



Report of the Head of Projects & Programmes

Report to the Director of Childrens & Families

Date: 4th May 2020

Subject: Stage 1 Tender Acceptance Report and provisional 'Approval to Spend' request for the Learning Places Programme expansion of West Oaks SEN Specialist School and College (Woodhouse Learning)



Are specific electoral wards affected? If yes, name(s) of ward(s): Little London & Woodhouse	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Has consultation been carried out?	<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
Will the decision be open for call-in?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, access to information procedure rule number: Appendix number:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

Summary

1. Main Issues

- Physical Expansion of the 'Woodhouse Learning' campus of the West Oaks SEN Specialist School and College is necessary allow the school to have sufficient accommodation to meet its published admissions number, and therefore address shortfalls in availability of special educational needs (SEN) provision across the city. The project will provide a new teaching wing and associated external provision necessary to allow the school to meet their published admissions number of 230 pupils, which necessitates additional accommodation suitable for a further 80 pupils. In order to facilitate the expansion of accommodation the project will utilise the now vacant Grafton Centre site, which dissects the current West Oaks campus, for the location of the new teaching block. This will be directly linked to the existing building, to minimise the replication of resources, and will bring together the various parts of the current West Oaks Woodhouse site to create a coherent and holistic educational campus.
- Following completion of the first phase of a competitive tender process, facilitated by the Local Education Partnership (LLEP) Interserve Construction Limited are proposed to be appointed as 'preferred' contractor. Scoring of the tenders was undertaken, on a 'price / quality' split, jointly by the LLEP, NPS Leeds Ltd. (Quantity Surveyor & Architecture supported by technical disciplines) and City Development Officers. Interserve's submission, valued at £6,919,568, proved financially competitive and offered the highest level of design quality and evidenced extensive experience of delivery of SEN construction projects on complex 'live' sites.

- Acceptance of Interserve's 'Pre-Construction Services Agreement' (PCSA) fee, valued at £15,000 and covers Interserve's professional fees only, is required to progress the project in-line with the critical path dates highlighted within this report. This mandates a September 2021 completion for the full scheme. Note, NPS design fees of £215,849 will be incurred in this period, along with a portion of the LLEP fee of £234,439, which is invoiced via the LLEP until NPS are novated to Interserve in the next stage. Bringing the maximum potential exposure for the PCSA period to £465,288.
- Note, the PCSA fee forms part of the full Stage 1 tender sum of £6,919,568, representing an agreed fee that is drawn down early to facilitate progression of the project.
- Due to the constrained construction programme, and the hard deadline of September 2021 for occupation, it is necessary to secure provisional 'approval to spend' of the identified scheme budget of £10m in advance of financial close. This will ensure that once the 'Stage 2' tender has been reviewed and ratified by the Authority's independent technical and financial consultants, NPS Leeds. Ltd., the award of the contract can be enacted, in-line with the critical path programme dates, at the approval of the Director of Childrens & Families, in consultation with the Executive Member for Learning, Skills and Employment, the Director of City Development and the Director of Resources and Housing via the School Places Programme Board. In addition, this will ensure any necessary 'early works' packages are approved in-line with the critical path programme dates.
- Planning was validated on 16th March 2020 and is scheduled for determination on the 15th June 2020.
- Following acquisition of planning permission, and submission of a compliant Stage 2 tender price at commercial close, a further design cost report will be submitted seeking approval for the final detailed contract costs and award of the contract. This is currently targeted to be within the provisional 'approval to spend' tolerance of £10m sought within this report.
- The impact of the Covid-19 pandemic on project risk, programme and cost is currently unknown, this is being actively managed by the Project Team to ensure the scheme remains within the tolerances outlined herein.

2. Best Council Plan Implications

- 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.
- This contributes to the 2019/2020 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 2018-23, 'Leeds to be the best city in the UK and the best city for children and young people to grow up in. We want Leeds to be a child friendly city'. The programme seeks to deliver a supply of good quality accessible local school places which can contribute to these outcomes.

3. Resource Implications

- Development of the wider scheme is ongoing and will adhere to the provisional 'approval to spend' figure of £10m sought for approval within this report. The full scheme figure is inclusive of all design fees, the full extent of the construction contract, decant costs, utilities, loose furniture & equipment, off-site Highways works, client held contingency etc. The

project team will endeavour to ensure this figure is not exceeded and, where possible, bring the overall scheme in under budget.

