

Report of the Head of Programme (PPPU)

Report to the Director of Childrens Services

Date: 1st June 2016

Subject: Design & Cost Report for Phase 2 Works Roundhay Secondary School Learning Places Project



Capital Scheme Number: 32450/ROU/PH2

| | | |
|--|---|--|
| Are specific electoral Wards affected? If relevant, name(s) of Ward(s): Roundhay | <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 type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |

Summary of main issues

1. As a consequence of the increasing birth rate in Roundhay and surrounding areas, it is necessary to expand provision at Roundhay Secondary School to increase places from 250 to 300 throughout years 7 to 11; to be available from September 2017. 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 in September 2015.
2. 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.
3. The project to develop Roundhay Secondary School will be delivered in two phases as Roundhay Secondary School forms part of the original 7 Schools PFI Project with services being delivered by The Education Support Company (ESCO).
4. Phase 1 of the scheme focusses on the augmentation of car parking provision on site, and an extension to the dining facilities. Under the terms of the PFI contract, ESCO have the exclusive right to carry out construction work (subject to some limits) on site at Roundhay Secondary School. The Design and Cost Report for Phase 1 was approved by Executive Board in February 2016 and the scheme commenced on site in early April this year.

5. Phase 2 concentrates on the construction of a new teaching block and a synthetic turf pitch.
6. The ESCO confirmed that they had no appetite to undertake Phase 2 and furthermore had no objections to the Council utilising a third party to deliver the scheme. Therefore, Phase 2 of the project will be delivered in conjunction with the Leeds Local Education Partnership (LLEP), Leeds D&B One Ltd sub-contracting to Interserve Construction plc (building contractor), the Council's Projects Programmes and Procurement Unit (PPPU) and Children's Services. The LLEP, has exclusivity over elements of secondary school construction in Leeds.
7. The feasibility scheme budget of £11.4M for phase 2 of the scheme was previously approved by Executive Board in October 2015, as part of the overall £13m spending approval for both phases of the project.
8. When the tender for the scheme was submitted by the LLEP on the 4th April 2016, it was £1.2M above the affordability envelope. Subsequently, a value engineering exercise has been undertaken and the affordability gap has been reduced to £750,000. This report contains a request to access the Learning Places Programme capital risk fund to enhance the previously agreed budget by £750,000; in order to meet the affordability gap, and provide an appropriate level of contingency at £450k (approx. 5% of the construction cost). Once this application is approved there remains a balance of £4,356,056 in the Capital Risk fund to support the remainder of the programme.
9. Within the Stage 4 cost submission there are a number of factors to evidence why the project is currently over budget. Whilst the floor area for the new accommodation is approximately 500m² over area in accordance with BB98 guidance, the extra area has been built in to address sufficiency issues within the existing school buildings, as the school was originally built with a net capacity of 1450 pupils (11-18) and has been allowed to informally expand over the years to 1700 due to the demand for pupil places in this area. A further 250 places will be created across Years 7-11 as part of this project with sixth form numbers also expected to rise. In order to avoid objection from Sport England as a result of building on N6 protected land, a synthetic turf pitch will be delivered to re-provide and enhance sporting provision on this site. The requirement for extensive drainage improvement works associated with the pitch have also increased the overall budget. Poor ground conditions are a contributing factor in terms of contamination levels and the need to remove the foundations from the former Girls School.
10. In light of the above information, the authority was not in a position to achieve the programmed contract signature date on 23rd May 2016. Therefore, to ensure that Phase 2 is available from September 2017 an underwriting and early works contract was required for Phase 2 to undertake enabling works at a cost of £242k. This was approved in a separate Design & Cost Report "Phase 2 Early Works Roundhay Secondary School Learning Places Project" on 20th May 2016 by the Director of Childrens Services.
11. In accordance with this approval, this report has been considered and supported by the Deputy Chief Executive and Director of City Development on 31 May 2016.
12. 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.

