

Report of the Head of Programme (PPPU)

Report to the Director of Children’s Services

Date: 06/04/2016

Subject: Design & Cost Report for 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 checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information? The following documents are exempt from Access to Information Rule 10.4 (3)	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No

Summary of main issues

1. As a consequence of the increasing birth rate in New Wortley and surrounding areas, it is necessary to expand provision at Castleton Primary School from a one Form Entry with 210 pupil places to a two Form Entry with 420 pupil places. 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, and was approved by Executive Board 19th November 2014.
2. The complete expansion to Castleton Primary School will be available from September 2017. Temporary accommodation will be used to allow for the additional September 2016 reception intake.
3. The project will be delivered in conjunction with NPS and the Council’s Projects Programmes and Procurement Unit (PPPU). The Construction Partner has been identified as Wates Construction Limited, selected via a two stage tender using the YORbuild framework in July 2015 following approval of the Procurement Strategy by the Director of Children’s Services based on the recommendation by PP&PU.
4. An objective in the Best Council Plan 2013-2017 is to 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. The Pre-feasibility scheme budget of £5 million was previously approved by Executive Board in April 2015 and the current total scheme costs are £5,636,542 as set out in section 5.4 of this report. This report contains a request to access the Learning Places Programme Capital Risk fund to enhance the previously agreed budget by £528,944, and a request to note that a Section 106 contribution in the sum of £107,598 be injected into the scheme to support additional scheme costs. Once this application is approved there remains a balance of £5,106,056 in the Capital Risk fund to support the remainder of the programme.
6. In September 2014, Executive Board approved the Basic Need Programme report recommendation to delegate authority to the Director of Children's Services to approve Design and Cost reports for individual projects, subject to support by the Deputy Chief Executive and the Director of City Development.
7. In accordance with this approval, this scheme has been considered and supported by the Deputy Chief Executive and Director of City Development. Consultation with the Executive Member for Children and Families took place on 7th April 2016 prior to this DCR being submitted for approval.

Recommendations

The Director of Children's Services is requested to:

- i. Approve the design and cost report for the scheme at Castleton Primary School, the cost being £5,636,542 with the appropriate details of the programme, design and cost as set out in this report;
- ii. To approve the Programme Capital Risk Fund application of £528,944, and note that the scheme budget be enhanced by the injection of a Section 106 contribution in the sum of £107,598
- iii. Approve additional capital programme expenditure of £107,598 in respect of a Section 106 contribution;
- iv. Note that the Chief Officer, Projects, Programmes & Procurement Unit (PPPU) is responsible for scheme delivery which is scheduled for completion by September 2017.

1.0 Purpose of this Report

1.1. The purpose of this report is:

- To provide background information and detail in respect of the Learning Places scheme to increase Castleton Primary School from a 1 FE to a 2 FE school from September 2016.
- To seek approval for the scheme to proceed on the basis of the budget, scope and programme set out in this report.
- To seek approval for the Risk fund application of £528,944, and advise that a Section 106 contribution in the sum of £107,598 be injected into the scheme to support additional scheme costs.

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, therefore 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 New Wortley and surrounding areas, it is necessary to expand provision at Castleton Primary School from a one Form Entry with 210 pupil places, to a two Form Entry with 420 pupil places..
- 2.6. 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.
- 2.7. 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.
- 2.8. The expansion of places was approved by Executive Board in 19th 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.

3.0 Main Points

3.1. Design Proposals and Full Scheme Description

3.1.1. The proposed new build, extension and remodelling work 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 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.
- The scheme includes fixed furniture and fittings within all new and refurbished areas, as well as one classroom 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 building.

3.1.2. The design of the scheme has progressed to the end of RIBA stage 4; during each of the design stages consultation has taken place with the following key stakeholders:

- School Governors and staff
- Planning
- Highways
- Urban Design
- Sport England
- Local Ward Members
- Local residents
- Building Control

3.1.3. The project was submitted for planning on the 9th September 2015. The scheme received planning approval on the 15th December 2015. The planning conditions have been issued to the contractor. This has enabled any costs associated with the conditions to be included in the project price.