- The preferred tender, from Interserve Construction Limited, has a value of £6,919,568. This is subject to further development in the next phase of design, with the final Stage 2 submission and award of the construction contract subject to a future design cost report.
- Acceptance of the PCSA fee is required to progress the project from Stage 1 tender to Stage 2 tender contract close, including the completion of the planning process. This has a maximum value of £465,288 once LLEP and NPS fees are accounted for and is necessary to develop the design to commercial close. The Interserve fee component of this, £15,000, is included within the £6,919,568 tender price but drawn down early to facilitate the design process.
- The cost will be met through capital scheme number 33176 WDH 000 as part of the Learning Places Programme.

4. Recommendations

The Director of Children and Families is requested to:

- a) Provide provisional 'approval to spend' of £10m for the expansion of West Oaks SEN Specialist School and College (Woodhouse Learning), subject to future design cost reports and approvals at the appropriate juncture. Noting that the figure of £10m is inclusive of all aspects of the project, including; the construction contract figure, off-site highways works, client held contingency, furniture and equipment, decant costs, service connections etc.
- b) Acknowledge the first stage of the tender for the expansion of West Oaks SEN Specialist School and College (Woodhouse Learning), submitted by Interserve Construction Limited via a competitive tender exercise facilitated by the Leeds Local Education Partnership, for the sum of £6,919,568 and to appoint them to progress the design to the Stage 2 tender point. Noting that this represents the 'as tendered' contractual sum and is exclusive of other costs, such as client held contingency or off-site Highways works.
- c) Authorise the acceptance of the Pre-Construction Services Agreement and the supporting fees for this period as submitted by Interserve Construction Limited and NPS Leeds Ltd. via the Leeds Local Education Partnership for the sum of £465,288.
- d) Note the programme dates identified in section 3.2 of this report, in relation to the implementation of this decision, represents the critical path for project success and must be adhered to where possible to ensure occupation for September 2021.
- e) Note that the officer responsible for implementation is the Head of Service Learning Systems.

1.0 Purpose of this report

1.1. The purpose of this report is:

- Seek approval to set the holistic project budget at £10m and provide provisional 'authority to spend' on this figure, subject to submission of future design and cost reports.
- To update the Director of Childrens & Families on the West Oaks SEN Specialist School and College (Woodhouse Learning) re-development tender process.
- Seek acknowledgement of Interserve Construction Limited's tender, submitted via the Leeds Local Education Partnership, in the sum of £6,919,568 and their appointment to the scheme to develop the proposals to commercial close and completion of the Stage 2 tender. Noting that this proposal is subject to further development and future approvals prior to contract close.
- Seek acceptance of the 'Pre-Construction Services Agreement' sum and associated LLEP and NPS fees of £465,288 covering the period up until financial close and completion of the Stage 2 tender activities.

2.0 Background information

- 2.1. The Learning Places programme represents the Council's response to the demographic growth pressures in school place provision. The number of children and young people living in Leeds has increased over the past decade, which has resulted in rising demand for both mainstream and specialist provision places across the city. The scale of the need cannot be met through the existing specialist provision 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 Childrens & Families Learning Places Programme. Project management of schemes arising from this process are delivered by City Development's Projects & Programmes Team in Asset Management and Regeneration.
- 2.2. Following identification of pressures on specialist provision across Leeds, a strategy to expand the existing Specialist Inclusion Learning Centres (SILC) was developed in addition to establishing two new special educational needs (SEN) free schools. A public consultation was held between 19th June and 24th July 2019 which described the planned proposals necessary to create additional specialist places capacity across the city. The accompanying document highlighted plans to provide the accommodation needed to enable the West Oaks Specialist School and College to take additional learners in order to fulfil the capacity of their current Published Admission Number. At present the school do not have sufficient accommodation to meet this number and therefore further accommodation is required to meet their occupancy potential.
- 2.3. The proposed expansion of accommodation at West Oaks SEN Specialist School and College (Woodhouse Learning) is predicated on the utilisation of the former Grafton Centre site. Prior to demolition the Grafton Centre was located between the main West Oaks building and their ancillary car park, dissecting the site in two. By utilising the Grafton Centre site the project is able to both provide sufficient accommodation for a further 80 pupils, providing the school with sufficient accommodation to meet their published admissions number, but also create a wider holistic campus which improves the external play, social and sporting provision for all pupils at the school. The project proposes to provide a new three storey teaching wing directly connected to the existing block, removing the need for duplication of resource, along with a two storey element which provides the new hall and physical education facilities. Externally the car park will be reconfigured and new playground space, social zones, external dining and a multi-use games area provided.