Recommendations

The Director of Childrens Services is requested to:

- i. Note that the overall cost for phase 2 of the scheme at Roundhay School is £12.2M, and that £242k has already been authorised under a separate DCR.
- ii. Approve the design and cost proposals for the whole of Phase 2 of the Roundhay Secondary School scheme in the sum of £12.2M, inclusive of the first early works element of the scheme. ;
- iii. Approve the programme capital risk fund application of £750k in order to bridge the affordability gap and provide an appropriate level of contingency.
- iv. Note that the Chief Officer, Projects, Programmes & Procurement Unit (PPPU) is responsible for scheme delivery which will be completed in August 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 Roundhay Secondary School from 250 to 300 places in years 7 to 11 to be available from September 2017.
- To seek approval for the works for Phase 2 of the scheme on the basis of the budget, scope, and programme set out in this report.
- To seek approval for the programme capital risk fund application.

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. 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 of Roundhay 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 final determination of the statutory process for the expansion of Roundhay School was approved by Executive Board in September 2015. Authority to incur £13M of expenditure for the holistic project; encompassing both phase 1 and phase 2 was accordingly approved by Executive board in October 2015. 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 project to develop Roundhay Secondary School will be delivered in two phases as Roundhay forms part of the original 7 Schools PFI Project with services being delivered by The Education Support Company (ESCO).
- 2.9. Phase 1 of the scheme focusses on the augmentation of car parking provision on site, and an extension to the dining facilities. Under the terms of the PFI contract, ESCO have the exclusive right to carry out construction work (subject to some limits) on site at Roundhay Secondary School. The Design and Cost Report for Phase 1 was approved by Executive Board in February 2016 and the scheme commenced on site in early April this year.
- 2.10. Phase 2 concentrates on the construction of a new teaching block and a synthetic turf pitch.
- 2.11. The ESCO confirmed that they had no appetite to undertake Phase 2 and furthermore had no objections to the Council utilising a third party to deliver the scheme. Therefore, Phase 2 of the project will be delivered in conjunction with the Leeds Local Education Partnership (LLEP), Interserve Construction plc (building contractor), the Council's Projects Programmes and Procurement Unit (PPPU) and Children's Services. The LLEP, has exclusivity over elements of secondary school construction

3.0 Main Points

3.1 Design Proposals and Full Scheme Description

- 3.1.1 The works for phase 2 of the scheme focusses on the following elements:-
- Construction of the new teaching block
 - Construction of the new Synthetic Turf Pitch (STP)
 - Accompanying landscaping works to connect the new facilities to the existing school
- 3.1.2 A robust tender and subsequent detailed Cost Plan and programme has been produced by the Leeds LEP as part of the new project proposal procedure. The LEP have also confirmed that they will provide a supplementary activity schedule before contract signature.
- 3.1.3 In addition a comprehensive market testing exercise has been undertaken in that 90% of the scheme has been tested.
- 3.1.4 The tender was received from the LLEP on 4th April 2016, and was accordingly reviewed by a strategic TA commission via Capita. The £/m² is competitive in comparison with schemes undertaken over the last 12 months and the tender prices we are currently experiencing.

- 3.1.5 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.
- 3.1.6 The form of contract being entered into between the Leeds LEP and the authority is the NEC3 option A contract.
- 3.1.7 The planning application for phase 2 was submitted on 23rd November 2015, and was approved on 13th May 2016.
- 3.1.8 The associated planning conditions were released in advance a number of weeks ago, and significant progress has been made in relation to them being discharged.

4.0 Programme

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

| Milestone | Date |
|--|--|
| Tender returned | 4 th April 2016 |
| Planning Approval | 13 th May 2016 |
| Early works start on site | 23 rd May 2016 |
| Contract Award | June 2016 |
| Main Start on-site | June 2016 |
| Contractor lead in / mobilisation | 2 weeks |
| Main Phase Site Occupation by Contractor | 59 weeks: 6 th June 2016 – 23 rd July 2017 |
| Final Completion | 23 rd July 2017 |

- 4.2. Following the confirmation of the previously referenced early works agreement, the start on site is planned for 23rd May 2016 with a completion date of 23rd July 2017.
- 4.3. The construction of phase 2 is scheduled for final completion in July 2017.

