



Report of the Head of Service Learning Systems Children & Families

Report to the Director of Children and Families

Date: 05th February 2021

Subject: Design & Cost (DCR) and Tender Acceptance Report (TAR) seeking approval of construction works and associated fees associated with phase two works at the former Shakespeare Primary school (now known as the East SILC Roger Cannon Site) to make it suitable for children with Special Education Needs and Disabilities (SEND).

Are specific electoral wards affected? If yes, name(s) of ward(s): Burmantofts and Richmond Hill	<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 checked="" type="checkbox"/> Yes <input 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

- The Children and Families Act 2014 places the duty on local authorities to ensure there are sufficient school places for all children, including those with Special Educational Needs and Disabilities (SEND) up to the age of 25. In addition, The Childcare Act 2004 enforces local authorities to provide sufficient childcare places, up to the age of 18 for children with SEND, where reasonably practicable, to enable parents and carers to access work or training opportunities.
- The number of children and young people living in Leeds has increased over the past decade, which has resulted in the demand for both mainstream and specialist provision places across the city rising. In line with this, there has been a substantial increase in the number of new Education, Health and Care Plan (EHCP) assessments and the need for additional specialist school places across the city.

- Current projections indicate that there is a need for up to 200 additional specialist school places each academic year between now and 2022 / 23.
- A public consultation on expanding the East SILC – John Jamieson School onto two new additional sites took place between 19th June and 24th July 2019.
- Following the conclusion of the ‘Representation’ stage as set out in the Prescribed Alterations regulations, members of the Executive board in January 2020 approved the proposal to permanently expand specialist provision at East SILC – John Jamieson to 400 places expanding onto two new additional sites; the former Shakespeare Primary School (now known as the East SILC Roger Cannon Site) and the Oakwood building, with effect from January 2020.
- The works required at the East SILC Roger Cannon Site comprise 2 phases.
- This Design and Cost and Tender Acceptance Report seeks approval to undertake the necessary works required covered under Phase 2 of such works to enable the school to take on a minimum of 100 children with SEND at the East SILC Roger Cannon Site.
- The East SILC Phase 2 conversion works include undertaking significant refurbishment works to the existing building of the East SILC Roger Cannon Site taking into account the needs of secondary school age children with SEND.

2. Best Council Plan Implications (click [here](#) for the latest version of the Best Council Plan)

- Education and skills are essential parts of our economic prosperity. This scheme contributes to the city’s Inclusive Growth Strategy, which forms part of the Best Council Plan, specifically the focus on the key element of ‘continuing to improve educational attainment across the city whilst closing the achievement gap for disadvantaged learners’.
- This proposed expansion of the East SILC Roger Cannon Site will support the achievement of the Best City Priority, creating a ‘Child Friendly City’ by:
 - Supporting families to give children the best start in life;
 - Improving educational attainment and closing achievement gaps for children and young people vulnerable to poor learning outcomes;
 - Improving social, emotional and mental health and wellbeing;
 - Helping young people into adulthood, to develop life skills and be ready for work;
 - Enhancing the city now and for future generation.
- It also supports the vision set out in the Leeds 2018-23 Children and Young People’s Plan with a particular focus on, ‘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’.
- In line with Leeds City Council’s Contract Procedure Rule 3.1.5, the requirements are subject to existing contractual arrangements with the PFI contracts, who are Investors in the Community (Leeds Schools) and is in accordance with the variation process outlined in the Private Finance Initiative (PFI) contract for the Combined Secondary Schools PFI Project. The SPC under the existing contract will deliver the work through a deed of variation with the City Council and a building contract with M G Builders (UK) Limited.

- The project detailed in this report comes 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.