- 2.4. The proposal to redevelop and expand West Oaks SEN Specialist School and College (Woodhouse Learning) has been developed by City Development's Projects & Programmes Team on behalf of Childrens & Families. Under the exclusivity arrangements detailed within the Strategic Partnering Agreement (SPA) the Leeds Local Education Partnership have been appointed to deliver the proposals for West Oaks SEN Specialist School and College (Woodhouse Learning). The scheme will be delivered as part of the Learning Places Programme.
- 2.5. To ensure value the LLEP facilitated a competitive procurement exercise, wherein three contractors were invited to price for the scheme as part of a two stage tender. The results were then scored on price / quality split, with the quality criteria being primarily associated with SEN experience and site management. Each contractor would then price the scheme based on the NPS RIBA Stage 2 concept design.
- 2.6. These proposals form part of the Council's Learning Places Programme and Capital Maintenance Programme that embeds the 'One Council' approach in terms of shared ownership of proposed solutions across the various departments involved.

3.0 Main Issues

3.1. Design proposals and full scheme description

- 3.1.1. The works at West Oaks SEN Specialist School and College (Woodhouse Learning), necessary to provide supplementary accommodation to allow the school to have sufficient accommodation to meet their published admissions number is comprised of the following essential components;
 - Construction of a new teaching annexe, consisting of; three storey teaching wing containing the classrooms, two storey wing containing the hall, sports and dining facilities.
 - Connection of the new teaching annexe to the legacy block at ground and first floor level.
 - Reconfiguration of the car parking and drop-off function, including an allowance of electrical vehicle charging points.
 - Creation of external play and social spaces including; external dining, habitat space, defined play provision.
 - Provision of a Sport England standard 'multi-use games area' size for small team sports. Noting that this will not have floodlights.
 - Associated landscaping and external works.
 - Formation of temporary playground, car parking and drop-off provision for the duration of the project construction period, wherein upon completion it will be full reinstated. To be located on the adjacent Council owned fields subject to confirmation from Corporate Asset Management.
 - Necessary off-site works required to facilitate the project, including any essential highways improvements arising as a consequence of the project.
- 3.1.2. The planning application for the proposed works was submitted on the 16th March 2020 and is scheduled for determination in June 2020. Prior to submission, briefings were held with the Executive Member for Learning, Skills and Employment, in addition a public pre-planning drop-in sessions held at West Oaks Woodhouse on the 10th and 12th March 2020.

- 3.1.3. The proposal detailed within this report have been procured under the Strategic Partnering Agreement (SPA) between the LLEP and Leeds City Council. The associated procurement rules applied to this process has been adhered to. The exclusive supplier arrangements, detailed under CPR 3.1.5, have been invoked in this instance. Construction contracts developed through the SPA are delivered by Leeds D&B One Ltd., with the winning bidder acting as subcontractor to the LLEP via a pass-down contract.
- 3.1.4. A two stage tender process has been undertaken via the Leeds Local Education Partnership. In the initial phase, which this report is summarising, three contractors were invited to bid for the project based on the standard DfE approach. The three contractors were asked to price the NPS RIBA Stage 2 design and provide a detailed construction phase plan, addressing issues associated with proximity to a complex live site on a constrained footprint. Each submission was then evaluated on a 'Price / Quality' basis, via a panel consisting of representatives from the LLEP, Leeds City Council and NPS. Of the three bids submitted two were returned, with one contractor abstaining prior to completion of the tender period.
- 3.1.5. Each bidder's submission was subject to a full technical and financial review by NPS Leeds Ltd. to ensure compliance to the specification, school specific brief and robustness of the price build-up. NPS have advised that the preferred tender, from Interserve Construction Ltd., is fully compliant and recommends that they be appointed to the project to develop their proposals further.
- 3.1.6. Following completion of the tender evaluation Interserve Construction Limited were identified as the preferred contractor for the scheme, with a submission valued at £6,919,568. The full scheme, inclusive of all professional services fees, service, off-site Highways works, design development risk and Authority held contingencies, is still in development and will subject to future reporting and approvals at the appropriate juncture.
- 3.1.7. This report seeks to acknowledge Interserve's tender for West Oaks SEN Specialist School and College (Woodhouse Learning) and to appoint them to complete the detailed design process via a 'Pre-Construction Services Agreement' (PCSA), in order to allow them to develop the design to commercial close. Interserve's final submission, following award of planning and completion of the commercial close activities, will be subject to further compliance reviews by NPS prior to formal award being granted. The request to accept the final cost proposal from Interserve will be subject to a future 'Design Cost Report', seeking to approve; the final project budget inclusive of all activities and fees, award of the JCT contract between LCC and Leeds D&B One Ltd. and acceptance of the final tender price from Interserve Construction Ltd.
- 3.1.8. To date £253,028 has been committed to the project to enable its development, constituting; professional services fees, surveys and other essential development costs.
- 3.1.9. Any delay to a 1st June 2020 commencement of 'early works' construction activities will have a multiplying affect at the back end of the programme. Due to the necessity of whole school decant it is not possible to relocate into the new block outside of a lengthy school shut down period, optimally the summer break in 2021.

