

Report of the Built Environment Programme Manager

Report to the Director of Children's Services

Date: 6th July 2016

Subject: Design & Cost Report for the Learning Places 2016 Bulge Cohort – Hovingham Primary School



Capital Scheme Number: 32274/BGE/HOV

Are specific electoral Wards affected?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
If relevant, name(s) of Ward(s): Gipton and Harehills		
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?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, Access to Information Procedure Rule number:		

Summary of main issues

1. The purpose of this report is to seek approval to incur capital expenditure of £1,262,868 from capital scheme number 32274/BGE/HOV to deliver the identified essential additional teaching space required to facilitate the placement of a Learning Places 'bulge' cohort at Hovingham Primary School. This provision will provide additional teaching space for a 30 pupil bulge cohort due to occupy the school from September 2016, and replace a number of existing 'end of life' modular units to ensure the staff and pupils at Hovingham Primary a safe modern teaching environment. These monies include the £239,299 of underwriting costs approved under a previous Design Cost report.
2. An Executive Board report issued on the 22nd June 2016 seeking authority to spend on individual scheme costs in excess of £500k within the 2016 Bulge Cohort Programme identified the latest cost estimates at Hovingham Primary to be £975,000. Subsequent to the aforementioned report and following further site investigations by the contractor, appointed through the YORbuild 2 Framework, an increase to the latest cost estimate for the required work was identified that exceeds the above amount and is now valued at £1,262,868. The increase in cost is attributable to a number of factors that have arisen during the design process and are detailed in Section 3, Main Issues.
3. This report contains a request to access the Learning Places Programme capital risk fund to enhance the previously agreed budget by £287,868; in order to meet the affordability gap, and provide an appropriate level of contingency. Once this application

is approved there remains a balance of £4,068,188 in the Capital Risk fund to support the remainder of the programme.

4. As a consequence of rising birth rate, new housing developments and increased migration into the Gipton and Harehills area there is a requirement to provide additional, temporary, accommodation at Hovingham Primary School. This will support a one off 'bulge' cohort of 30 pupil places which are not currently available within the area of need. This accommodation is to be delivered under the City Council's Learning Places Programme, which aims to ensure the Local Authorities statutory duties are met with respect to ensuring a school place for every child within the city. These works will utilise pre-existing framework contracts for delivering school accommodation.
5. This project will be delivered under the City Council's Learning Places Programme which aims to ensure the Local Authority's statutory duties are met with respect to ensuring a school place for every child within the city. The works will be procured via the YORbuild 2 Framework Agreement as advised by LCC Procurement.
6. The additional accommodation at Hovingham Primary School will take effect from September 2016 and will allow the 30 place 'bulge' cohort to be accommodated for the commencement of the 2016/17 academic year. The admission limit for the school will rise from September 2016 as a temporary increase. The accommodation detailed within the report will be purpose built and will remain at Hovingham Primary School once the 'bulge' cohort has passed through the school.
7. Hovingham Primary is currently in consultation to expand by 1FE. Should the outcome of the consultation process and subsequent final decision be in favour of the proposed expansion, the proposed 2016 bulge cohort works identified in this report takes due regard of the site constraints and would form part of the overall accommodation strategy and support the permanent need in the Gipton and Harehills area, thus reducing the notional cost of a permanent expansion programme on this school site.
8. The project is to be delivered by Children's Services in conjunction with the duly appointed construction partner appointed via the YORbuild 2 Framework agreement.

Recommendations

The Director of Children's Services is requested to:

1. Authorise expenditure of £1,262,868 from capital scheme number 32274/BGE/HOV to enable the installation of essential classroom accommodation, including any necessary ancillary works, at Hovingham Primary School.
2. Note that the figure detailed above includes £239,299 of underwriting costs approved under a previous design cost report.
3. Note that 'Approval to Spend' the full scheme cost of £975,000, from capital scheme number 32274/BGE/HOV and required to cover all costs incurred to facilitate this project, was granted as part of the "Learning Places Programme - Capital Programme Update" at the 22nd June 2016 Executive Board. Following further site investigation by the contractor appointed through the YORbuild 2 Framework, the current cost estimate for the required work exceeds the above amount and is valued at £1,262,868.
4. Approve the programme capital risk fund application of £287,868 in order to bridge the affordability gap and provide an appropriate level of contingency.

5. Note the programme dates identified in section 4.0 of this report in relation to the implementation of this decision. The final delivery date for this scheme is prior to the commencement of term September 2016.
6. Note that the officer responsible for implementation is the Built Environment Principal Development Officer.

