

**Report of the Project Manager**

**Report to the Director of Childrens & Families**

**Date:** 9<sup>th</sup> July 2020

**Subject:** Design Cost Report and Tender Acceptance for the Learning Places programme rebuild & expansion of Benton Park School



Are specific electoral wards affected? If yes, name(s) of ward(s): Guiseley & Rawdon	<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 type="checkbox"/> Yes <input checked="" 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**

- The purpose of this report is; to update the Director of Childrens & Families on the proposal to redevelop and expand the 11 to 16 provision at Benton Park School, seek acceptance of BAM Construction Limited’s tender (via the Leeds Local Education Partnership), and enter into a construction contract to this effect. The identified project budget of £28,500,000, inclusive of all works and fees including the construction contract value of £25,351,599, will be met from 32735/000/000. This will re-provide the main teaching block and expand the published admissions number (PAN) from 1,200 to 1,500 places with effect from September 2021. Provisional approval to spend on the project budget of £28.5m was granted by Executive Board in April 2020 (D50820) and a package of essential ‘early works’ was approved in May 2020 (D50877). This approval represents the final anticipated design cost report associated with this project.
- Re-development of Benton Park School is necessary to address legacy condition issues and provide supplementary accommodation for the proposed increase in pupil numbers effective from September 2021. This will increase the published admissions number from 245 pupils per year to 300. Expansion and refurbishment of the existing facility is not financially or logistically feasible, as such full replacement of the core teaching accommodation is the most economically viable solution long-term. The project proposes to retain one legacy block, for use as Sixth Form provision, and demolish the remainder. With this then being re-provided over a multi-phase construction programme, resulting in a new 1,500 place main teaching block aligned to Department for Education (DfE) standards and specifications. The scheme will ensure continuity of a SEN partnership base located on-site, which will provide the same physical space as previous with potential to

accommodate 30 SEN pupils. This accommodation is outside of the schools increased net capacity of 1,500 pupils.

- Following completion of 'Stage 1' of a competitive tender process, facilitated by the Local Education Partnership (LEP) and aligned to the DfE procurement model, BAM Construction Limited have been appointed as the 'preferred' contractor, having scored the highest based on a 'price / quality' evaluation. BAM have now completed the 'Pre-Construction Services Agreement' (PCSA) phase and have presented their 'contractors proposals' and associated financial breakdown for review by the project team. This 'Stage 2' tender submission has been subject to market testing and review, from a technical and financial perspective by the Authority's appointed technical consultants, by NPS Leeds Ltd. Who in turn have advised that the scheme is well designed, compliant and offers value to the Authority.
- The construction programme is split into two consecutive phase; the first of which constructs the new 1,500 pupil occupancy teaching block on the sports pitches, and the second phase demolishes the identified legacy accommodation and completes the associated landscaping works. 'Phase One' is due to commence on 6<sup>th</sup> July 2020 and complete on 13<sup>th</sup> December 2021. The latter allows for a perceived 16 week Covid-19 'float' period to reflect the programme implication of social distancing continuing throughout the contract period without and relaxation or reduction in severity as of the May 2020 position. Every effort is to be made to minimise this risk and push for a September 2021 occupation, as per the pre-Covid 19 programme, in order to mitigate the need for temporary accommodation. 'Phase Two' will commence on the 10<sup>th</sup> January 2022 run until 24<sup>th</sup> October 2022, excluding any sports pitch maturation periods.
- Planning was submitted on 17<sup>th</sup> February 2020 and was determined on the 16<sup>th</sup> June 2020, this process has been delayed due to the Covid-19 pandemic impacting upon response times.
- The impact of the Covid-19 pandemic on project risk, programme and cost is detailed within BAM's submission based on Government measures in place as of May 2020. This is being actively managed by the Project Team to ensure the scheme remains within the tolerances outlined herein and, where possible, achieve betterment on the contractual programme as lockdown measures relax.
- Note, the PCSA figure and previously approved package of 'early works' form part of BAM's 'Stage 2' tender submission and contract figure, they have been brought forward to facilitate design development and to prepare the site for commencement of the contract works in order to remove the potential for further delay.