3.2. Programme

- 3.2.1. The key milestones for the project are noted below;

Milestone	Date
Approval of provisional 'Authority to Spend'	w/c 20 th April 2020
'Call-in' period for provisional ATS expires	w/c 11 th May 2020 based on w/c 20 th April
'Early Works' Submission approved	29 th May 2020

'Early Works' period on-site	1 st June to 28 th August 2020
Planning permission granted	15 th June 2020
Final 'Contractor's Proposals' issued	20 th July 2020
'Contractors Proposals' evaluation period	27 th July to 7 th August 2020
Tender Acceptance & Design Cost Report	w/c 3 rd August 2020
Contract award	10 th August 2020
Contract Period start on-site	w/c 10 th August 2020
Completion / Handover	6 th September 2021
Demobilisation period	6 th September to 21 st October 2021

- 3.2.2. Note; 'Early Works' period allows for procurement of critical material and site enabling works and is subject to a separate future design cost report. No permanent structures will be erected with the 'Early Works' period until Planning has been determined.
- 3.2.3. Approval of provisional 'authority to spend' is vital to ensure the critical path dates noted above are met and the school delivered for occupation by pupils in September 2021.
- 3.2.4. Failure to meet the critical path dates noted and, crucially, the August 2021 handover will exponentially increase the probability of temporary decant accommodation being required. The cost for this is currently unknown and will be logistically challenging and complex to deliver due to the confined site at West Oaks Woodhouse during the construction programme. As a consequence there is little remaining capacity in which to deploy temporary accommodation, such as modular classrooms, once the construction compound and build area are allowed for.
- 3.2.5. Note; the programme detailed in section 3.2.1 reflects the position prior to the outbreak of the Covid-19 pandemic and the lockdown measures imposed on the 23rd March 2020. This includes for a period of three weeks delay as a direct consequence of lockdown, with the remainder of the programme re-sequenced to ensure this extension of time has minimal impact on the critical path dates. Whilst the project team is endeavouring to meet these dates they remain a guide at this time until the full extent of the pandemic can be accounted for. The critical path remains as such and will be targeted regardless of a delayed start or the impact upon availability of labour and materials.

4.0 Corporate considerations

4.1. Consultations and engagement

- 4.1.1. The proposal detailed herein was tabled at the 'School Places Programme Board' on 30th April 2020 and the contents approved in principal by the Directors in attendance.
- 4.1.2. The proposed expansion scheme has been subject to consultation with key stakeholders including; Childrens & Families officers, Little London and Woodhouse Ward Members and the Executive Member for Learning, Skills and Employment. Consultation has also involved school staff and governors, colleagues within the Council and specific parents meetings have been held for existing families. Local residents have had the opportunity to share their views and find out more by attending a community consultation as part of the planning process.
- 4.1.3. Engagement and consultation with the school management team and Governing Body was extensive throughout the tender development and bidding period.
- 4.1.4. Consultation with statutory consultees, namely Planning, Landscape, Highways and Urban Design, has been ongoing since project inception.

4.1.5. Prior to the submission of the planning application a full public consultation on the proposals will be convened and managed by Interserve Construction Limited and their associated professional consultant partners. This took place on the 10th and 12th March 2020 at the school.