3. Resource Implications

- City Development's Projects & Programmes Team on behalf of Children and Families has developed the proposal in partnership with the Investors in the Community (Leeds Schools) Limited (**SPC**) and their design and technical team. The senior management team of East SILC - John Jamieson has been involved throughout the design process and have confirmed that the design meets their requirements.
- As stated above, the East SILC Roger Cannon Site is part of the Combined Secondary Schools PFI project and subject to a Private Finance Initiative agreement. Therefore, any new requirements are subject to the change variation clauses set out in the PFI agreement. By their very nature, PFI contracts are complex, in this instance covering a 25-year period, and involves multiple partners. Therefore, colleagues from Leeds City Council's PFI Contract Management Team have been commissioned to provide support specifically around ensuring that the change process is appropriately managed. The remit of their work includes reviewing legal and lender costs proposed by the SPC and agreeing relevant legal documentation.
- Additionally Norfolk Property Services (Leeds) have been commissioned to undertake a review of the construction cost plan to ensure that it offers value for money based on their expert knowledge and experience of similar schemes and taking into account current market conditions.
- The total project estimate developed by the project team and presented to members of the Executive Board at their meeting in January 2020 for works covered under Phase 1 and Phase 2 was £3,628,832. The current estimate for the whole project inclusive of construction costs and professional fees is anticipated to be £3,565,047.60.
- Approval of the expenditure of £1,046,810.26, from capital scheme number 32737 / SHA / 000, for the construction and associated fees necessary to undertake the refurbishment works covered under Phase 1 was obtained in July 2020 under reference D52120.
- As part of the above approval, authorisation to proceed with acceptance of the tender submitted by SPC in the sum of £769,556.03, which included £330,000.00 of advance orders for materials previously approved by the Director of Children and Families was also obtained.
- The capital scheme number for works covered under Phase 2 is 32737 / SHA / PH2 - BASIC NEED 2019.

Recommendations

The Director of Children and Families is requested to:

- I. In respect of Phase 1 of the conversion works at the East SILC Roger Cannon Site:
 - a. Note that approval to expend £1,046,810.26 was obtained in July 2020 under reference D52120 for works covered under Phase 1.
 - b. Note that the works covered under Phase 1 are now complete and final accounts are being prepared.
- II. In respect of Phase 2 of the conversion works at the East SILC Roger Cannon Site:
 - a. Approve the expenditure of £2,518,237.34 from capital scheme number 32737 / SHA / PH2 BASIC NEED 2019 (as detailed in this report) in respect of capital works and related costs and fees for the Phase 2.
 - b. Approve the tender submitted by Investors in the Community (Leeds Schools) Limited in the sum of £2,075,760.54
 - c. Approve the deed of variation of the PFI project agreement to be entered into between the City Council and Investors in the Community (Leeds Schools) Limited, noting the pursuant to this deed, the City Council shall pay:
 - £1,599,694.06 in capital costs;
 - Up to £476,066.48 in fees and costs;
 - An increase in the unitary charge payable under the PFI project agreement of £50,770.25 (indexed) per annum.together with any other related documents (including without limitation a collateral warranty from M G Builders (UK) Limited and a new governing body agreement with the Governing Body of the East SILC Roger Cannon Site).
 - d. Note that the capital works for Phase 2 will be delivered by M G Builders (UK) Limited pursuant to a JCT Design & Build Contract 2016 with Investors in the Community (Leeds Schools) Limited.
- III. Note that upon completion of the works covered under Phase 2, the East SILC Roger Cannon Site will be able to accommodate up to 100 secondary school age children with SEND
- IV. Note that the scheme will be funded from the Learning Places Programme fund.
- V. Note that the officers responsible for implementation are the Head of Service Learning Systems (Children and Families) and the Head of Programmes and Projects (City Development).

1. 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 create a minimum of a total of 100 permanent SEND spaces at the East SILC Roger Cannon Site;
- To seek approval of the expenditure of £2,518,237.34 as outlined in this report.
- To seek approval to proceed with acceptance of the tender submitted by the Investors in the Community (Leeds School) Limited in the sum of £2,075,760.54.

2. Background information

2.1 The Children and Families Act 2014 places the duty on local authorities to ensure there are sufficient school places for all children including those with Special Education Needs and Disabilities (SEND) up to the age of 25. In addition, The Childcare Act 2004 enforces that local authorities must provide sufficient childcare places, up to the age of 18 for children with SEND, where reasonably practicable, to enable parents and carers to access work or training opportunities.

2.2 The vision for Leeds in the context of children and young people is for '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 where the outcomes for all children improve whilst recognising the need for outcomes to improve faster for children and young people from vulnerable and deprived backgrounds.

2.3 The number of pupils with Statements or Education, Health and Care Plans (EHCPs), requiring specialist provision has increased with current projections indicating that there is a need of up to 200 additional specialist school places each academic year from now to 2022 /23.

2.4 At the January 2020 Executive Board, members of the board approved the proposal to permanently expand specialist provision at East SILC – John Jamieson to 400 places, expanding onto two new additional sites; the East SILC Roger Cannon Site and the Oakwood building, with effect from January 2020.