1.0 Purpose of this Report

1.1. The purpose of this report is:

- To provide background information and detail to the Director of Children's Services for the proposed accommodation required at Hovingham Primary School to accommodate the 'bulge' cohort of 30 pupils with effect from September 2016.
- Seek authority to incur capital expenditure of £1,262,868 to undertake the aforementioned works. This figure includes the £239,299 of underwriting costs approved under a previous design cost report.
- To seek approval for the programme capital risk fund application of £287,868.

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 increasing birth rate in Leeds has required Leeds City Council to approve an increasing number of new reception places since 2009 in order to fulfil 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. The capital school building solutions to the demographic need is managed via Children's Services Learning Places Programme.

2.3. For the upcoming academic year (September 2016 to July 2017) it was projected that at least 14FE (420 places) would be required across the city as temporary cohorts to meet bulges in demand or in advance of permanent solutions being secure for the longer term need. A programme of 'bulge' works has been developed to provide the necessary accommodation to meet this demand. Parental preference data has been used to determine the need in the pressure areas and site specific solutions have been developed as a result. These will be tailored to each specific site where a 'bulge' cohort is to be accommodated but includes; utilising extra capacity within existing buildings (where appropriate), internal remodelling and additional modular accommodation on a temporary and permanent basis (where applicable).

2.4. The proposal for Hovingham Primary School will form 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 in addition to early years and specialist provision.

2.5. These proposals form part of the Council's Learning Places Programme that embeds the 'One Council' approach in terms of shared ownership of proposed solutions across the various departments involved.

2.6. Due to the increasing pressure for primary school places in the immediate area, Hovingham Primary has previously accepted bulge cohorts in higher year groups across the school. As the schools population has grown, all ancillary rooms are now utilised for teaching and therefore it is necessary to provide additional accommodation to ensure all 'bulge' cohorts within the school successfully transition through the subsequent year groups. The works proposed within this

report will provide additional teaching space to accommodate the existing and the imminent 2016 'bulge' cohort.

3.0 Main Points

3.1. Design Proposals and Full Scheme Description

The proposed works at Hovingham Primary School consists of the following components and is required to support the existing and 2016 'bulge' cohorts:

- Purchase and installation of a four classroom and one nursery (including flexible break out area) stand-alone modular building. To be positioned as such to facilitate the transition of the 'bulge' cohort through the age ranges as they pass through school.
 - Four of the proposed classrooms will be utilised as dedicated teaching space and one classroom will provide a flexible breakout area. The provision of a nursery unit within this new accommodation block will liberate the essential internal space necessary to support the transition of bulge cohort pupils through the school.
 - Appropriate minor external works to be undertaken to facilitate the placement of the classroom units. This is to include, but not exclusive to, installation of foundations, reorientation of any footpaths, enhancement to external play and fence lines etc. ensuring the building is suitable for school use.
 - Extension and enhancement of existing services and utilities required to allow the classroom units to be placed on site. This is to include, but not be exclusive to, any enhancement or upgrade of the site electrical infrastructure, extension of the school fire alarm system into the new classroom, additional security coverage where necessary, modification to the school ICT network to add the new classroom space etc.
- 3.2. The estimated scheme cost is £1,262,868. This includes all construction costs, additional ancillary works (including decant, surveys, project contingency, service connections etc.), design & consultants fees and incorporates £239,299 of previously approved underwriting costs.
- 3.3. Following discussions with LCC Corporate Procurement Unit, it was determined that the YORbuild 2 Framework Agreement is the appropriate route to deliver the required accommodation. PP&PU colleagues have formalised the contractual negotiations with the relevant contractor and liaised with Children's Services throughout this process.
- 3.4. 'Authority to Spend' the sum of £975,000 on the proposed bulge cohort scheme was approved at the Executive Board meeting held on 22nd June 2016. The approval of 'Design and Cost Reports' for the bulge cohort schemes which exceed £500k was delegated to the Director of Children's Services, subject to the agreement of the Deputy Chief Executive in consultation with the appropriate Executive Members.
- 3.5. Subsequent to the aforementioned approval and following further site investigations by the contractor, appointed through the YORbuild 2 Framework, an increase to the latest cost estimate for the required work was identified that exceeds the above amount and is now valued at £1,262,868. The increase in cost is attributed to the

results of the ground investigation survey, the result of which requires a substantial increase in the specification of the foundations to the proposed building and the subsequent making good to the existing external play areas local to the construction compound.