## **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

- The full scheme figure of £28,500,000 is inclusive of all development costs, 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 work within the advised budget and ensure this is not exceeded, noting that the figure quoted herein is equal to the £28.5m 'approval to spend' budget approved at the April 2020 Executive Board (D50820).
- The Stage 2 tender from BAM Construction Limited has a value of £25,351,599. This has been subject design review during the PCSA period, with the final submission reviewed by NPS Leeds Ltd. to ensure financial and technical compliance.
- At the request of School Places Programme Board a 'performance bond' for 10% of the construction value has been sought for this. Based on a contract value of £25,351,599 this would provide a bond payment of £2,535,159.90, in the event the conditions are met where it can be executed. The bond has a capital cost of £47,219, this has been included in the budget figures noted herein, and includes an 'on demand' activation of the bond in the event of principal contractor insolvency.
- Note, following completion of the competitive tender the Authority entered into a PCSA agreement with the Leeds Local Education partnership for BAM Construction to complete the detailed design phase up to financial close. A fee of £1,380,965.40 was applicable to this period. In addition, a package of 'early works', comprising of accelerated contract works, was approved at a value of £1,188,101. The PCSA, early design development fees and 'early works' programme represents an exposure of £3,013,438.73 to the Authority to date on the Benton Park School redevelopment project.
- The cost will be met through capital scheme number 32735 000 000 as part of the Learning Places Programme and the Capital Maintenance Programme.

### 4. Recommendations

The Director of Childrens & Families is requested to:

- a) Approve the expenditure of £28,500,000, against the provisional £28.5m 'approval to spend' budget' provided at the April 2020 Executive Board, from capital scheme number 32735/000/000 for the redevelopment and expansion of Benton Park School.
- b) Sanction the requirement to enter into a contractual agreement with D&B One Co. to deliver the Benton Park re-development. This will take the form of an NEC 3 Option A between the authority and Leeds D&B One Ltd for the sum of £25,351,599.
- c) Authorise acceptance of the tender submitted by the LLEP, via BAM Construction Limited, in the sum of £25,351,599, including all contract side design and development fees. Noting that this figure includes the previously approved sum of £1,188,101 for the completion of the necessary 'Early Works' package (DDN D50877).
- d) Note that the approval sum detailed in point (a) above is inclusive of the following elements; £25,351,599 for the construction contract, £1,850,785 for professional services including the project technical assurance function and NEC 3 Project manager, £621,747 for Highways and Authority works, £343,719 for site decant and mobilisation risk, £60,000 for furniture & equipment to support the expansion, £111,321 for surveys and planning fees, £113,610 for internal services and fees, £47,219 for the performance bond. A client held contingency, commensurate with a project of this value, has been included within the approval figure to address any risks that occur during construction.

- e) 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.
- f) 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:**

- To provide background information in respect to the redevelopment and expansion of Benton Park School and the necessity to enter into a NEC 3 contract with Leeds D&B One Co. for the delivery of the construction works to adhere to the project programme.
- Contextualise the associated cost and risk implications of the proposed works, both in terms of the construction programme at Benton Park School and the wider Learning Places programmes implication.
- To seek approval to incur expenditure of £28,500,000 for the full extent of the proposed project, set against the £28.5m 'approval to spend' budget.
- Seek acceptance of the tender submitted by the LLEP, via BAM Construction Limited, in the sum of £25,351,599 for the aforementioned works.
- To seek authority to enter into contract with the LLEP (Leeds D&B One Co.), at a contract value of £25,351,599, for the construction programme at Benton Park School.