2.5 This DCR seeks approval to undertake all the works required to create a total of a minimum of 100 SEND spaces at the East SILC Roger Cannon Site.

2.6 The works include refurbishing the existing building taking into account the needs of secondary children with SEND.

2.7 City Development's Programmes and Projects Team on behalf of Children and Families has developed the proposal in partnership with the senior management team at East SILC – John Jamieson and supported by colleagues from the SPC.

3. Main issues

3.1 The proposed works includes a major refurbishment of the existing building and responds to the needs of secondary age children with SEND. A summary of the proposed works is provided below:

- Creation of new classrooms for the purposes of teaching Science, Design Technology, Life Skills and Music / Drama. This involves extensive refurbishment work to the existing building fabric.
- New entrance and lobby area that takes into account the requirements of children with SEND ensuring that they have safe access and egress from the building.
- A new lift that will provide access to the first floor for those with impairments.
- Extensive works to external area of the site so that there is safe drop off space that takes into account the need of the cohort.
- New hygiene suites which will provide specialist facilities for children with SEND, in line with the requirements set out in BB104;
- A sensory room for light and sound therapy equipped with specialist equipment which will aid sensory development;
- A soft play room with padded surfaces and a ball pool for movement therapy;

4. Programme

4.1 The key milestones to achieve the programme are as follows:

Phase 2

- | | |
|---------------------------------------|---------------------------------|
| • Submit planning application | 17 th July 2020 |
| • Finalise stage 4 design | 2 nd September 2020 |
| • Issue tender documents | 24 th September 2020 |
| • Complete review of tender documents | 26 th October 2020 |
| • Approve workbook issued by the SPC | 4 th December 2020 |
| • Sign Deed of Variation | 25 th February 2021 |
| • Commence mobilisation | 26 th February 2021 |
| • Construction start | 13 th April 2021 |
| • Construction end | 11 th August 2021 |
| • Handover | 18 th August 2021 |

5. Corporate considerations

5.1 Consultation and engagement

- 5.1.1 The Statutory Notice in respect of expanding the East Special Inclusive Learning Centre (SILC) was published in the Yorkshire Evening Post in October 2019. Copies of the notice were also displayed at the entrance of the school and on lampposts near the area of the East SILC Roger Cannon Site.
- 5.1.2 The full proposal were uploaded on the Leeds City Council website and parents with children on roll were informed, along with any stakeholder who responded to the first stage of informal consultation and had provided their contact details.
- 5.1.3 Other SILCs were also informed about the proposal along with ward councillors, community groups and other key stakeholders.

- 5.1.4 Details of the Statutory Notice were shared with ward members local to the main site and the proposed additional sites.
- 5.1.5 The current design and scope of work has been developed in consultation with the East SILC – John Jamieson SMT.
- 5.1.6 Consultation with the Executive Member for Learning Skills and Employment took place on Tuesday 5th May 2020.

5.2 Equality and diversity / cohesion and integration

- 5.2.1 The additional learning places will create more opportunities for more pupils to have support in a way that meets their individual needs, regardless of gender, religion, ethnicity, disability or sexual orientation, in an inclusive specialist provision environment.
- 5.2.2 The proposal will have a positive impact on promoting choice and diversity for local families who would be applying for a specialist school place. These additional sites, linked to an existing specialist school, provide parents and carers of children and young people with SEND, aged 2-19, with more choice when making a preference about which specialist provision they would like them to attend.
- 5.2.4 The EDCI screening form for the proposal is attached as an appendix to this report.

5.3 Council policies and the Best Council Plan

- 5.3.1 This scheme will 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, which will subsequently reduce the risk of non-attendance.
- 5.3.2 This proposal offers good value for money through its capacity to support achievement of the Best Council Plan outcome that states 'we want everyone in Leeds to do well at all levels of learning and have the skills they need for life'.
- 5.3.3 A further objective of the Best Council Plan 2019/20 – 2020/21 is to become a more 'Efficient, Enterprising and Healthy Organisation'. We want to promote choice and diversity for parents and families by delivering additional school places in the areas where families need them.
- 5.3.4 Furthermore, the repurposing of an existing building contributes towards the above objective.
- 5.3.5 When consulting on the schemes to progress as part of the programme, the consultation process is in line with the Best Council value 'working with communities' in ensuring that 100% of major decisions are supported by community engagement, consultation and due regard for equality.