- 3.1.4. The main project will be delivered in conjunction with NPS acting as Technical Advisors and the Council's Projects, Programmes and Procurement Unit (PPPU).
- 3.1.5. The procurement Strategy to appoint the Construction Partner was approved on 20th March 2015. Wates Construction Ltd were selected as the Construction Partner via a two stage tender process using the YORbuild framework to undertake the design from RIBA Stage 2 to RIBA Stage 4, and to develop a price, following completion of the Feasibility Study by NPS.
- 3.1.6. Subject to the price being developed and agreed in accordance with the process under the YORbuild framework, the Construction Partner will be awarded the contract in line with CPR 3.1.7 (CPRs 3.1.5 and 3.1.6 not applying as there is no ISP, exclusive supplier arrangements or existing provider to undertake this work). The Yorbuild framework is based on the NEC3 form of contract with Option A (Priced contract with fixed priced activity schedule).
- 3.1.7. A detailed Cost Plan and Activity Schedule has been produced by Wates Construction Ltd and cost checks have been carried out on the tender return price by NPS to ensure that the cost model issued is in line with current market conditions and recently returned tenders.
- 3.1.8. A number of value engineering exercises have taken place with the school, Children's Services, the design team, the technical advisor, the contractor and PPPU. These have reduced the cost of the project, which is now in accordance with the project brief and the Leeds City Council Generic Output Specification. Furthermore, the market testing strategy has been developed and agreed with the contractor (Wates). The technical advisor (NPS) have monitored this strategy and have challenged the tender submissions from Wates as necessary.
- 3.1.9. The tender is expected via the YORtender electronic tendering system in May 2016. It is envisaged that following a thorough review of all the tender documents, Leeds City Council will award the contract to Wates Construction Ltd, who will be responsible for the construction of the scheme which is to be completed as a Design & Build type contract.
- 3.1.10. The award of the tender will be subject to a Tender Acceptance Report which will be submitted for approval following a detailed review of all contract and tender documentation.

4.0 Programme

- 4.1. The key milestones to achieve the programme are detailed below:

Milestone	Date
Soft Tender price returned	23 rd November 2015
Tender due to be returned	May 2016
Planning Approval	15 th December 2015
Early Works Award	23 rd May 2016
Early Works 'start on site'	31 st May 2016
Contract Award	4 th July 2016
Contractor lead-in / mobilisation	17 th May 2016
Start on-site	5 th July 2016
Main Phase Occupation	September 2016

Completion	7 th September 2017
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- 4.2. Wates Construction Ltd are due to submit their formal tender in May 2016 via the YORtender electronic tendering system.
- 4.3. Early Works are scheduled to start on site on 16th May 2016 and will include the site cabin, the temporary accommodation and removal of trees. An Early Works agreement will be in place.
- 4.4. Contract award is scheduled for July and works on the scheme are scheduled for completion in September 2017.

5.0 Corporate Considerations

5.1 Consultation and Engagement

- 5.1.1. The proposal to expand the school was subject to statutory process issued 3rd September 2014 including public consultation. The expansion of the school was subsequently approved by the Executive Board in 19th 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 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 formal submission of the planning application. Substantial engagement has taken place with key stakeholders. All three ward councillors were invited to the public consultation event that took place on the 9th September 2015. The ward members have also been briefed at the regular intervals during the design development. All ward members are fully supportive of the project and the scheme generally.
- 5.1.4. Sport England has been consulted about the impact of the proposals on Playing Fields along with other local interested parties such as residents, who attended the consultation session. Sport England has raised no objections to the granting of planning permission for the development.
- 5.1.5. Throughout the design process we have, and will continue to consult with the school and the governing body to ensure that the final product meets expectations and that any changes proposed do not materially affect the operation and success of the school.
- 5.1.6. In accordance with the Basic Need Programme Approval by Executive Board in September 2014, this scheme has been considered and supported by the Deputy Chief Executive and Director of City Development.
- 5.1.7. Consultation with the Executive Member for Children and Families took place at a consultation review meeting on 7th April 2016 prior to this DCR being submitted for approval. The Executive Member for Children and Families fully supports the recommendations made within this report.

5.2. Equality and Diversity / Cohesion and Integration

5.2.1. 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 and an independent impact assessment is not required for the approvals requested. A copy is included as Appendix A to this report.

5.3. Council Policies and 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. CPRs apply to this process and this Report confirms that the relevant CPRs have been adhered to.

5.3.3. An objective in the Best Council Plan 2013-2017 is to 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 and Value for Money

5.4.1. The scheme budget of £5 million was previously approved at the April 2015 Executive Board meeting.

5.4.2. The total projected scheme costs are currently estimated at £5,636,542 which is over the budget approved by Executive Board. In order to fully fund the estimated scheme costs, this report requests that the previously approved budget of £5,000,000 be enhanced via an application to the Capital Risk Fund and the utilisation of a Section 106 contribution to the value of £107,598 from the Strata Development 0.6 miles away. There are sufficient funds within the programme capital risk fund to deal with this request as detailed below at 5.6

5.4.3. The application to the Programme Capital Risk Fund is necessary because:

- The construction industry is now buoyant and recovering from recession and therefore building inflation is higher than expected, which is being reflected in tender submissions.
- The detailed design process has uncovered unknown risks to the project which is resulting in additional project costs. These include difficult ground conditions resulting in deeper foundation requirements and more excavation material that requires disposal.
- Due to delayed scheme commencement as a result of extensive value engineering being carried out, additional temporary accommodation is now

required to assist with the phasing and reorganisation of the school. This was not included in the original scheme design.

