

Report of the Head of Service Learning Systems Children & Families

Report to the Director of Children and Families

Date: 31st May 2019

**Subject: Design & Cost Report for Greenside Primary School
Kitchen Expansion**



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

Summary of main issues

1. In March 2016, the Council's Executive Board agreed to the permanent expansion of Greenside Primary School from a Published Admission Number (PAN) of 45 pupils per year group, to 60 pupils per year group, with effect from September 2017. At the time, an initial prefeasibility budget of £2.5m, based on a number of high level assumptions, was provided to give an early indication of cost.
2. In July 2017 a Design and Cost Report (DCR) for the sum of £574K (capital of £434K and revenue of £140K) was approved by the Director of Children and Families, under reference D44603, for the provision of enabling works required to support the expansion of Greenside Primary School.
3. In February 2018, as part of the Learning Places Programme update, Executive Board approved an increase in capital spending from £2.5m to £4.2m, which reflected the cost of the requirements of the scheme.
4. The main reason for the disparity in cost between the original high level estimate of £2.5m and the revised estimate of £4.2m was because the initial estimate was based on a solution involving building additional classrooms in the roof void. This assumption was based on the fact that the school had, in the past, carried out building works in this area. At the time no surveys or designs had taken place and the figure quoted was based on a

desktop study. However changes in building regulation, since then, made the solution impracticable.

5. Since the original proposal and the decision to permanently expand the school, the projected demand for school places in the area has reduced as a consequence of changes in parental preference patterns as well as pupil movement out of the area. In addition, the complexity of the build solution, associated costs and planning difficulties resulted in a decision to consult on lowering the PAN to 45 and to not proceed with the build solution.
6. Leeds City Council Executive Board at their 13th February 2019 meeting determined a PAN for Greenside of 45 for entry from September 2020 - a reduction from the admission of 60 in 2017, 2018 and 2019.
7. The scheme now addresses the requirements created as part of the bulge works, a kitchen expansion, additional classroom provision and an extension to the fence height.
8. The school has already admitted up to 60 children into Reception class for the academic year 2017/18, and will continue to admit 60 children for years 2018/19 and 2019/20, for which there will be a requirement for temporary accommodation to ensure sufficient space and ensure the school continues to effectively deliver teaching and learning.
9. The approved DCR in July 2017 has been used to enter into a contract with Kier Construction Limited for the sum of £426,595.54 for the purchase and installation of temporary accommodation for seven years to support the expansion to a 2FE for the years 2017, 2018 and 2019 (following a Tender Acceptance Report approval by the Director of Children and Families in March 2019, under reference D48465).
10. The second DCR covers the total cost of the revised scheme, temporary accommodation, kitchen expansion and fence. The total scheme cost of £1.03m remains within the £4.2m reported to Executive Board in February 2018. The remaining budget of £3.17m will be rescinded and recycled back into the Learning Places Budget.
11. The project will be delivered in conjunction with Council's City Development Directorate working with NPS. The construction partner will be selected after the completion of a competitive tender process from the YORbuild2 framework. This is in line with the procurement strategy which was approved by the then Director of Children's Services in January 2016.
12. In June 2017, Executive Board approved the Basic Need Programme report recommendation to delegate authority to the Director of Children and Families to approve DCRs for individual projects, subject to support by the Director of Resources and the Director of City Development.
13. In accordance with this approval, this scheme has been considered and supported by the Director of Resources and Housing and the Director of City Development via email, as this falls outside the monthly meeting cycle for the Learning Places Programme Board meeting.