Climate Emergency

- 5.3.6 In response to the UN's report on climate change, the council declared a climate emergency in March 2019. The council is committed to making Leeds carbon neutral by 2030.
- 5.3.7 In order to support the above aim, the following considerations and approach has been adopted:
- Proposed changes to the building fabric has been done sympathetically with a focus on minimising intrusive labour and material requirements.
 - Where new lights are required, LEDs will be installed as opposed to traditional incandescent and halogen lightbulbs. This will significantly reduce energy consumption and life cycling costs.
 - In the interests of promoting sustainable travel opportunities consideration has been given to providing electric vehicle charging points.
 - During the works period, the Contractor will seek to minimise construction waste and CO2 emissions.
 - A Site Waste Management Plan (SWMP) will be drawn up which includes a pre-demolition audit of the existing site to determine the feasibility of recovery of material from demolition or refurbishment for the purpose of reuse and / or recycling.

5.4 Resources, procurement and value for money

- 5.4.1 In line with CPR 3.1.5, the requirements are subject to existing contractual arrangements with the Investors in the Community (Leeds Schools) Limited (SPC) pursuant to the PFI project agreement for the Combined Secondary Schools PFI project and is in-line with the variation process outlined in the PFI agreement. SPC will deliver the works via a JCT Design & Build Contract 2016 with M G Builders (UK) Limited.
- 5.4.2 NPS (Leeds) were commissioned to advise whether in the proposed construction costs offers value for money. The outcome of their review is that the costs submitted are in line with current market rates.
- 5.4.3 During construction, the project manager will work closely with colleagues from the SPC and the school to identify areas where savings might be possible. This task has already commenced and will continue during the construction stage.

5.5 Capital Funding and Cash Flow

5.5.1 The funding for this scheme will be from the SEND Special Capital Provision Fund,

Previous total Authority to Spend on this scheme	TOTAL £000's	TO MARCH 2020 £000's						2024 On £000's
			2020/21 £000's	2021/22 £000's	2022/23 £000's	2023/24 £000's		
LAND (1)	0.0							
CONSTRUCTION (3)	0.0							
FURN & EQPT (5)	0.0							
INTERNAL FEES (6)	0.0							
OTHER COSTS (7)	0.0							
TOTALS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Authority to Spend required for this Approval	TOTAL £000's	TO MARCH 2020 £000's						2024 On £000's
			2020/21 £000's	2021/22 £000's	2022/23 £000's	2023/24 £000's		
LAND (1)								
CONSTRUCTION (3)	2,019.7		181.5	1,838.2				
FURN & EQPT (5)	350.0		140.0	210.0				
INTERNAL FEES (6)	40.0		30.0	10.0				
OTHER COSTS (7)	108.5		108.5					
TOTALS	2,518.2		460.0	2,058.2	0.0	0.0		0.0
Total overall Funding (As per latest Capital Programme)	TOTAL £000's	TO MARCH 2020 £000's						2024 On £000's
			2020/21 £000's	2021/22 £000's	2022/23 £000's	2023/24 £000's		
LCC BORROWING	382.5			382.5				
SEND SPECIAL PROVISION	1,791.5		460.2	1,331.5				
CAPITAL FUND								
SCHOOL CONDITION	344.2			344.2				
ALLOCATION FUND								
TOTAL FUNDING	2,518.2		460.0	2,058.2	0.0	0.0		0.0
Balance / Shortfall =	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Parent Scheme Number: 32737 / SHA / PH2

Title: Basic Need Expansion 2019/20

5.5.2 There will be additional FM and lifecycle requirements at the East SILC Roger Cannon Site which will be delivered by SPC through the PFI project agreement. This will result in an increase in the unitary charge payable under the Combined Secondary School PFI Project by LCC of £50,770.25 (indexed) per annum. This cost will not be passed on the governing body of the East SILC Roger Cannon Site until September 2021.

5.5.3 Any additional revenue consequences that may arise as a result of the project will be managed separately and is expected to be within the school budget.

5.6 Legal implications, access to information, and call-in

5.6.1 The approval of this report constitutes a 'Key Decision' and as such will be subject to 'Call-In'.

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

5.7 Risk management

5.7.1 Risks are being managed through the application of 'best practice' project management tools and techniques via the City Council 'PM Lite' methodology. Experienced project management resource has been allocated from within City Development's Projects & Programmes Team.

5.7.2 A risk log has been developed for the scheme and will be updated and maintained throughout the project lifecycle. Escalation of risk will be via the City Development's Head of Programmes and Projects.