- The construction programme at 66 weeks is much longer than initially thought due to the complicated phasing required and therefore additional preliminaries costs.

5.4.4. The cost will be met through capital scheme number 32274/CAS/000 as part of the Learning Places Programme.

5.4.5. A number of value engineering exercises have taken place with the school, Children's Services, the design team, the technical advisor, the contractor and PPPU. These have reduced the cost of the project, which is now in accordance with the project brief and the Leeds City Council Generic Output Specification. Furthermore, the market testing strategy has been developed and agreed with the contractor (Wates). The technical advisor (NPS) have monitored this strategy and have challenged the tender submissions from Wates as necessary.

5.5. Capital Funding & Cash Flow

Previous total Authority to Spend on this scheme	TOTAL £000's	TO MARCH 2015 £000's						
			2015/16 £000's	2016/17 £000's	2017/18 £000's	2018/19 £000's	2019 on £000's	
LAND (1)	0.0							
CONSTRUCTION (3)	4,738.9		96.5	2,219.2	2,423.2			
FURN & EQPT (5)	60.1				60.1			
INTERNAL FEES (6)	174.6	23.6	75.8	35.7	39.5			
OTHER COSTS (7)	555.3	27.1	121.2	203.5	203.5			
TOTALS	5,528.9	50.7	293.5	2,458.4	2,726.3	0.0	0.0	0.0
Authority to Spend required for this Approval	TOTAL £000's	TO MARCH 2015 £000's						
			2015/16 £000's	2016/17 £000's	2017/18 £000's	2018/19 £000's	2019 on £000's	
LAND (1)	0.0							
CONSTRUCTION (3)	107.6			107.6				
FURN & EQPT (5)	0.0							
INTERNAL FEES (6)	0.0							
OTHER COSTS (7)	0.0							
TOTALS	107.6	0.0	0.0	107.6	0.0	0.0	0.0	0.0
Total overall Funding (As per latest Capital Programme)	TOTAL £000's	TO MARCH 2015 £000's						
			2015/16 £000's	2016/17 £000's	2017/18 £000's	2018/19 £000's	2019 on £000's	
BASIC NEED GRANT	5,528.9	50.7	293.5	2,458.4	2,726.3			
SECTION 106 CONTRIBUTION	107.6			107.6				
TOTAL FUNDING	5,636.5	50.7	293.5	2,566.0	2,726.3	0.0	0.0	0.0
Balance / Shortfall =	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Parent Scheme Number: 32274/000/000

Title: Basic Need Expansion 2016/17

5.6. Capital Risk Fund Applications to Date

- 5.6.1. In the September 2014 Basic Need Programme report, Executive Board approved the establishment of a Learning Places Capital Risk fund within the Learning Places Programme budget. Approval was given to allow the Director of Children's Services delegated authority to manage decisions on the allocation of money from the fund in to individual schemes budgets. Decisions by the Director of Children's Services to access the fund must be made with the prior approval of the Director of City Development and the Deputy Chief Executive and be in consultation with the appropriate Executive Members.
- 5.6.2. This approval process provided a mechanism which will enable timely and proportionate responses to variations which are required to individual project budgets pre and post DCR.
- 5.6.3. The report contained a number of named schemes that formed the Learning Places Programme, where 10 out of 28 of the schemes stated an initial indicative budget which had been set for the scheme based on EFA funding rates, which is considered nationally to be insufficient to deliver the provision required, and a high-level desktop viability study of additional accommodation required to facilitate an expansion.
- 5.6.4. For these schemes, detailed design and costing works had not commenced to allow accurate scheme budgets to be set based on site conditions and design solutions proposed during the subsequent feasibility stage. As such, these are not scheme overspends, but a realignment of budgets once the scheme has developed and a robust design freeze or pre-tender estimate can be provided.
- 5.6.5. The first four Capital Risk fund applications as well as the sixth request submitted fall into this category, as detailed below. The fifth application was the first request to access the Capital Risk fund after a DCR has been formally approved for the scheme.
- 5.6.6. The seventh Capital Risk fund application falls into the same category as the first four applications as well as the sixth. It is not a scheme overspend, but a realignment of the budget now that the scheme has developed and a robust cost can be provided.

