

Executive Decision Report

Secondary School Expansion (Non PFI Schools) Design Phase

Decision to be taken by: City Mayor
Decision to be taken on: 6th September 2017
Lead director: Ian Bailey / Matt Wallace



City Mayor

Useful information

- Ward(s) affected: All
- Report author: Rob Thomas, Head of Education Sufficiency and Admissions
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- Report version number: 2.2

1. Summary

- 1.1 This report seeks approval for the release of capital funding to meet pupil place need through the following activities:
- Enter into a Pre-Construction Services Agreement (PCSA) with the successful Contractor from the procurement process, that will enable future design development to be undertaken for the expansion of the four Non-PFI secondary schools.
 - Work with the Contractor to identify a Modern Methods of Construction (MMC) solution for all of the proposed blocks identified in the Modern Method of Construction Feasibility Reports.
 - Submit applications for Planning Permission.

2. Recommendations

- 2.1 To release funding totalling £1.054m from the capital programme policy provision as set out in section 5 of this report.
- 2.2 The Director of Estates and Building Services be given delegated authority to agree the specific and technical detail behind the projects in agreement with the assigned lead member for Children and Young People Services and Children and Young People Services senior officers.

3. Background

- 3.1 There is an absolute shortage of secondary places at year 7 (secondary transfer). Projections show the need for the equivalent of a whole new secondary school (1000-1200 places) every year from 2018 to 2021. There is also a shortage of places in years 8 to 11 in the current year which is projected to continue from 2017/18 onwards. In this and the previous school years most secondary schools in Leicester have all taken on additional pupils above their planned admission numbers in response to this challenge. This report addresses the next stages of design works to enable some of this need to be met.
- 3.2 In addition, the council has promoted and supported a call for bids to build new secondary schools in the City. As a result, some of the need will be met from new free schools due to open in coming years.
- 3.3 In November 2016 capital approval was granted for £920k to allow the development of secondary school permanent expansion projects. This work has enabled proposals for the 4 Non-PFI secondary school expansions to progress to outline schedule of accommodation and initial feasibility. It has also enabled a Design and Build procurement exercise through the Education and Skills Funding Agency (ESFA) Contractors Framework, to be undertaken to select a Contractor. The tenders have been evaluated by Arcadis and LCC and a recommendation issued. The Schools are:
- Babington Academy
 - English Martyrs Catholic School
 - Rushey Mead Academy
 - Saint Pauls Catholic School
- 3.4 As part of these expansion proposals four PFI Schools (Crown Hills Community College, Judgemeanow Community College, Soar Valley College, The City of Leicester College) are part of a separate Procurement process with the PFI contractor comprising the review and acceptance of the Stage 1 proposal including fee, programme and methodology for delivering the change proposals. There is a further proposal that has been developed to expand Fullhurst onto the site of the vacant Ellesmere School. These proposals will be presented in a separate Executive Decision report.
- 3.5 For the Non-PFI Schools, site surveys have been completed and the reports are ready to issue to the successful contractor. The surveys completed include:
- Acoustic
 - Arboriculture
 - Building Condition
 - Flood Risk Assessment
 - Geo-environmental desktop study
 - Building services capacity
 - Measured building survey
 - Phase 1 Habitat
 - Structural
 - Topographical
 - Transport assessment

- 3.6 These surveys have been completed to provide a greater understanding of the school sites. They continue to inform the project risk register. Apart from poor ground conditions identified at Rushey Mead no major definite site problems have been identified. As to be expected, the building services surveys have identified that new heating plant will be required on the schools and some electrical upgrading will be required at Rushey Mead.
- 3.7 The contractor will complete further surveys that are best carried out under their management, such as intrusive ground investigation, once they have confirmed extension locations.
- 3.8 The outcome on cost will be reviewed during the contractor feasibility stage when more information becomes available.
- 3.9 The proposed construction programmes put forward within the tender are subject to detailed consultation with the schools and the contractor on phasing and logistics. It is planned that completion for all schools will be during the 2018/19 academic year and that temporary modular accommodation will be required for part of this year.
- 3.10 The survey work completed to date has not yet identified any aspects of particular concern or risk beyond that expected.
- 3.11 In June 2017 it was agreed to 'pause' the progressing of the scheme from Stage 2 to consider in more detail the feasibility of applying modern methods of construction across all the proposed secondary school expansions projects (the previous proposals being of more traditional forms of construction). The outcome of the appraisals identified that the feasibility design at all of the schools could be developed to include single 'stand-alone' blocks constructed in an alternative method of construction. These blocks could be developed alongside smaller elements of traditionally constructed extensions to the existing buildings.
- 3.12 The current high level programme of dates for the Non-PFI schools is as follows:

Activity	Estimated Time period(s)
Contractor Feasibility Period	August 2017 to October 2017
Secure Planning Approval and complete construction drawings	November 2017 to February 2018
Contractor Proposals review and approval and contract signing	March to April 2018
Construction mobilisation commences	April 2018

On-site construction work commences (with variable end dates depending on the sites)	May 2018
Completion dates for the schools	These are yet to be established but are expected to be from (very earliest) September 2019 up to February 2020 depending on phasing update and improvements to individual project programmes that are agreed from the Modern Methods of Construction opportunity

- 3.13 The construction phase programmes will be established from the selected contractor's methodology in the light of further information, as it becomes available, as alternative building methods are considered and in consideration of the schools operation, and health and safety requirements.
- 3.14 These programmes and designs will be assessed by the council's professional advisors Arcadis and Estates and Building Services before being submitted for approval in the next Decision Report. That will determine the commitment of any further capital resources to these projects.