## **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 increasing birth rate in Leeds has required Leeds City Council to approve an increasing number of new school places since 2009 in order to fulfil its statutory duty. 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 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. The proposed scheme for Benton Park School is a full rebuild of the school. The school has significant condition issues and, along with the key benefit of providing the additional places needed, a rebuild would ensure that the school could continue to operate without the need to continually inject significant condition funding over a period of several years. Some of the most significant condition issues present include failing concrete and structural supports. The latest Condition Survey for Benton Park, last revised in 2015, highlights that approximately £2.4m of high priority maintenance work is required. However, this figure does not encompass some of the lower priority works, which were also identified in the survey, and are now becoming more pressing, along with new condition issues arising or legacy issues worsening. It also takes no account of where some of the blocks are no longer fit for purpose and require re-building. Finally, it should be noted that, as the building has reached the end of its lifespan, it cannot be fully repaired and restored, merely maintained year-on-year. A new build would also ensure that disruption to students, school staff and the wider community was managed within a shorter timeframe and that the impact on teaching and learning was minimised to allow the school to deliver its curriculum and ensure positive outcomes for its students.

2.3. As a consequence of the ongoing condition issues with the building, funding has been committed from the Capital Maintenance Programme to provide essential year-on-year maintenance works, necessary to ensure the building can remain open and is safe to occupy. This has included; roofing works in 2015, structural works in 2016, concrete repairs in 2017 and again in 2018. The main block was closed for two weeks in February 2020 due to high winds and rain causing the roof to become unsecure. Reactive emergency works were immediately commissioned by the Authority to secure the site and to remove unsafe and redundant roofing materials. Works are currently underway to replace the damaged

roof to ensure the building is safe, warm and watertight. This further highlights the urgency in redeveloping Benton Park School to ensure continuity of service and suitability of the facilities. The Authority will continue a programme of planned and reactive works, where necessary, during the period until the new build is occupied.

- 2.4. The existing main block at Benton Park School is subject to ongoing monitoring by specialist surveyors to ensure the identified issues do not deteriorate further. This process will continue throughout the redevelopment programme to ensure the legacy accommodation can be occupied, with any works identified to maintain this position undertaken as necessary.
- 2.5. The proposed scheme is to be funded from a combination of the Learning Places and Planned Maintenance Programmes, reflecting the increase in admission numbers whilst addressing existing building condition issues. Funding streams would be primarily through Basic Need Grant, council borrowing, Community Infrastructure Levy and School Condition funding.
- 2.6. As a consequence of the combination of school expansion and condition based rebuild the proposal at Benton Park School will be delivered under the following programmes; Learning Places Programme & Capital Maintenance Programme.
- 2.7. The proposal to redevelop and expand Benton Park School 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 (LLEP) have been appointed to deliver the proposals for Benton Park School.
- 2.8. 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. Following completion of a competitive tender exercise BAM Construction Ltd. have been appointed as principal contractor for delivery of the scheme at Benton Park.
- 2.9. Development of the scheme continued between January 2020 and February 2020, culminating in the public pre-planning consultations and submission of the planning application on the 17<sup>th</sup> February 2020. Detailed design has continued, in-line with the 'Pre-Construction Services Agreement' (PCSA) agreement, whilst the planning application follows the statutory determination process.
- 2.10. Planning permission was determined on the 16<sup>th</sup> June 2020. The design team are now in the process of addressing any pre-commencement conditions, with the remainder sequenced within the programme for resolution prior to occupation as applicable.
- 2.11. 'Approval to spend' of £28.5m has been approved by the Council's Executive Board on the 22<sup>nd</sup> April 2020, with delegated powers granted to the Director of Children's & Families, in conjunction with the School Places Programme Board and in consultation with the Executive Member for Learning, Skills and Employment, to approve future design and cost reports associated with the project.
- 2.12. On the 7<sup>th</sup> May 2020 a package of essential 'early works', valued at £1,188,101, was approved by the Director of Childrens & Families (DDN D50877). Due to the constrained redevelopment programme for Benton Park it was essential to undertake critical preparatory works prior to the main scheme approval, to ensure that the full contract period could proceed without delay at the appropriate juncture. These works commenced on the 25<sup>th</sup> May 2020 and included the following key actions; establishment of the construction site, commencement of bulk earthworks, procurement of key design and construction packages.