- 3.6. Children's Services are currently consulting on the proposal to expand Hovingham Primary by 1FE. Should the outcome of the consultation process and subsequent final decision be in favour of the proposed expansion, the proposed 2016 bulge cohort works identified in this report have been considered and developed to take account of the site constraints and limitations that would impact on a permanent expansion and would therefore form part of the overall accommodation strategy, supporting the permanent need in the Gipton and Harehills area, thus reducing the notional cost of a permanent expansion programme on this school site.
- 3.7. A funding allocation has been awarded for the provision of furniture to support this additional classroom; this is the subject of a separate programme-wide DCR in the interests of expediency.
- 3.8. Any required Highways works, necessary as a consequence of this scheme, will be picked up under a separate programme-wide DCR's once the planning application has been approved. This will pick up all conditions from the planning process.

4.0 Programme

- 4.1. The works highlighted in point 3.1 above are required for the commencement of the 2016/17 Academic year, as such the schedule of works will be delivered in one phase from the end of term in July 2016.
- 4.2. The key milestones to achieve this programme are as follows:
- | | |
|----------------------------------|------------------------------------|
| • Pupil numbers confirmed | April 2016 |
| • Approval of authority to spend | w/c 20 th June 2016 |
| • Approval of additional ATS | w/c 4 th July 2016 |
| • Contract award | w/c 11 th July 2016 |
| • Start on-site | w/c 18 th July 2016 |
| • Completion & handover | w/c 29 th August 2016 |
| • Occupation | w/c 1 st September 2016 |
- 4.3. The approval of 'authority to spend', requested within this report, is on the critical path and therefore crucial to delivery of the project in accordance with the dates above.
- 4.4. Following consultation with Leeds City Council Planning Department, it was determined that the works would require a full planning application. Due to the rapid programme of works necessary to meet the dates highlighted in point 4.2, this will potentially require the work to proceed 'at risk' prior to formal Planning approval. To mitigate this, key planning risks have been identified and solutions included within the proposals detailed. Extensive consultation has taken place with representatives from Planning & Highways throughout the design development process to ensure the viability of the proposals, this will continue throughout project delivery.

5.0 Corporate Considerations

5.1. Consultation and Engagement

- 5.1.1. The bulge cohort expansion programme required for 2016 has been subject to consultation with Children's Services' officers, school representatives, Highways, Planning, Procurement and senior elected members.
- 5.1.2. Pre-planning consultation has been held with representatives from the Planning Department and LCC Highways with a view to assessing the entirety of the 'bulge' programme required for a September 2016 implementation. Where necessary, supporting works to the Highways infrastructure identified during this consultation have been added to the scope of works and included within the cost plan detailed in section 5.4.4. These consultations will be on-going where a planning application is required.
- 5.1.3. A letter drop will be completed in the direct vicinity of Hovingham Primary School prior to the commencement of work to inform local residents and interested parties of the extent and specifics of the proposed development.
- 5.1.4. Children's Services will continue to brief elected members at key stages throughout the project development.
- 5.1.5. In accordance with the approval by Executive Board in June 2016, this scheme has been considered and supported via email by the Deputy Chief Executive and in consultation with the Executive Member for Children and Families.

5.2. Equality and Diversity / Cohesion and Integration

- 5.2.1. The recommendations with this report do not have any direct nor specific impact upon any of the groups falling under the remit of the equality legislation and the need to eliminate discrimination and promote equality. A screening document has been prepared to this effect and an independent impact assessment is not required for the approvals requested. The screening document has been sent to the Equality Team to be approved, published and held on-file. A copy is included with this report as appendix A.

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. 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.
- 5.3.2. This contributes to the 2016/17 Best Council Plan outcomes for everyone in Leeds to 'Do well at all levels of learning and have the skills they need for life'; 'Be safe and feel safe' and 'Enjoy happy, healthy, active lives'. It also supports the vision in the supporting Children and Young People's Plan 2015-19 to build a child-friendly city with a focus on ensuring all children and young people are safe from harm; do well at all levels of learning and have the skills for life; enjoy healthy lifestyles; have fun growing up; are active citizens who feel they have a voice and influence. The programme seeks to deliver a supply of good quality accessible local school places which can contribute to these outcomes.