4 Risks and Issues

- 4.1 This section identifies the changes in identified risks since the last report and the risk management procedures in place.
- 4.2 Some of the risks previously identified have naturally closed due to the progress made to date. These are as follows (numbers cross referencing to the previous report):

Risk	Rating	Outcome
(iii) Insufficient interest from the market for the Non-PFI schools (Medium).	Medium	Three tender submissions were received and a contractor has been selected. Risk is therefore closed.

- 4.3 On the non-PFI schools a risk register has been prepared and included within the tender documents. A risk workshop will be undertaken with the successful contractor on appointment. At this stage, the recommended contractor has not raised any risk items during the tender process.
- 4.4 The main changes in risk on the Non-PFI schools are as follows:
- The temporary accommodation (TMB) programme interferes with the permanent extension programme delivery. Both the TMB and the expansion delivery teams are engaging with each other to minimise the likelihood of an issue arising.

- Increased risk associated with capacity of existing M&E services and historical issues relating to the BSF programme. Surveys and capacity assessments are currently being undertaken.
- Risk of delay which may require the TMBs for longer

5 Decisions Requested

5.1 Approval is sought for the following fees and costs:

Items	RIBA Stage 3	
Contractor design team fees	£743,000	
Estates & Building Services 10% fee	£310,838	
Including Arcadis 4.89% fee	£152,000	
Total	£1,053,838	

6 Next Steps

6.1 For the Non-PFI Schools, the next steps are:

- Appoint the successful Contractor under a Pre-Construction Services Agreement (PCSA)
- Commence the contractor feasibility process, including engagement with Modular Construction Solutions
- Continue cost and risk management procedures
- Commence School engagement and design workshop meetings

6.2 Future reports and decisions required:

Stage	Estimated Decision Required Date
Approval to release further capital funding to proceed with mobilisation and construction	December 2017
Approval to release further capital funding for the construction phase.	March 2018

7. Details of Scrutiny

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8. Financial, legal and other implications

8.1 Financial implications

£1,054m of funding is being requested for release for the specific gateway stages of the Non-PFI School permanent expansion options.

There is an Education & Children's Services capital policy provision of £27.5m within the current capital programme from which the requested amount can be released. However, it should be noted that at the time of writing this report, three other reports are due to be considered by the Executive (Waterside Primary School, Secondary School Expansions: MUGAs, and Secondary School Expansions: PFI School Design Phase) seeking approval for the release of a total of £6.27m (including this report). Therefore, should all of these reports be approved, the policy provision balance will be reduced to £21.23m.

Simon Walton, Accountant (Education & Children's Services Finance)

8.2 Legal implications

As a number of the schools outlined in the report have academy status, the Council will need to ensure that it has the necessary agreements in place in order to facilitate the design/development and expansion of the schools. Any works will also be subject to the appropriate planning consents being obtained and complied with.

John McIvor, Principal Lawyer (Commercial, Property & Planning Team)

There are no specific commercial legal issues arising from this report and legal advice is being sought by officers in relation to the next steps set out in the Section 7.1. Supporting contractual documents will be prepared if approval is granted.

Jenis Taylor, Principal Solicitor (Commercial, Property & Planning Team)

8.3 Climate Change and Carbon Reduction implications

The Council has a corporate target to reduce its own operational emissions, including those from school buildings, by 50% by 2025, based on 2008/09 levels. Increasing the size of the secondary school estate will increase energy use and carbon dioxide emissions.

However, the new build areas and any refurbishment to the existing buildings will be

completed using 'modern methods of construction' that will produce very carbon efficient buildings well beyond the requirements of the Building Regulations.

If the development requires planning permission it may also be subject to planning policy CS2, incorporating sustainable construction, renewable energy, decentralised energy and Sustainable Urban Drainage.

Mark Jeffcote, Environment Team x372251

8.4 Equalities Implications

There are two equalities considerations that need to be addressed during the early stages of the process described. The first is a reminder to each school's Governing Body of their statutory responsibility to develop an Accessibility Plan for improving physical accessibility to the school and ensuring it is fit for purpose during and at the completion of the proposed new build/renovations due to take place. The second equalities consideration is ensuring that the resulting building provides maximum access to and throughout the building ensuring maximum flexible access throughout the school environment for disabled and non-disabled pupils and staff alike. If both these considerations are not undertaken at the beginning of the design process, it is only with great difficulty and cost that they can be retrofitted afterwards – particularly if the school is later challenged for non-compliance of its equality duty.

Surinder Singh, Equalities Officer ext 374148

9. Background information and other papers:

10. Summary of appendices:

11. Is this a private report (If so, please indicated the reasons and state why it is not in the public interest to be dealt with publicly)?

No

12. Is this a "key decision"?

Yes

13. If a key decision please explain reason

13.1 Spending of over £1m is to be committed on a scheme that has not been previously specifically authorised by Council.