The 'early works' form part of the contract value of £25,351,599 sought for approval herein, albeit accelerated to ensure the critical path dates are met. This has been of particular importance due to the impact the global pandemic has had on the construction industry and the Benton Park programme specifically.

- 2.13. The proposals for Benton Park School continue to be developed in conjunction with the school management team and associated statutory consultees, in-line with accommodation standards detailed within 'Building Bulletin 103: Area Guidelines Mainstream Schools'.
- 2.14. 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 Benton Park School, necessary to facilitate the proposed increase in pupil numbers and address legacy condition issues, consists of the following key components;
  - Demolition of life expired accommodation, including for removal of asbestos and disconnection of utilities.
  - Construction of a three storey 1,500 place teaching block to replace all legacy accommodation and provide additional capacity for the increased admissions number. Proposed new accommodation is to be based on Department for Education standardised designs and specifications, including for mandatory Leeds enhancements and response to Planning Policy regarding climate change.
  - Re-provision of the SEN Partnership for pupils aged 11 to 16.
  - Provision of fixed furniture and equipment where appropriate.
  - Redevelopment of external car parking provision including realigned bus terminal.
  - Provision of a new FA standard 3G artificial turf pitch with associated floodlighting.
  - Retention of the two storey 'Block 7' for use as a dedicated Sixth Form provision. Works within the project relate purely to disconnection of legacy facilities and reconnection to the newly constructed main block. This allows for extension of the fire alarm and security coverage.
  - Associated landscaping and external works.
  - Off-site highways works as necessary to support the redeveloped school.
- 3.1.2. The estimated cost of the Benton Park project is £28,500,000. This includes; £25,351,599 for the construction contract, £1,850,785 for professional services including the project technical assurance function and NEC 3 Project manager, £621,747 for Highways and Authority works, £343,719 for site decant and mobilisation risk, £60,000 for furniture & equipment to support the expansion, £111,321 for surveys and planning fees, £113,610 for internal services and fees, £47,219 for the performance bond. A client held contingency, commensurate with a project of this value, has been included within the approval figure to address any risks that occur during construction.
- 3.1.3. To date £3,010,512.32 has been committed to the project to enable its development, constituting; 'early works', professional services fees, the 'Pre-Construction Services Agreement', surveys and other essential development costs.

- 3.1.4. The planning application for the proposed works was submitted on the 17<sup>th</sup> February 2020 and was determined on the 16<sup>th</sup> June 2020. Prior to submission, briefings were held with the Executive Member for Learning, Skills and Employment and Ward Members for Guiseley and Rawdon. In addition a number of public pre-planning drop-in sessions, held at Benton Park School, were completed on the 29<sup>th</sup> January 2020. Constituting a morning, afternoon and evening session. Throughout the pre-planning consultation period the proposals were made available online via BAM Construction Limited's planning consultant for residents and members of the community to view and comment on. Additional sessions were held specifically for school staff.
- 3.1.5. Extensive consultation with Planning, Highways, Landscape Design and Urban Design was undertaken throughout the design development of the proposed scheme to rebuild and expand Benton Park School. The application submitted to Planning is a culmination of this consultation and addresses all the concerns raised as much as is practical.
- 3.1.6. Procurement & Commercial Service have been appointed to provide legal and contractual support with the drafting of the construction contract. This will take the form of a NEC3 'head' contract between LCC and D&E One Co. (the LLEP), who will in-turn have a 'pass down' contract with BAM Construction Ltd. Signing of the head contract will be subject to the evidence of the agreed 'step-in' requirements being enacted in all the pass down contracts.
- 3.1.7. To supplement the 'step-in' rights requested a 'performance bond' for 10% of the construction value has been sought for this project at the request of School Places Programme Board. Based on a contract value of £25,351,599 this would provide a bond payment of £2,535,159.90, in the event the conditions are met where it can be executed. The bond has a capital cost of £47,219, this has been included in the budget figures noted herein, and includes an 'on demand' activation of the bond in the event of principal contractor insolvency.
- 3.1.8. Due to a combination of the legacy condition issues causing school closure and the increase in pupil numbers, with effect from September 2021, BAM Construction Limited have been challenged to deliver Phase One of the redevelopment, constituting the new teaching block, for August 2021. The impact of the global pandemic has jeopardised this date, with BAM Construction advising of up to a 16 week delay on programme to deal with reductions in productivity as a consequence of social distancing requirements. This extension of time is based on the presumption that lockdown measures as of May 2020 (when the contract issue programme was created) remain throughout the construction period. With the bulk of this elongation of time coming into effect once the internal trades commence circa November 2020. Every effort will be sought to meet the August 2021 deadline, and contractual means are being put in place to allow this, however it must be noted that the Covid-19 pandemic will render this challenging. This will be continually monitored and mitigation plans put into effect at the appropriate juncture.
- 3.1.9. Following their appointment under the PCSA period BAM Construction Limited have developed the Benton Park proposals through to 'Stage 2 tender' completion. A fully designed, costed and market tested set of proposals have been put to the Authority, which in turn have been reviewed by NPS Leeds Limited for technical and financial compliance. The tender report has identified that the scheme represents value to the Authority and recommends that this proceeds in-line with the programme.