4.2. **Equality and diversity / cohesion and integration**

4.2.1. The recommendations contained in this report do 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 for this scheme (attached at Appendix A) and the outcome of the screening is that an independent impact assessment is not required for the proposals set out in this report.

4.3. **Council policies and the Best Council Plan**

4.3.1. 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.

4.3.2. This contributes to the 2019/2020 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 2018-23. , 'Leeds to be the best city in the UK and the best city for children and young people to grow up in. We want Leeds to be a child friendly city'. The programme seeks to deliver a supply of good quality accessible local school places which can contribute to these outcomes.

4.4. **Climate emergency**

4.4.1. Full sustainability proposals will be developed in detail as part of the next stage of design and included within the planning application in order to meet the requirements of the associated planning policies, such as EN1 and EN2.

4.4.2. Requirements to meet the following planning policy requirements were included as part of the Authority's project brief.

a) Policy EN1 – Climate Change – Carbon Dioxide Reduction

In the expectation that the development will exceed 1,000m² of floor space the following will be required:

- i. Reduce total predicted carbon dioxide emissions to achieve 20% less than the Building Regulations Target Emission Rate until 2016 when all development should be zero carbon, and
- ii. Provide a minimum of 10% of the predicted energy needs of the development from low carbon energy.

Carbon dioxide reductions achieved through criteria (ii) will contribute to meeting criteria (i).

Criteria (ii) will be calculated against the emissions rate predicted by criteria (i) so reducing overall energy demand by taking a fabric first approach will reduce the amount of renewable capacity required.

b) Policy EN2 – Sustainable Design & Construction

Adhere to the Leeds BREEAM standard of 'Excellent' for non-residential buildings. A BREEAM pre-assessment is to be undertaken at the earliest available opportunity to determine the most cost effective solutions to this requirement.

c) Policy EN8 – Electric Vehicle Charging Infrastructure

All applications for new development which include provision of parking spaces will be required to meet the minimum standard of provision of electric vehicle charging points. This requires:

- ii. Office / Retail / Industrial / Education: charging points for 10% of parking spaces ensuring that electricity infrastructure is sufficient to enable further points to be added at a later stage.

d) The project should respond to the sustainable travel policies outlined in the 'Leeds Core Strategy', particularly in reference to the following:

- i. Policy T1 – Transport Management
- ii. Policy T2 – Accessibility requirements and new developments
- iii. Policy P10 – Design

Noting the requirements outlined in the 'Parking SPD', 'Travel Plan SPD' and 'Sustainable Educational Travel Strategy for Schools and Colleges 2017 – 2021'.

4.4.3. Each bidder, including the preferred bidder Interserve Construction Limited, responded to these within their submissions. A 'fabric first' approach was favoured and supplemented by other measures, such as photovoltaic panels, to meet this performance criteria. As such the costs associated with implementing these requirements are included within the bid of £6,919,568.

4.4.4. A sustainable approach to design will continue into the next phase of development to ensure a cost effective and resource efficient facility is delivered. The following elements will be considered as the proposals and logistical plans developed:

- Optimises passive design measures, including fabric first principles.
- Minimises the use of all resources.
- Reducing the demand for energy and water use during the 'Works Period' and in use.
- Minimises construction waste and CO₂ emissions during the 'Works Period'.
- Allows opportunities for recycling during the 'Works Period'.

4.4.5. The contractor for the proposed development will need to demonstrate a robust Waste Management Plan, be registered with the 'Considerate Constructors Scheme', of which, the main consideration of the scheme falls into three categories: The general public, the workforce and the environment. Contractors will also need to be sympathetic to the 'Leeds Talent and Skills Plan' by seeking to employ local trades where possible thus reducing the impact of extended travel.

4.4.6. The following standard planning conditions will be addressed as the project develops:

- Development of the school 'Travel Plan' to seek sustainable travel options, the project will respond to the requirements of the Travelwise Team and colleagues from Highways to ensure appropriate pedestrian and cycle provisions are allowed for.
- To protect and enhance the visual amenity approved plans will need to include a programme of replacement tree planting at a 3:1 ratio. Tree loss will be kept to a minimum with any replacement anticipated to be 'extra heavy standard'.
- In the interests of promoting sustainable travel opportunities electrical vehicle charging points will be provided as part of the scheme at the appropriate ratio.