Recommendations

The Director of Children's and Families is requested to:

- i. Approve the total capital scheme cost of £1.03m inclusive of the previous approval noted below.
- ii. Note that a DCR was approved for capital of £434K in July 2017 for the provision of enabling works required to support the expansion of Greenside Primary School.
- iii. Note that a budget of £4.2m was granted at Executive Board, at their meeting in February 2018 and this includes the capital costs for the DCR noted in ii.
- iv. Note that following an intensive review of the scheme, both from a sufficiency point of view where admission numbers were reducing rather than increasing, challenges around value for money, the proposed expansion scheme was revised. The scheme now addresses the requirements created as part of the bulge works, a kitchen expansion, additional classroom provision and an extension to the fence height.
- v. Note that the expansion is temporary for a period of seven years.

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 temporarily increase Greenside Primary School from a 1.5FE to a 2FE school by the end of October 2019;
- Approve the total scheme costs for the temporary expansion of Greenside Primary School, the capital cost being £1.03m.

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.

2.4. Since 2009, Leeds City Council has created over 11,500 primary school places in response to demand created by a continuous rise in the birth rate across the city since the early 2000's. Birth rates increased from 7,500 per year in 2001, to a high point of 10,350 in 2012. Birth rates now appear to have plateaued at around 10,000 per annum and therefore the need for additional primary school places has receded due to the capacity added in over the past decade.

2.5. Since the last update to Executive Board in February 2018 the Learning Places Programme has successfully delivered 1,600 primary school places across 10 schools at a programme wide investment of £38.6m. A further 4 primary school expansions totalling an investment of £18.75m are on programme to deliver in 2019.

2.6. As a consequence of the increasing birth rate in Pudsey and surrounding areas, it is necessary to temporarily expand for a period of seven years, the provision at Greenside Primary School from a 1.5 Form Entry with 315 pupil places, to a 2 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.

2.7. The expansion of places was approved by Executive Board on 9th March 2016 following public consultation and the publication of statutory notices for the expansion on 14th December 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. Due to the phasing required to deliver this scheme the DCR approvals have been sought under two separate DCRs, the total of both DCRs remain within a scheme

budget of £4.2m approved by members of the Executive Board at their meeting in February 2018.

2.9. The first DCR was approved in July 2017 for the sum of £574K (capital of £434K and revenue of £140K) by the Director of Children and Families, under reference D44603.

2.10. This second DCR covers the cost of the requirements created as part of the bulge works and extending and refurbishing the existing kitchen and carrying out other related works. The total scheme costs of 1.03m are therefore in line with the scheme budget of £4.2m as previously approved by Executive Board in February 2018.

3.0 Main Points

3.1 Design Proposals and Full Scheme Description

3.1.1. The temporary expansion to provision at Greenside Primary School will be completed by end of October 2019 and includes:-

- The purchase and installation of temporary accommodation (two classrooms), groundworks for the temporary accommodation (provision of foundations, drainage and tarmac) fencing and associated works required to provide the accommodation for seven years.
- Works necessary to expand the existing kitchen so that it is suitable for a 2FE school.
- Screening the existing extension behind a wooden screen so the visual impact of the air handling unit and duct, that are necessary as part of the expansion works, is minimised.
- Installation of external vents where there are currently high level windows to maintain good flow of air flow and reduce smell and moisture in the kitchen.
- A new enclosed bin store.
- New fence around the perimeter of the playground which will reduce the number of games related equipment going onto the nearby road. This was a key requirement of the school's senior management team and governing body who expressed significant concerns about the increased risks to health and safety due to the higher number of pupils.

4.0 Programme

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

Milestone	Date
Submit planning application	16 th May 2019
DCR approved	7 th June 2019
Tender package issued	17 th June 2019
Tender package returned	4 th July 2019
Evaluate tenders and award contract	26 th July 2019
Work begins on site	5 th August 2019
Handover of site	28 th October 2019

5.0 Corporate Considerations

5.1. Consultation and Engagement

- 5.1.1.** The proposal to expand the school was subject to statutory process issued on the 14th December 2015 including public consultation. The expansion of the school was subsequently approved by Executive Board on 9th March 2016.
- 5.1.2.** The expansion scheme has been subject to consultation with key stakeholders including Children's and Families 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 have been held with officers prior to the formal submission of the planning application.
- 5.1.4.** Throughout the design process the school and governing body has been consulted to ensure that the final product meets expectations and that any changes proposed do not materially affect the operation and success of the school. The school governing body have also formally given their support for the scheme.
- 5.1.5.** In accordance with the Learning Places Programme Delegation from Executive Board in September 2014, this scheme has been considered and supported via email as this falls outside the monthly meeting cycle for the School Places Programme Board meeting. Approval by the Director of Resources and Housing and the Director of City Development was received on 10th June 2019.