## 3.2. Programme

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

Milestone	Date
'Early Works' official start on-site	18 <sup>th</sup> May 2020



Planning permission determination	16 <sup>th</sup> June 2020
Final cost plan issued	19 <sup>th</sup> June 2020
LCC / LLEP / NPS tender review	w/c 22 <sup>nd</sup> June 2020
Submission of final scheme DCR	w/c 6 <sup>th</sup> July 2020
Approval of final scheme DCR	w/c 13 <sup>th</sup> July 2020
Main contract award	w/c 6 <sup>th</sup> July 2020
Main contract 'start on-site'	13 <sup>th</sup> July 2020
Phase 1 Period – New Block	13 <sup>th</sup> July 2020 to 13 <sup>th</sup> December 2021
Decant	13 <sup>th</sup> to 24 <sup>th</sup> December 2021
School occupation	10 <sup>th</sup> January 2022
Phase 2 Period – Demolition & Externals	10 <sup>th</sup> January 2022 to 24 <sup>th</sup> October 2022
Defects period complete	24 <sup>th</sup> October 2023

3.2.2. In order to accurately reflect the productivity decreases as a consequence of social distancing measures, necessary to combat the spread of Covid-19, BAM Construction Ltd. have re-sequenced the programme based on a 70% productivity benchmark experienced on their other sites as of May 2020. This expectation is based on the social distancing measures extending throughout the first phase of the construction programme without variance. Whilst it is anticipated that these measures will relax in coming months, noting that the productivity reductions are estimated to take effect in November when operatives are inside the building itself, the contract programme must reflect the position as it currently stands. Regardless, every effort is to be made to hit the original August 2021 'target' handover, and the means to take the benefit of any acceleration is to be allowed for within the contract clauses. Despite this elongation of time the critical path start date remains unchanged. It is vital this is met to achieve the programme, in either its original or Covid-19 elongated form detailed herein.

3.2.3. Approval of this report is vital to ensure the critical path dates noted above are met and the school delivered for the 2021/20 academic year.

#### **4.0 Corporate considerations**

##### **4.1 Consultations and engagement**

4.1.1. A report to Executive Board on the 13<sup>th</sup> February 2019 summarised the outcome of the consultation process associated with the expansion, via rebuild, of Benton Park School. This proposed the expansion of Benton Park School from an admissions limit of 245 pupils up to 300 pupils, with effect from September 2021. An extensive consultation on this proposal was facilitated by the Sufficiency & Participation Team and is summarised in the 'Outcome of Statutory Notice to permanently increase learning places at Benton Park Secondary School from September 2021' Executive Board report. The proposal was subsequently approved by Executive Board at the aforementioned February 2019 meeting.