5.4. Resource and Value for Money

- 5.4.1 The estimated scheme cost is £1,262,868, which exceeds the Authority to Spend of £975,000 that was approved at the June Executive Board. This includes all construction costs, additional ancillary works (including decant, surveys, project contingency, service connections etc.), design & consultants fees and incorporates £239,299 of previously approved underwriting costs.
- 5.4.2 The additional costs identified are attributed to the results of the ground investigation survey, the result of which requires a substantial increase in the specification of the foundations to the proposed building and the subsequent making good to the existing external play areas local to the construction compound. Surveys have also revealed the need to replace existing end-of-life accommodation and these have been validated by officers from Children's Services and PPPU.
- 5.4.3 This report contains a request to access the Learning Places Programme capital risk fund to enhance the previously agreed budget by £287,868; in order to meet the affordability gap, and provide an appropriate level of contingency. Once this application is approved there remains a balance of £4,068,188 in the Capital Risk fund to support the remainder of the programme
- 5.4.4 The proposed 2016 bulge cohort works identified in this report have been considered and developed to take account of the site constraints and limitations that would impact on the permanent expansion that is currently under consultation and would therefore form part of the overall accommodation strategy if the expansion is approved, thus reducing the notional cost of a permanent expansion programme on this school site.
- 5.4.5 The cost will be met through capital scheme number 32274/BGE/HOV as part of the Learning Places Programme. The works will provide accommodation to cover multiple bulge cohorts across the year groups and replace existing 'end of life' accommodation to ensure a safe teaching environment for both pupils and staff.
- 5.4.6 Note that scheme cost detailed in this report is for the full project and includes the previously approved underwriting costs of £239,299 under a previous design cost report. The approval in this report covers the remaining £1,023,569 of monies required to deliver the £1,262,868 scheme.
- 5.4.7 Following discussions with LCC Corporate Procurement Unit it was determined that the YORbuild 2 Framework Agreement is the appropriate route to deliver the required accommodation. PP&PU colleagues have formalised the contractual negotiations with the relevant contractor and liaised with Children's Services throughout this process. As such value for money is attained.

Capital Funding & Cash Flow

Previous total Authority to Spend on this scheme	TOTAL	TO MARCH				
	£000's	2014 £000's	2015/16 £000's	2016/17 £000's	2017/18 £000's	2018 on £000's
LAND (1)	0.0					
CONSTRUCTION (3)	239.3			239.3		
FURN & EQPT (5)	0.0					
DESIGN FEES (6)	0.0					
OTHER COSTS (7)	0.0					
TOTALS	239.3	0.0	0.0	239.3	0.0	0.0
Authority to Spend required for this Approval	TOTAL	TO MARCH				
	£000's	2014 £000's	2015/16 £000's	2016/17 £000's	2017/18 £000's	2018 on £000's
LAND (1)	0.0					
CONSTRUCTION (3)	876.6			876.6		
FURN & EQPT (5)	32.1			32.1		
DESIGN FEES (6)	0.0			0.0		
OTHER COSTS (7)	114.8			114.8		
TOTALS	1023.5	0.0	0.0	1023.5	0.0	0.0
Total overall Funding (As per latest Capital Programme)	TOTAL	TO MARCH				
	£000's	2014 £000's	2015/16 £000's	2016/17 £000's	2017/18 £000's	2018 on £000's
	0.0					
Basic Need Grant	1262.8			1262.8		
	0.0					
Total Funding	1262.8	0.0	0.0	1262.8	0.0	0.0
Balance / Shortfall =	0.0	0.0	0.0	0.0	0.0	0.0

Parent Scheme Number: 32274/000/000

Title: Basic Need Primary Expansion 2016/17

5.5 Capital Risk Fund Applications to Date

5.5.1 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 Deputy Chief Executive and be in consultation with the appropriate Executive Members.

5.5.2 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.

5.5.3 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.

- 5.5.4 Since the reset of the balance articulated above in 5.5.3, there have been two applications to the Capital risk fund for Castleton Primary and Roundhay School prior to this request for the Hovingham Primary Bulge Cohort Project ,
- 5.5.5 Please see the table below communicating the net effect of all three applications on the remaining balance of the risk fund

Scheme	Approved Scheme Budget (£)	Risk application value (£)	Fund
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	
Hovingham Primary Bulge	975,000	-287,868	
Total Risk Fund Remaining		4,068,188	

5.6 Revenue Effects

- 5.6.1 Any additional revenue consequences that may arise as a result of the project will be managed within the respective school budgets.