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 attached at 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 children live, the proposals will improve the accessibility of local and desirable school places.
- 5.3.2.** Contract Procurement Rules (CPRs) apply and this report confirms that the relevant CPRs have been adhered to.
- 5.3.3.** This project contributes to the Best Council Plan 2019/ 20 – 2020 / 21 outcome 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'.

5.3.4. It also supports the outcomes set out in the Leeds 2018-23 Children and Young People's Plan with a particular focus on, 'All children and young people do well at all levels of learning and have skills for life'.

5.3.5. The consultation process followed is in line with the Best Council value 'Working with communities' by ensuring that 100% of major decisions are supported by community engagement, consultation and due regard for equality.

5.4. Resource and Value for Money

5.4.1. The project will be delivered through the appointment of a contractor following a competitive procurement process using the YORbuild2 framework. The YORbuild2 framework is an approved framework and the proposed procurement process is in line with Leeds City Council's Contract Procedure Rule 3.1.7.

5.4.2. In accordance with CPR 3.1.4, whilst there is an Internal Service Provider (ISP) who can carry out the work, they have advised that due to other commitments, they are unable to carry out the works required on this occasion.

5.4.3. In accordance with CPR 3.1.5., there is no exclusive supplier arrangements in place to undertake this type of work.

5.4.4. As reported above, the initial high level pre-feasibility budget was £2.5m which was revised to £4.2m in February 2018 subject to a completion of a robust feasibility study. Following the conclusion of the study, the overall scheme budget was revised to £1.0m by members at their meeting in March 2019 in response to the revised scope of works

5.4.5. The revised scope of works contained in this report takes into account the changes in demographics that have taken place since the original scheme was developed. Therefore the current proposals better respond to the demand for school places than the original scheme. It also means that the Council will be spending significantly less than what was previously anticipated supporting the Council's value of 'Spending money wisely'.

5.4.6. NPS has been commissioned to provide Technical Advisor Services. The scope of service is for NPS to provide City Development with architectural services and technical advice from feasibility to end of procurement. During the construction phase, the scope of the service includes providing technical assurance that the scheme being constructed by the contractor offers value for money, meets the requirements of the brief, conforms to an agreed market testing strategy, the standards set out in the LCC Generic Output Specification and is deliverable within the parameters of the programme.

5.4.7. YORbuild2 recommends that to achieve value for money, the process set out in their document titled 'Open Book Development of Tender Price' is followed. Colleagues in NPS support this view and as part of their role, they will examine all the priced tenders returned and will recommend which offers best value. This will mean only the most economically advantageous tender under EU Procurement Rules will be chosen.

5.4.8. The capital costs of the Early Works Agreement will be met through capital scheme number 32450/GRE/000 as part of the Learning Places Programme.