4.1.2. The Executive Member for Learning, Skills and Employment was consulted on the contents of this report on the 7<sup>th</sup> July 2020.

4.1.3. The proposed permanent expansion scheme has been subject to consultation with key stakeholders including; Childrens & Families officers, Guiseley & Rawdon Ward Members. Consultation has also involved school staff and governors, the local residents and other colleagues within the Council.

4.1.4. Engagement and consultation with the school management team and Governing Body has been extensive throughout project development. Representation of the School Management Team has been present at all design development meetings. Both the School Management Team and representation from the Governing Body were part of the tender

scoring process. Further to this full briefing so the Governing Body have been completed as necessary upon request.

- 4.1.5. Consultation with statutory consultees, namely Planning, Landscape, Highways and Urban Design, has been ongoing since project inception and will continue following award of the project to BAM Construction Limited. The scheme has been subject to a pre-planning application, the information arising from this process has been included within the tender pack with the expectation that each contractors bid is cognisant of, and responds to, the concerns raised.
- 4.1.6. As part of the tender process each bidder, including the preferred bidder BAM Construction Limited, held an engagement with Planning, Landscape, Highways and Urban Design. These comments were responded to within the bid and were used as part of the quality assessment.
- 4.1.7. Prior to the submission of the planning application a full public consultation on the proposals was convened and managed by BAM Construction Limited and their associated professional consultant partners. This took place on the 29<sup>th</sup> January 2020 across three sessions and included access to an online portal wherein the full planning drawing suite could be viewed.
- 4.1.8. Officers from City Development's Projects & Programmes Team have routinely briefed Ward Members throughout the projects inception. This will continue throughout the detailed design process and ultimate delivery on-site.

#### **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, ultimately, 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 tender requirements.

a) Policy EN1 – Climate Change – Carbon Dioxide Reduction

In the expectation that the development will exceed 1,000m<sup>2</sup> 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. BAM Construction Limited have implemented a 'fabric first approach' to meeting these criteria, wherein the construction methodology maximises the performance of the components and materials that make up the building. This ensure the building is as passively energy efficient as possible in its operation, before mechanical and electrical solutions are utilised to supplement and further improve this criteria. Examples of this in action include; maximising air tightness, high insulation, utilising the thermal mass of the building etc. This is then supplemented, where necessary, with active measures, such as photovoltaic panels.

4.4.4. Further opportunities to exceed the requirements noted within Planning Policy EN1 are being sought in partnership with the Authorities Climate Change Team.

4.4.5. 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 CO<sub>2</sub> emissions during the 'Works Period'.
- Allows opportunities for recycling during the 'Works Period'.

4.4.6. 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.

4.4.7. 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.

4.4.8. Planning permission was secured on the 16<sup>th</sup> June 2020 and, where appropriate, suitable conditions were imposed to ensure the sustainability measures provided within the planning submission were successfully implemented.

#### 4.5. **Resources, procurement and value for money**

4.5.1. The estimated cost of the Benton Park project is £28,500,000. This includes; £25,351,599 for the construction contract, £1,850,785 for professional services including the project technical assurance function and NEC 3 Project manager, £621,747 for Highways and Authority works, £343,719 for site decant and mobilisation risk, £60,000 for furniture & equipment to support the expansion, £111,321 for surveys and planning fees, £113,610 for internal services and fees, £47,219 for the performance bond. A client held contingency, commensurate with a project of this value, has been included within the approval figure to address any risks that occur during construction.

4.5.2. At the request of School Places Programme Board a 'performance bond' for 10% of the construction value has been sought for this. Based on a contract value of £25,351,599 this would provide a bond payment of £2,535,159.90, in the event the conditions are met where it can be executed. The bond has a capital cost of £47,219, this has been included in the budget figures noted herein, and includes an 'on demand' activation of the bond in the event of principal contractor insolvency.



**Parent Scheme Number:** 32735/000/000

**Title:** Benton Park High School Redevelopment

#### 4.7. **Revenue Effects**

4.7.1. Any additional revenue consequences that may arise as a result of the project will be managed within the school budget.