5.0 Corporate Considerations

5.1 Consultation and Engagement

- 5.1.1. The proposal to expand the school was subject to a statutory process; a stakeholder event was held on 26 February 2015 to discuss the demand for pupil places in the area and Roundhay Secondary School was identified as a possible solution. As part of the formal Statutory consultation process sessions were held with the Governing Body on 18 March, staff and student council on 23 March, and parents and members of the public on 14th, 23rd and 27th April. The proposal to expand the school was reported to Executive Board on the 22nd April 2015. The expansion of the school was subsequently approved by the Executive Board on 23rd September 2015.
- 5.1.2. The proposed scheme and associated work at Roundhay Secondary School has been the subject of consultation with key stakeholders including ward members and the Executive member for Children and Families. Consultation has also involved school staff and governors, 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. A number of public consultation sessions were held on the 3rd and 4th November 2015. The ward members have also been briefed at various stages during the design. 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 the playing fields along with other local interested parties such as residents. Sport England have confirmed they are content to support the scheme in alignment with exception policy E5; in that the key sporting benefit and community use generated by the all-weather pitch will outweigh the minimal loss of playing field land incurred as part of the development.
- 5.1.5. Sport England have specified as a distinct planning condition that the STP must be governed by the implementation of a formal community use agreement.
- 5.1.6. Throughout the design process we have, and will continue to consult with the school, the governing body, Leeds LEP, Interserve plc, the building contractor, and the PFI Contractor (ESCO) to ensure that the final product meets expectations and that any changes proposed do not materially affect the operation and success of the school.
- 5.1.7. In accordance with the agreed process within the Basic Need Programme Approval by Executive Board in September 2014, this scheme has been considered and supported via email by the Deputy Chief Executive and Director of City Development.

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 Best Council Plan**

- 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 that CPRs have been adhered to. To develop this point, the CPR being invoked is 3.1.5 as exclusive supplier arrangements apply to these works.
- 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 feasibility scheme budget of £11.4M for phase 2 of the scheme was previously approved by Executive Board in October 2015, as part of the authority to spend approval for both phases of the scheme in the sum of £13M.
- 5.4.2. However, when the tender for the scheme was submitted by the LLEP on the 4th April 2016, it was £1.2M above the affordability envelope. Subsequently, a value engineering exercise has been undertaken and the affordability gap has been reduced to £750,000. This report contains a request to access the Learning Places Programme capital risk fund to enhance the previously agreed budget by £750,000; in order to meet the affordability gap, and provide an appropriate level of contingency at £450k (approx. 5% of the construction cost). Once this application is approved there remains a balance of £4,356,056 in the Capital Risk fund to support the remainder of the programme.
- 5.4.3. Furthermore officers are committed to driving costs down further post contract signature
- 5.4.4. It is necessary to reiterate that the scheme has been 90% market tested.
- 5.4.5. At the end of RIBA Stage 3 (Developed Design) the project was within budget. At the end of RIBA Stage 4 (Technical Design) the project cost is now estimated to be £750,000 in excess of the existing approved budget (including a percentage for contingency).
- 5.4.6. The original project brief defined requirements of 3,500m² of accommodation. As the design developed this became 3,997m² of accommodation. Therefore, the addition of 497m² has contributed to the increase in the estimated project cost. However the existing school was built with a net capacity of 1450 pupils (11-18) and has gradually increased on an informal basis to 1700 due to the demand for pupil places in the area. Therefore the current accommodation is undersized for the NOR (based on BB98 guidance) and the additional floor area of 497m² has been included in the design to alleviate timetabling and sufficiency pressures. Whilst attempts were made during the early stages to reduce the area down where possible, an early stage design presented to the Governing Body in before final determination in 2015 with reduced corridor widths was strongly opposed and the Authority was informed that unless the layout was amended to increase their size, the Governing Body would not proceed with the expansion. The increase to the corridors (although a compromise was eventually agreed with the school) is one of the factors contributing to the extra floor area.
- 5.4.7. However, the Stage 3 costs from the LLEP, which included the additional accommodation highlighted above, confirmed that the project was still within budget. Therefore, the reasons for the increase in costs between Stage 3 and 4 are attributable to, and 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. RIBA Stage 4 is the period when market testing was undertaken and therefore “real” costs were determined.