5.7.3 The key risk to the project is the failure to achieve the project milestones set out in the section 4 resulting in the school not being ready to accommodate the additional intake of children. The project plan has been shared with key stakeholders involved in this project to ensure that all parties are able to work to the plan.

5.7.4 It should be noted that the above commitment was obtained prior to the recent events across the country caused by the Coronavirus. The project manager is closely monitoring the situation and is in contact with colleagues in the SPC and the East SILC SMT to look at what actions could be taken in the event that not all the works in Phase 2 can be completed.

5.7.5 It is recognised that the current situation across the country is unprecedented and therefore the project manager will continue to work closely with the SPC and legal colleagues in Procurement and Commercial Services to ensure that risks including those around contractor performance and delays to the programme are adequately mitigated against.

5.7.6 An authority held contingency, commensurate with a project of this value as well as the uncertainty created by Covid 19, has been included within the approval figure to address any risks that occur during construction.

5.7.7 A decision not to proceed at this stage would likely result in fresh consultations on new proposals, and places to meet the immediate need are highly unlikely to be delivered in time. The local authority's ability to meet its statutory duty for sufficiency of learning places in the short term would be at risk.

5.7.8 There is also a corporate risk associated with failing to provide sufficient learning places in good quality buildings that meet the needs of local communities.

5.7.9 The building of the East SILC Roger Cannon Site was formerly used for education provision and is currently partly occupied because the remainder of the building is not suitable. Following completion of the works under Phase 2, the entire site will be suitable for children with SEND.

6. Conclusions

- 6.1 On the East SILC Roger Cannon Site scheme, there has been significant amount of work undertaken 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 delivery of the Phase 2 works at the East SILC Roger Cannon Site will be managed by City Development's Projects & Programmes Team on behalf of Children & Families in conjunction with key stakeholders.
- 6.3 The principal contractor is the Investors in the Community (Leeds Schools) Limited who will sub-contract the capital works to M G Builders (UK) Limited.
- 6.4 The current estimate developed by the project team for works covered under Phase 2 is £2,518,237.34, which is inclusive of construction, furniture and equipment, professional fees and other associated costs. It also includes a sum for risks that may arise during construction.
- 6.5 The delivery of much needed SEND school places for the start of the 2021/22 academic year will enable the increased demand for pupil places in the Burmantofts and Richmond Hill wards as well as the surrounding areas served by the school to be met.

7. Recommendations

The Director of Children and Families is requested to:

- VI. In respect of Phase 1 of the conversion works at the East SILC Roger Cannon Site:
 - a. Note that approval to expend £1,046,810.26 was obtained in July 2020 under reference D52120 for works covered under Phase 1.
 - b. Note that the works covered under Phase 1 are now complete and final accounts are being prepared.
- VII. In respect of Phase 2 of the conversion works at the East SILC Roger Cannon Site:
 - a. Approve the expenditure of £2,518,237.34 from capital scheme number 32737 / SHA / PH2 BASIC NEED 2019 (as detailed in this report) in respect of capital works and related costs and fees for the Phase 2.
 - b. Approve the tender submitted by Investors in the Community (Leeds Schools) Limited in the sum of £2,075,760.54
 - c. Approve the deed of variation of the PFI project agreement to be entered into between the City Council and Investors in the Community (Leeds Schools) Limited, noting the pursuant to this deed, the City Council shall pay:
 - £1,599,694.06 in capital costs;

- Up to £476,066.48 in fees and costs.
- An increase in the unitary charge payable under the PFI project agreement of £50,770.25 (indexed) per annum.

together with any other related documents (including without limitation a collateral warranty from M G Builders (UK) Limited and a new governing body agreement with the Governing Body of the East SILC Roger Cannon Site).

- d. Note that the capital works for Phase 2 will be delivered by M G Builders (UK) Limited pursuant to a JCT Design & Build Contract 2016 with Investors in the Community (Leeds Schools) Limited.

- VIII. Note that upon completion of the works covered under Phase 2, the East SILC Roger Cannon Site will be able to accommodate up to 100 secondary school age children with SEND
- IX. Note that the scheme will be funded from the Learning Places Programme fund.
- X. Note that the officers responsible for implementation are the Head of Service Learning Systems (Children and Families) and the Head of Programmes and Projects (City Development).

8. Background Documents¹

- 8.1 None

¹ The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.