#### 4.8. **Legal implications, access to information and call-in**

4.8.1. The approval of this report constitutes a 'Significant Operational Decision' and as such will not be subject to 'Call-In'.

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

4.8.3. The tender has been procured in accordance with the Leeds City Council's contract procedure rules.

#### 4.9. **Risk management**

4.9.1. The outbreak of the Covid-19 pandemic and imposition of lockdown measures on the 23<sup>rd</sup> March 2020 remain an evolving risk to the project. Whilst the contract close programme submission allows for the presumption that the status quo will be maintained throughout the construction programme, with the social distancing measures in place as of May 2020 continuing, there is the possibility this will be relaxed and therefore a minimisation of the perceived risk. As such clauses have been placed into the contract to allow time and cost to be claimed back in the event that the programme productivity decrease does not occur. Whilst it is too early to assess the full impact of this virus on project success every endeavour is being made by the Project Team to manage this risk and ensure the scheme remains within the tolerances outlined herein and to maintain the original intended handover of August 2021 rather than the December 2021 handover which allows for Covid-19 risk. Extensive consultation has taken place with Procurement & Commercial Service officers to ensure this issue is addressed contractually.

4.9.2. In light of the project productivity decrease, due to social distancing measures slowing works on-site, plans are being drawn up with the school to manage any delay period encountered. This is currently at the inception phase and will be dealt with in detail once the school management team have completed their 'back to school' setup tasks, in light of the June 2020 relaxation of school attendance prohibition. It is hoped that existing accommodation can be utilised to cover the period between September 2021, when the new building was to be ready pre-coronavirus, and the project handover of December 2021. This contingency plan requires detailed school input and will be completed once they have the capacity. Every endeavour will be made to minimise the cost impact of this, with pressure to be placed on the contractor to ensure the main block is ready as per the original tendered intent. The project team will continue to monitor this and report back to the Head of Programmes & Project at regular intervals.

4.9.3. The full extent of the Covid-19 global pandemic is still to manifest, and as such remains a 'known unknown' risk. Consequently it is not possible to mitigate this risk to its fullest extent as it is not known how deep or far reaching it will be. The project team will continue to monitor this and report back to the Head of Programmes & Project at regular intervals.

4.9.4. At the request of School Places Programme Board a 'performance bond' for 10% of the construction value has been sought for this. Based on a contract value of £25,351,599 this would provide a bond payment of £2,535,159.90, in the event the conditions are met where it can be executed. The bond has a capital cost of £47,219, this has been included in the

budget figures noted herein, and includes an 'on demand' activation of the bond in the event of principal contractor insolvency.

- 4.9.5. 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.
- 4.9.6. A joint risk log has been developed with the appointed contractor, to ensure all construction related risks for the project are identified together with the relevant owner of the risk, and is to be included within the NEC 3 contract document package. The 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.