4.5. Resources, procurement and value for money

- 4.5.1. The contractor has been appointed via the Strategic Partnering Agreement (SPA) between the LLEP and Leeds City Council. The associated procurement rules applied to this process has been adhered to. The exclusive supplier arrangements, detailed under CPR 3.1.5, have been invoked in this instance.
- 4.5.2. The first phase of the tender has been analysed by NPS Leeds Ltd. on behalf of the Authority and the LLEP, from both a technical and financial perspective. The NPS Quantity Surveyor has confirmed that the tendered figure from Leeds D & B One Ltd, via Interserve Construction Limited, offers value to the Authority and minimises the associated scheme risk.
- 4.5.3. Potential labour resource availability and procurement delays as a consequence of the Covid-19 pandemic are currently being investigated, regardless the programme and cost tolerances noted within this report remain the critical path and every endeavour will be made by the project team to adhere to them.
- 4.5.4. Note, in the event the project is terminated midway any costs incurred as part of the PCSA fee will be assigned as abortive work against the revenue budget. This will cover professional fees and surveys completed to the date of termination. The PCSA figure is part of the tender price of £6,919,568 and is drawn down early to facilitate design development and commercial close.
- 4.5.5. The cost will be met through capital scheme number 33176 WDH 000 as part of the Learning Places Programme and the Capital Maintenance Programme.

4.6. Capital Funding & Cash Flow

- 4.6.1. The budget table detailed below is based on the current Stage 1 tender costs and progress of the project to date. As such it does not reflect the final impact of any subsequent design development, fluctuation of market factors (e.g. impact of Covid-19), the Stage 2 market testing exercise, off-site Highways works etc. The final costs for which will be subject to a future design and cost report at the culmination of Stage 2 of the tender exercise. At this juncture the contractor's proposals will be fully costed and representative of the contract close sum. Similarly, the necessary supporting works, such as off-site highways improvements, will be reflective of the final design and subject to a competitive pricing exercise. Consequently, the figures below represent the current position allowing considerable accommodation for risk factors. The project team continues to develop these elements, working towards driving value and efficiency where possible for reporting as part of the future final scheme award.

Previous total Authority to Spend on this scheme	TOTAL	TO MARCH				
	£000's	2020 £000's	2020/21 £000's	2021/22 £000's	2022/23 £000's	2023 On £000's
LAND (1)	0.0					
CONSTRUCTION (3)	0.0					
FURN & EQPT (5)	0.0					
DESIGN FEES (6)	0.0					
OTHER COSTS (7)	0.0					
TOTALS	0.0	0.0	0.0	0.0	0.0	0.0
Authority to Spend required for this Approval	TOTAL	TO MARCH				
	£000's	2020 £000's	2020/21 £000's	2021/22 £000's	2022/23 £000's	2023 On £000's
LAND (1)	0.0					
CONSTRUCTION (3)	6920.0		4152.0	2076.0	692.0	
FURN & EQPT (5)	100.0			100.0		
DESIGN FEES (6)	881.0		881.0			
OTHER COSTS (7)	2099.0		721.0	1378.0		
TOTALS	10000.0	0.0	5754.0	3554.0	692.0	0.0
Total overall Funding (As per latest Capital Programme)	TOTAL	TO MARCH				
	£000's	2020 £000's	2020/21 £000's	2021/22 £000's	2022/23 £000's	2023 On £000's
Basic Need Grant	10000.0		5754.0	3554.0	692.0	
	0.0					
Total Funding	10000.0	0.0	5754.0	3554.0	692.0	0.0
Balance / Shortfall =	0.0	0.0	0.0	0.0	0.0	0.0

Parent Scheme Number: 33176/WDH/000

Title: Basic Need Expansions 2021/22

4.7. Legal implications, access to information and call-in

- 4.7.1. The approval of this report constitutes a 'Key Decision' and as such will be subject to 'call-in'.
- 4.7.2. The tender has been procured in accordance with the Leeds City Council's contract procedure rules.