5.4.9. Capital Funding & Cash Flow

Previous total Authority to Spend on this scheme	TOTAL £000's	TO MARCH 2019 £000's						
			2019/20 £000's	2020/21 £000's	2021/22 £000's	2022/23 £000's	2023 on £000's	
LAND (1)	0.0							
CONSTRUCTION (3)	427.0		427.0					
FURN & EQPT (5)	0.0							
INTERNAL FEES (6)	7.0		7.0					
OTHER COSTS (7)	0.0							
TOTALS	434.0	0.0	434.0	0.0	0.0	0.0	0.0	0.0
Authority to Spend required for this Approval	TOTAL £000's	TO MARCH 2019 £000's						
			2019/20 £000's	2020/21 £000's	2021/22 £000's	2022/23 £000's	2023 on £000's	
LAND (1)	0.0							
CONSTRUCTION (3)	466.6		455.2	11.4				
FURN & EQPT (5)	51.1		51.1					
INTERNAL FEES (6)	27.0		27.0					
OTHER COSTS (7)	51.3		51.3					
TOTALS	596.0	0.0	584.6	11.4	0.0	0.0	0.0	0.0
Total overall Funding (As per latest Capital Programme)	TOTAL £000's	TO MARCH 2019 £000's						
			2019/20 £000's	2020/21 £000's	2021/22 £000's	2022/23 £000's	2023 on £000's	
LCC SUPPORTED BORROWING	0.0							
BASIC NEED GRANT	4,200.0		1,018.6	11.4				
TOTAL FUNDING	4,200.0	0.0	1,018.6	11.4	0.0	0.0	0.0	0.0
Balance / Shortfall =	3,170.0	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

5.5. Revenue Effects

5.5.1. There are no revenue implications arising from this scheme.

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

5.6.1. The approval for this project to proceed as set out in this report follow the delegations for the Learning Places Programme approved by Executive Board and updated in June 2017. Executive Board has already approved the authority to spend for the project as required by Financial Procedure Rules and the decision to proceed in this report constitutes a key decision and as such will be subject to call in.

5.6.2. The Director of Children's and Families has been granted the delegated authority to approve this project to proceed after complying with the conditions established by Executive Board in June 2017.

5.6.3. The YORbuild2 framework is an approved framework and the proposed procurement process is in line with CPR 3.1.5.

5.6.4. The value of this Authority to Spend request represents a Key Decision and is therefore subject to call in.

5.7. Risk Management

5.7.1. Risk is to be managed through application of 'best practice' project management tools and techniques via the City Council's 'PM Lite' risk methodology. Experienced Project Management resource has been allocated from within City Development.

5.7.2. A joint priced risk log will be developed for the scheme by Leeds City Council and the appointed 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 Projects and Programmes.

5.7.3. A client held contingency, commensurate with a project of this type and value, has been included within the approval figure to address any risks that occur during construction. Until a building condition and asbestos survey have been undertaken, there is a risk that costs for the remodelling work may increase.

5.7.4. The other key risk to the project is the failure to achieve the project milestones set out in section 4 resulting in the kitchen not being ready by end of October 2019. Therefore it is essential that the current momentum is sustained and that works commence as soon as possible during the summer school holidays. This will give the appointed contractor the opportunity to maximise progress because the school will be non-operational during this period. In the event that the kitchen is not ready by end of October, the school will continue to have their meals delivered as they currently do.

6.0 Conclusions

6.1. On Greenside Primary Expansion scheme, there has been significant amount of work to ensure that the scope of the project provides value for money and that the outcomes are line with the requirements identified by colleagues in Children and Families.

6.2. The revised scope of works contained in this report takes into account the changes in demographics that have taken place since the original scheme was developed.

6.3. The current proposals better respond to the demand for school places than the original scheme. It also means that the Council will be spending significantly less than what was previously anticipated supporting the Council's value of 'Spending money wisely'.

7.0 Recommendations

The Director of Children's and Families is requested to:

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- ii. Note that a DCR was approved for capital of £434K in July 2017 for the provision of enabling works required to support the expansion of Greenside Primary School.
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- iv. Note that following an intensive review of the scheme, both from a sufficiency point of view where admission numbers were reducing rather than increasing, challenges around value for money the proposed expansion scheme was revised. The scheme now addresses the requirements created as part of the bulge works, a kitchen expansion, additional classroom provision and an extension to the fence height.
- v. Note that the expansion is temporary for a period of seven years.

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.