

**Award of Contract for the construction of new school buildings and the refurbishment and remodelling of existing buildings to accommodate the expansion of Southfields Primary School**

**Cabinet Member for Education, Skills and University**

**March 2015**

**Deadline date: March 2015**

Cabinet portfolio holders:	Cllr Holdich Cabinet Member for Education, Skills and University in consultation with Cabinet Member for Resources
Responsible Director:	John Harrison Executive Director, Resources
Is this a Key Decision?	YES If yes has it been included on the Forward Plan : Yes Unique Key decision Reference from Forward Plan : KEY/05SEP14/01
Is this decision eligible for call-in?	YES
Does this Public report have any annex that contains exempt information?	NO

**R E C O M M E N D A T I O N S**

The Cabinet Member, in consultation with the Cabinet Member for Resources is requested to :

1. Authorise the Executive Director, Resources to approve the construction of new school buildings and the refurbishment and remodelling of existing buildings to accommodate the expansion of Southfields Primary School up to the value of the budget sum of £3.5m, subject to the Council obtaining consent pursuant to section 77 of the School Standards and Framework Act 1988. This sum shall include the anticipated design and build contract costs of and funding for Information and Communications Technology (ICT), all site surveys and project management and technical advisers fees.
2. Authorise the Council to enter into a contract with Kier Construction Limited in relation to the construction works, subject to approval of the value for money report by the Director of Governance and Executive Director, Resources (or their nominated representatives);
3. Authorise the Director of Governance to enter into any other legal documentation on behalf of the Council in relation to this matter.
4. Authorise the Executive Director, Resources to instruct any early works required prior to financial close, up to the value of £250,000, to facilitate the installation of temporary accommodation and essential external works. The value of these works will be included in the design and build contract costs.

Cllr Seaton, Cabinet Member for Resources, comments that:  
 Approved. No additional comments.

## 1. SUMMARY OF MAIN ISSUES

- 1.1 This report seeks the Cabinet Member's approval to the recommendations to accommodate Southfields Primary School's to be expansion from 3 forms of entry to 4 forms of entry (120 pupils per year group) from September 2012.
- 1.2 In order to accommodate the expansion, this project will include the provision of 5 new classrooms and a new main school reception and entrance area incorporating administration areas and senior management offices. A new corridor linking the new build to the existing building will result in internal circulation space between the existing infant and junior blocks.
- 1.3 Essential refurbishment works will include extensive works to the kitchen and servery, refurbishment of 4 existing classrooms adjacent to new build areas and external works to increase and reconfigure staff car parking and resurface the access road.
- 1.4 Essential compliance condition works to redesign the surface water drainage at the site, replace the Fire Alarm and the cold water distribution and pipe insulation.
- 1.5 Temporary accommodation will be provided from September 2015 to ensure that the increase in Published Admission Numbers which came into effect from September 2012, can be accommodated pending completion of the new classrooms and existing classrooms affected by the build can be relocated. On completion of the new areas, the temporary accommodation will be removed from the school site. The temporary accommodation will be installed prior to the

## 2. PURPOSE OF THIS REPORT

- 2.1 The purpose of this report is to provide background information and seek the Cabinet Member's approval in relation to the recommendations.
- 2.2 This decision is proposed in accordance with the delegations for the Cabinet Member for Education, Skills and University exercising delegated authority under paragraph 3.4.8 (a) of Part 3 of the constitution in accordance with the terms of his portfolio.