- Significant adverse ground conditions identified in relation to the footprint of the new teaching block; there are notably significant existing foundations compounded by the presence of asbestos in the ground, as a legacy from the former Roundhay girl's school, which are present underneath approximately 80% of the new building.
- Subsequently, the resulting ground conditions has necessitated the foundations and structural frame for the new building to be substantially redesigned; reinforced and increased adding costs in terms of design fees , materials , and programme duration.
- Significant additional attenuation capacity is required on site to cater for the drainage requirements of the STP, and to satisfy Yorkshire Waters storm attenuation requirements. Alternative solutions for attenuation are currently being investigated in order to try to make savings in this area of the design.
- Specific planning requirements pertaining to tree protection, and the Synthetic Turf Pitch. However following recent consultation with Sport England, a saving of approximately £30k has been made from the omission of floodlighting.
- Substantial amelioration of IT provision to provide robust facilities for the additional pupils. Work is on-going at the school to trial new products over the summer break, which if successful will result in a saving being made from the loose furniture and equipment budget.
- Work is on-going with the project team to review power and data points, M&E specifications on certain work packages and the equipment proposed for the multi-use learning area to analyse whether further savings can be made. Following completion of this exercise the Authority to spend figure will be re-set to reflect any further savings that have been confirmed.
- Complexities around the land surrender and substantial legal processes resulted in fees increasing from the original allocation for this work package.
- The school is already under extreme pressure to work within the confines of their existing budget to keep the school running and maintain outstanding teaching standards and therefore will not be able to contribute to the build element of the expansion project.

5.4.8. The cost/ m² for the project is £2,641 excluding LLEP fees. Including LLEP fees the cost/ m² for the project is £2,740. Based on data from other recent schemes, this project is providing value for money, particularly as the Synthetic Turf Pitch (STP) is costing approximately £750k. Excluding the STP, the cost/ m² for the project is £2,552.

5.4.9. To ensure that Phase 2 is available from September 2017 an underwriting and early works contract was required for Phase 2 to undertake enabling works at a cost of £242k. This was approved in a separate Design & Cost Report "Phase 2 Early Works Roundhay Secondary School Learning Places Project" on 20th May 2106 by the Director of Childrens Services.

5.4.10. The cost will be met through capital scheme number 32450/ROU/PH2 as part of the Learning Places Programme.

5.5. **Capital Funding & Cash Flow**

| Previous total Authority to Spend on this scheme | TOTAL £000's | TO MARCH 2016 £000's | | | | | |
|---|-----------------|----------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | | | 2016/17 £000's | 2017/18 £000's | 2018/19 £000's | 2019/20 £000's | 2020 on £000's |
| LAND (1) | 0.0 | | | | | | |
| CONSTRUCTION (3) | 242.0 | | | 242.0 | | | |
| FURN & EQPT (5) | 0.0 | | | | | | |
| INTERNAL FEES (6) | 0.0 | | | | | | |
| OTHER COSTS (7) | 0.0 | | | | | | |
| TOTALS | 242.0 | 0.0 | 0.0 | 242.0 | 0.0 | 0.0 | 0.0 |
| | | | | | | | |
| Authority to Spend required for this Approval | TOTAL £000's | TO MARCH 2016 £000's | | | | | |
| | | | 2016/17 £000's | 2017/18 £000's | 2018/19 £000's | 2019/20 £000's | 2020 on £000's |
| LAND (1) | 0.0 | | | | | | |
| CONSTRUCTION (3) | 10,711.4 | | 110.3 | 6,758.0 | 3,843.1 | | |
| FURN & EQPT (5) | 450.0 | | | | 450.0 | | |
| INTERNAL FEES (6) | 222.2 | | 79.7 | 54.5 | 88.0 | | |
| OTHER COSTS (7) | 524.4 | | 21.7 | | 502.7 | | |
| TOTALS | 11,908.0 | 0.0 | 211.7 | 6,812.5 | 4,883.8 | 0.0 | 0.0 |
| | | | | | | | |
| Total overall Funding (As per latest Capital Programme) | TOTAL £000's | TO MARCH 2016 £000's | | | | | |
| | | | 2016/17 £000's | 2017/18 £000's | 2018/19 £000's | 2019/20 £000's | 2020 on £000's |
| BASIC NEED GRANT | 12,150.0 | | 211.7 | 7,054.5 | 4,883.8 | | 0.0 |
| TOTAL FUNDING | 12,150.0 | 0.0 | 211.7 | 7,054.5 | 4,883.8 | 0.0 | 0.0 |
| | | | | | | | |
| Balance / Shortfall = | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