Scheme	Approved Scheme Budget (£)	Risk Fund application value (£)
<i>Original Risk Fund</i>	-	10,000,000
<i>Exec Board 21/10/15 approved re-set of the Risk Fund</i>		1,319,149
1. <i>Calverley C of E Primary School</i>	2,500,000	-54,000
2. <i>Pudsey Primrose</i>	1,750,000	-969,430
3. <i>Farsley Springbank and Westroyd</i>	3,810,000	-1,708,179
4. <i>Moor Allerton Hall Primary School</i>	278,731	-85,055
5. <i>Farsley Westroyd Infant School</i>	1,295,400	-797,424
6. <i>Guiseley Infants School</i>	2,850,000	-2,070,061

<i>7.Castleton Primary School</i>	<i>5,000,000</i>	<i>-528,944</i>
Total Risk Fund Remaining		5,106,056

5.7. Revenue Effects

- 5.7.1. Revenue implications arising from this new development will be managed through the school's own budget.

5.8. Legal Implications, Access to Information and Call-In

- 5.8.1. The approval for this project to proceed as set out in this report follow the delegations for the Basic Need Programme approved by Executive Board in September 2014. Executive Board has already approved the authority to spend for the project as required in Financial Procedure Rules and the decision to proceed in this report constitutes a key decision and as such will be subject to call in.

- 5.8.2. The Director of Children's Services has been granted the delegated authority to approve this project to proceed after complying with the conditions established by Executive Board in November 2014. As outlined in this report the Director of Children's Services has the support for the decisions in this report from the Deputy Chief Executive and Director of City Development, and has consulted with the appropriate Executive Members on the proposals.

- 5.8.3. The YORbuild framework is an approved framework and the proposed procurement process is in line with CPR 3.1.7; (CPRs 3.1.5 and 3.1.6 not applying as there is no ISP, exclusive supplier arrangements or existing provider to undertake this work).

- 5.8.4. This procurement is in line with all CPR's and FPR's.

5.9. Risk Management

- 5.9.1. 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 has been allocated from within the Projects Programmes and Procurement Unit (PPPU).

- 5.9.2. Risk logs have been developed for the scheme by Leeds City Council and the contractor to ensure all the risks for the project have been identified together with the relevant owner of the risk. The council's project risk log will be maintained and updated throughout the project and escalation of any risks that sit outside of the agreed tolerances will be managed via the Head of Programme (PPPU) and reported to the Programme Board and Children's Services.

6.0 Conclusions

- 6.1. The proposal to construct new build, extension and remodelling works at Castleton Primary School will enable the increased demand for pupil places in New Wortley and surrounding areas served by the school to be met.

- 6.2. The project will be delivered by the Council's Projects, Programmes and Procurement Unit (PPPU) on behalf of Children's Services in partnership with NPS acting as Technical Advisors. The Construction Partner has been identified

as Wates Construction Limited, selected via a two stage tender using the YORbuild framework in July 2015 following approval of the Procurement Strategy by the Director of Children's Services.

- 6.3. The total projected scheme costs are currently estimated at £5,636,542 which is over the budget approved by Executive Board. In order to meet the additional scheme costs, an application to the Capital Risk Fund and the utilisation of a Section 106 contribution will be required.
- 6.4. A number of value engineering exercises have taken place with the school, Children's Services, the design team, the technical advisor, the contractor and PPPU. These have reduced the cost of the project, which is now in accordance with the project brief and the Leeds City Council Generic Output Specification. Furthermore, the market testing strategy has been developed and agreed with the contractor (Wates). The technical advisor (NPS) have monitored this strategy and have challenged the tender submissions from Wates as necessary. The scheme therefore reflects the current market conditions and meets the schools and Children's Services requirements.

7.0 Recommendations

- 7.1. The Director of Children's services is requested to:
 - i. Approve the design and cost report for the scheme at Castleton Primary School, the cost being £5,636,542 with the appropriate details of the programme, design and cost as set out in this report;
 - ii. To approve the Programme Capital Risk Fund application of £528,944, and note that the scheme budget be enhanced by the injection of a Section 106 contribution in the sum of £107,598
 - iii. Approve additional capital programme expenditure of £107,598 in respect of a Section 106 contribution;
 - iv. Note that the Chief Officer, Projects, Programmes & Procurement Unit (PPPU) is responsible for scheme delivery which is scheduled for completion by September 2017.

8.0 Background Documents

- 8.1. Appendix A - ECDI Screening Document
- 8.2. Appendix B – Budget Estimate Profile