5.7 Legal Implications, Access to Information and Call-In

- 5.7.1 The approval of this report constitutes a 'Key Decision' and as such is eligible for 'Call-In'. However due to the constricted programme required to enable delivery of Bulge Cohort schemes by September 2016 and the limited opportunity to seek authority to spend between the date when pupil preferencing data is available (April 2016) and when orders need to be placed (early to mid-July 2016), a request has been made to exempt this report from Call-in. The final confirmed costs have only just been received and the contract will need to be awarded as soon as the authority to spend is granted in order to maintain programme. If the decision is not implemented before the end of the call-in period on 21st July, there is a significant risk that the project will not be completed in time for the start of term, with the subsequent risk of disruption to the education of the children starting at Hovingham Primary School this year. Timescales are all the more important this year due to the summer holiday period being less than six weeks.
- 5.7.2 The procurement strategy has been agreed in consultation with LCC Procurement Unit, who has in turn initiated the appropriate 'call off' from the YORbuild 2 Framework Agreement.
- 5.7.3 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 June 2016. As outlined in this report, the Director of Children's Services has support for the decisions in this report from the Deputy Chief Executive and has consulted with the appropriate Executive Members on the proposals.
- 5.7.4 A separate Tender Acceptance Report will be submitted in due course for approval to accept the full tender for the seven modular accommodation schemes that are being delivered under the bulge cohort programme.

5.7.5 There are no other legal implications or access information issues arising from this report.

5.8 Risk Management

5.8.1 Risk is to be managed through application of 'best practice' project management tools and techniques via the City Council's 'Delivering Successful Change' methodology. Experienced Project Management resource from Children's Services Built Environment team will be tasked with ensuring the project remains within the predetermined risk tolerances.

5.7.2 A programme level risk log has been maintained throughout the project and escalation is via Basic Need Programme Manager.

6 Conclusions

6.1 As a result of a temporary increase in pupil numbers for the 2016/17 academic year throughout the city, it is necessary to provide supplementary teaching accommodation for the identified 'bulge' cohorts. Hovingham Primary School has been identified as a key site for addressing the need for pupil places in the Gipton and Harehills area, and the proposed works address both current and previous in-year bulge cohorts, whilst also replacing existing 'end of life' accommodation to ensure a safe teaching environment for both pupils and staff

6.2 There is a current proposal to permanently expand the school by 1FE and should the outcome of the consultation be successful and the expansion subsequently approved, the works detailed in this report take due regard of the site constraints that would impact on the final design solution and would form part of the overall accommodation solution. This would reduce the notional cost of a permanent expansion scheme if the expansion is approved.

6.3 Additional costs have been identified since Authority to Spend of £975,000 was approved at the June Executive Board, attributed to the results of the ground investigation survey, the result of which requires a substantial increase in the specification of the foundations to the proposed building and the subsequent making good to the existing external play areas local to the construction compound. Surveys have also revealed the need to replace existing end-of-life accommodation and these have been validated by officers from Children's Services and PPPU. In order to meet the additional scheme costs, an application to the Capital Risk Fund will be required

6.4 The provision of the modular unit at Hovingham Primary School will be managed by Children's Services in conjunction with Clugstons as appointed via the YorBuild 2 framework. These works will be delivered in partnership with the school and other key stakeholders.

6.5 The requirement to provide additional accommodation at Hovingham Primary School for a September 2016 delivery has been developed through continued consultation with the appropriate stakeholders.

6.6 The cost of the works detailed within section 3 will be met through capital scheme 32274/BGE/HOV to the value of £1,262,868, this figure includes £239,299 of previously approved underwriting costs detailed under a separate design cost report.

7 Recommendations

- 7.1 The Director of Children’s Services is requested to:
- 7.1.1 Authorise expenditure of £1,262,868 from capital scheme number 32274/BGE/HOV to enable the installation of essential classroom accommodation, including any necessary ancillary works, at Hovingham Primary School.
 - 7.1.2 Note that the figure detailed above includes £239,299 of underwriting costs approved under a previous design cost report.
 - 7.1.3 Note that ‘Approval to Spend’ the full scheme cost of £975,000, from capital scheme number 32274/BGE/HOV and required to cover all costs incurred to facilitate this project, was granted as part of the “Learning Places Programme - Capital Programme Update” at the 22nd June 2016 Executive Board. Following further site investigation by the contractor appointed through the YORbuild 2 Framework, the cost estimate for the required work exceeds the above amount and is valued at £1,262,868.
 - 7.1.4 Approve the programme capital risk fund application of £287,868 in order to bridge the affordability gap and provide an appropriate level of contingency.
 - 7.1.5 Note the programme dates identified in section 4.0 of this report in relation to the implementation of this decision. The final delivery date for this scheme is prior to the commencement of term September 2016.
 - 7.1.6 Note that the officer responsible for implementation is the Built Environment Principal Development Officer.

8 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.