Parent Scheme Number: 32450/000/000

Title: Basic Need Primary Expansion 2017/18

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 Capital Risk Fund. 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 provides a mechanism which will enable timely and proportionate responses to variations which are required to individual project budgets pre and post DCR as well as providing an effective mechanism to manage financial risks at a programme level. The Capital Risk Fund Budget was originally set at £10M or 10% of the total programme value.

5.6.3. In the October 2015 Executive Board Report - Basic Need Programme - Capital Programme Update, Executive Board approval was given to:

- Reset the balance of the programme risk fund to £5.635M, to facilitate effective risk management at programme level; and
- Return any savings made on applications to the programme risk fund to the risk fund to support continued management of programme risks.

- 5.6.4. Since the reset of the balance articulated above in 5.6.3, there has been one application to the Capital risk fund for Castleton primary prior to this request for Roundhay ,
- 5.6.5. Please the table below communicating the net effect of both applications on the remaining balance of the risk fund

| Scheme | Approved Scheme Budget (£) | Risk Fund application value (£) |
|--|-----------------------------------|--|
| Exec Board 21/10/15 approved re-set of the Risk Fund | | 5,635,000 |
| Castleton Primary School | 5,000,000 | -528,944 |
| Roundhay Secondary School | 11,400,000 | -750,000 |
| Total Risk Fund Remaining | | 4,356,056 |

5.7. **Revenue Effects**

- 5.7.1. Any 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 September 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.

5.9. **Risk Management**

- 5.9.1. Risk is to be managed through the 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) to support the Children's services project manager.
- 5.9.2. A risk log has been developed for the scheme and is being modified to include all the risks for the project and the relevant owner of the risk whether it be the contractor or Leeds City Council. This log will be maintained and updated throughout the project and escalation of any risks that sit outside of the agreed tolerances will be via the Children's Services Built Environment Programme Manager.

6.0 **Conclusions**

- 6.1. The proposal for Roundhay Secondary School Phase 2 will enable the increased demand for pupil places in Roundhay and surrounding areas served by the school to be met.
- 6.2. The ESCO confirmed that they had no appetite to undertake Phase 2 and furthermore had no objections to the Council utilising a third party to deliver the scheme. Therefore, Phase 2 of the project will be delivered in conjunction with the Leeds Local Education Partnership (LLEP), Leeds D&B One Ltd sub-contracting to Interserve Construction plc (building contractor), the Council's Projects Programmes and Procurement Unit (PPPU) and Children's Services. The LLEP, has exclusivity over elements of secondary school construction in Leeds.
- 6.3. The total projected scheme costs are currently estimated at £12.2M which is over the budget approved by Executive Board, however, it can be demonstrated that the scheme offers value for money on the basis that the cost per m² for the project is competitive when compared with recent schemes. In order to meet the additional scheme costs, an application to the Capital Risk Fund 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 Leeds City Council Generic Output Specification and exceeds the project brief. Furthermore, the market testing strategy has been developed and agreed with the LLEP and contractor (Interserve). The technical advisor has monitored this strategy and has challenged the tender submissions from Interserve 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 Childrens Services is requested to:
 - I. Note that the overall cost for phase 2 of the scheme at Roundhay School is £12.2M, and that £242k has already been authorised under a separate DCR.
 - II. Approve the design and cost proposals for the whole of Phase 2 of the Roundhay Secondary School scheme in the sum of £12.2M, inclusive of the first early works element of the scheme;
 - III. To approve the programme capital risk fund application of £750k in order to bridge the affordability gap and provide an appropriate level of contingency.
 - IV. Note that the Chief Officer, Projects, Programmes & Procurement Unit (PPPU) is responsible for scheme delivery which will be completed in August 2017.

8.0 Background Documents¹

- 8.1. 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.