## **5.0 Conclusion**

- 5.1. Re-development of the Benton Park School site is necessary to respond to the ongoing, and economically unsurmountable long-term, conditions issues and the increase in admissions numbers effective from September 2021. The latter will increase the published admissions number from 245 pupils to 300, bring the total school population (excluding Sixth Form) to 1,500 pupils. Due to the site constraints it is not possible to provide the necessary additional accommodation outside of a whole-sale rebuild.
- 5.2. Following the 'Stage 1' tender acceptance BAM Construction Limited, working in partnership with the Authority and the LLEP, have developed the Benton Park proposals through to the detailed design stage. Following engagement with the school, and other statutory consultees, the proposals have been extensively developed to meet all key performance criteria and expectations. Including responding to further detailed survey work undertaken in this period. As such the final 'Stage 2' submission represents a robust and considered response to the mandate set by the Authority.
- 5.3. In order to ensure the submission is acceptable it has been subject to third part review by NPS Leeds Limited, to ensure technical and financial compliance. Following their review they have deemed that the submission conforms to requirements and as such they recommend that it be accepted.
- 5.4. In order to ensure the critical path programme dates are met, and 'Phase One' of the re-development open for the 2021/22 academic year, it is essential to accept the 'Stage 2' tender from BAM Construction Limited, via the Leeds Local Education Partnership, and award the construction contract accordingly.
- 5.5. The estimated cost of the Benton Park project is £28,500,000. This includes; £25,351,599 for the construction contract, £1,850,785 for professional services including the project technical assurance function and NEC 3 Project manager, £621,747 for Highways and Authority works, £343,719 for site decant and mobilisation risk, £60,000 for furniture & equipment to support the expansion, £111,321 for surveys and planning fees, £113,610 for internal services and fees, £47,219 for the performance bond. A client held contingency, commensurate with a project of this value, has been included within the approval figure to address any risks that occur during construction.
- 5.6. The recommendation therefore is to accept the tender sum of £25,351,599 and enter into contract with the LLEP for BAM Construction Limited to undertake the construction contract. Noting that the full scheme, sought for approval herein, is inclusive of the contract sum plus all other development costs and non-contract works.
- 5.7. The contractual project programme reflects the known position regarding guidance on Covid-19 as of May 2020, and predicts a maximum productivity decline to the 70% level if

current measures were to be maintained throughout the build project. Noting that the productivity concern manifest primarily once the internal trades commence in circa November 2020. The contract has allowed for a period of circa 16 weeks to accommodate this decline in productivity and a commensurate sum for extension of the site works period. Measures are being put into place within the NEC 3 contract to ensure this time and cost can be recouped if not evidence as necessary, to push for the original completion date of August 2021 to be achieved.

- 5.8. As highlighted in section 3.2 of this report, acceptance of the BAM Construction Limited tender and award of the construct contract is critical to ensure the critical path programme is met. Particularly due to the potential delays as a consequence of social distancing measures. Failure to adhere to this programme will result in occupation for the 2021/22 academic year for the 'Phase 1' building being missed resulting in the need for temporary, and currently un-costed, temporary accommodation.
- 5.9. The delivery of the works at Benton Park School will be managed by City Development's Projects & Programme's Team in Asset Management and Regeneration on behalf of Childrens & Families in conjunction with the joint venture partners (NPS), the Leeds Local Education Partner (LLEP), BAM Construction Limited, the school and other key stakeholders.

## **6.0 Recommendations**

- 6.1. The Director of Childrens & Families is requested to:
  - 6.1.1. Approve the expenditure of £28,500,000, against the provisional £28.5m 'approval to spend' budget' provided at the April 2020 Executive Board, from capital scheme number 32735/000/000 for the redevelopment and expansion of Benton Park School.
  - 6.1.2. Sanction the requirement to enter into a contractual agreement with D&B One Co. to deliver the Benton Park re-development. This will take the form of an NEC 3 Option A between the authority and Leeds D&B One Ltd for the sum of £25,351,599.
  - 6.1.3. Authorise acceptance of the tender submitted by the LLEP, via BAM Construction Limited, in the sum of £25,351,599, including all design and development fees. Noting that this figure includes the previously approved sum of £1,188,101 for the completion of the necessary 'Early Works' package (DDN D50877).
  - 6.1.4. Note that the approval sum detailed in point (6.1.1) above is inclusive of the following elements; £25,351,599 for the construction contract, £1,850,785 for professional services including the project technical assurance function and NEC 3 Project manager, £621,747 for Highways and Authority works, £343,719 for site decant and mobilisation risk, £60,000 for furniture & equipment to support the expansion, £111,321 for surveys and planning fees, £113,610 for internal services and fees, £47,219 for the performance bond. A client held contingency, commensurate with a project of this value, has been included within the approval figure to address any risks that occur during construction.
  - 6.1.5. 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.
  - 6.1.6. Note that the officer responsible for implementation is the Head of Service Learning Systems.



## **7.0 Background documents<sup>1</sup>**

7.1. None

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<sup>1</sup> 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.