.1 An evaluation of the tender submission from Wates Construction Limited has determined that although the price is above the level that could be expected from a competitive tender, we are satisfied that all parties have done everything possible to agree a tender price which is not overly inflated and spreads risk appropriately.

8.2 The recommendation therefore is to accept Wates Construction Limited's cost for the works of the sum of £4,881,488 and proceed with contract award as soon as possible in order to achieve the programmes dates stipulated in section 4.0 of this report.

## **9.0 Recommendations**

9.1 The Director of Children's Services is requested to:

- Approve the request to award the contract for the sum of £4,881,488 to Wates Construction Limited to construct a new two storey Children's Centre, Family Centre and Nursery, an extension to the existing Castleton Children's Centre to form the new Key Stage One building, and required remodelling to the existing school building to form the new Key Stage Two facility for the Learning Places Programme scheme for Castleton Primary 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 documents**

Appendix A –Tender Report (Confidential)

Appendix B – Equality, Diversity, Cohesion & Integration Assessment

Appendix C - Design and Cost Report