4.8. Risk management

- 4.8.1. Risk has been managed through application of 'best practice' project management tools and techniques via the City Council's 'PM Lite' risk methodology. Project management resource from City Development is tasked with ensuring the project remains within the predetermined risk tolerances.
- 4.8.2. A joint risk log will be developed with the appointed contractor to ensure all construction related risks for the project are identified together with the relevant owner of the risk. The Council's project risk log will continue to 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 Programme, City Development.
- 4.8.3. The key risk to the project at present remains the potential for delay. Interserve Construction Limited's programme is predicated on 'early works' commencing on 1st June 2020 in order to facilitate handover in August 2021. Any delay in signing the construction contract will have a cumulative effect at the back end of the programme and result in critical noisy activities taking place in term time, as opposed to the summer holidays. This will result in disruption to the end user and may necessitate the need for temporary accommodation to cover the delay period if the September 2021 occupation is not achieved. Approval of 'authority to spend' is critical to mitigate this risk, by providing

approval of the £10m project budget in advance of financial close it will allow a swifter turnaround time for future time critical reports. Thus ensuring the critical path is met.

- 4.8.4. The implications of disruption to the construction industry following Covid-19 are currently unknown, the design and construction team are provided regular updates on the impact this is having on the project.

5.0 Conclusion

- 5.1. Construction of a new teaching block at West Oaks SEN Specialist School and College (Woodhouse Learning) site is vital in generating additional SEN places within Leeds to ensure the Council meets its statutory duties. The new block will provide an additional 80 places at West Oaks and will provide them with the essential accommodation needed to allow West Oaks to meet their maximum published admissions number. Their ability to meet the PAN is currently inhibited by a deficiency of space at the Woodhouse Learning campus.
- 5.2. In order to drive efficiencies a two-stage competitive tender has been undertaken, which has been assessed on a 'price / quality' basis. Of the three tenderers only two submitted bid, with Interserve Construction Limited being identified as the preferred bidder following the technical review, cost assessment and scoring exercise. Interserve's submission provided a high quality response to the tender documents, with an excellent awareness of the site constraints and need for careful site management.
- 5.3. The tender submission provided by Interserve Construction Limited, via the Leeds Local Education Partnership, of £6,919,568 has been evaluated by NPS Leeds Ltd. who in-turn have advised that the submission offers value and quality and should be accepted by the Authority. The recommendation therefore is to accept the tender sum of £6,919,568 and appoint Interserve Construction Limited to commence the detailed design process.
- 5.4. Noting that a 'Pre-Construction Services Agreement' (PCSA) fee, valued at £465,288 once LLEP and NPS fees have been included, is applicable to this process.
- 5.5. As highlighted in section 3.2 of this report, approval of the request for provisional 'authority to spend' of £10m is critical to ensure the critical path programme is met as it will allow swift turnaround of future reports which are time critical. Failure to adhere to this programme will result in the September 2021 occupation date for the new building being missed, resulting in the need for temporary, and currently un-costed, temporary accommodation.
 - 5.5.1. The impact of the Covid-19 pandemic on the successful delivery of the project is subject to continual monitoring and mitigation measures, the overall risk remains an unknown at present however the Project Team are taking every step to ensure the project remains within the critical path and funding tolerances detailed herein.

6.0 Recommendations

- 6.1. The Director of Children & Families is requested to:
 - 6.1.1. Provide provisional 'approval to spend' of £10m for the expansion of West Oaks SEN Specialist School and College (Woodhouse Learning), subject to future design cost reports and approvals at the appropriate juncture. Noting that the figure of £10m is inclusive of all aspects of the project, including; the construction contract figure, off-site highways works, client held contingency, furniture and equipment, decant costs, service connections etc.
 - 6.1.2. Acknowledge the first stage of the tender for the expansion of West Oaks SEN Specialist School and College (Woodhouse Learning), submitted by Interserve Construction Limited via a competitive tender exercise facilitated by the Leeds Local Education Partnership, for the sum of £6,919,568 and to appoint them to progress the design to the Stage 2 tender

point. Noting that this represents the 'as tendered' contractual sum and is exclusive of other costs, such as client held contingency or off-site Highways works.

- 6.1.3. Authorise the acceptance of the Pre-Construction Services Agreement and the supporting fees for this period as submitted by Interserve Construction Limited and NPS Leeds Ltd. via the Leeds Local Education Partnership for the sum of £465,288.
- 6.1.4. Note the programme dates identified in section 3.2 of this report, in relation to the implementation of this decision, represents the critical path for project success and must be adhered to where possible to ensure occupation for September 2021.
- 6.2. Note that the officer responsible for implementation is the Head of Service Learning Systems.

7.0 Background documents¹

- 7.1. 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.