## 3. TIMESCALE

Is this a Major Policy Item/Statutory Plan?	<b>NO</b>	If Yes, date for relevant Cabinet Meeting	<b>N/A</b>
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## 4. DETAILS OF DECISION REQUIRED

- 4.1 A budget of £3.5m has been set for the project. These funds are allocated against the Primary Capital Programme within the Medium Term Financial Strategy (MTFS) (2013/14 – 2016/17).
- 4.2 The London Housing Corporation Schools and Community Buildings Framework allows Local Authorities to run a mini competition from the Framework to select a construction partner, or to use direct selection and award process without re-opening competition. The Council has previously used the framework to procure school new build and extension projects. The use of the Framework is significantly advantageous in terms of speed to financial and commercial close and to starting on site with a proven contractor and schemes demonstrated as being value for money.
- 4.3 The London Housing Corporation is a not-for-profit consortium set up to provide effective procurement solutions for local authorities, housing associations and other public sector bodies. The LHC Schools and Community Buildings Framework (SCB1) is an EU compliant re-tendering framework arrangement that provides five main contractors, appointed on a regional basis, to deliver fast and flexible procurement for new build

extensions, alterations and refurbishment works for all primary and secondary schools or other educational buildings.

- 4.4 The Schools and Community Buildings Framework (SCB1) commenced on 1 July 2013 and runs until 30 June 2015 with an option to extend for a further 2 years.
- 4.5 In view of the very successful experience of Kier delivering on previous schemes, it was agreed in consultation with the Cabinet Member for Education, Skills and University to use the LHC Schools and Community Buildings Framework (SCB1) to select Kier Construction Limited without re-opening the contract to competition.
- 4.6 The Council has entered into a Memorandum of Understanding with Kier Construction to cover Kier's financial commitment to the project prior to commercial close being achieved. The MoU confirms the Council's commitment to the works and to reimburse Kier for any costs that incur prior to the completion of the formal contract documentation. The costs relate to design, site surveys and pre-orders of construction materials. Should financial and commercial close be achieved this sum will be included in the total contract sum.
- 4.7 The Council will be required to enter into an Early Works Agreement with Kier. The Agreement is required to ensure that temporary accommodation can be installed at the school in readiness for decant, prior to the project commencement and financial close. The final costs for the early works are to be agreed but will not exceed £250,000. The costs will be included in the total design and build contract for the works.
- 4.5 The expanded Southfields Primary School accommodation is required to be open by September 2016 so as to accommodate its expansion to 4 forms of entry (120 pupils).
- 4.6 The planning application for the school was submitted November 2014 and planning permission was granted on 30 January 2015.
- 4.7 Submission of planning application 2 December 2014
- Contractors Proposals submitted 5 March 2015
  - Planning decision 30 January 2015
  - Financial and Commercial close 20 April 2015
  - Start on site 27 April 2015
  - All works complete 15 April 2016

## **5. CONSULTATION**

- 5.1 The headteacher and representatives of the Thorpe Primary School Governing Body have been fully involved in the development of the specification and design for the new school site.
- 5.2 The scheme will be presented to members of the governing body in March 2015.
- 5.3 A public exhibition was held on 19 November 2014 at the existing school where the designs for the new school accommodation were on display for the public, parents, pupils, staff and governors. The exhibition was well attended and the proposals very positively received. The Cabinet Member for Education, Skills and University and the Ward Councillors were invited to attend.
- 5.4 Ward Councillors were invited to attend a briefing on the scheme held at the school 4 November 2014.
- 5.4 Sport England were informed at an early stage of the proposed plans and formally consulted through the planning application for the new buildings.
- 5.5 The new buildings will be built upon hard play areas, therefore consent is required from the Department for Education pursuant to section 77 of the School Standards and Framework

Act 1988. The application has been made by the Council as landowner to the Department for Education and the decision is awaited.

- 5.6 Key stakeholder departments within the Council are fully briefed on the proposals. These include Planning Department, Strategic Finance and Legal Services.

## **6. ANTICIPATED OUTCOMES**

- 6.1 Subject to the evaluation of Kier's Contractors Proposals by the Council's evaluation team, Kier will design and construct the new accommodation at Southfields Primary School site under the JCT design and build contract.

## **7. REASONS FOR RECOMMENDATIONS AND ANY RELEVANT BACKGROUND INFORMATION**

- 7.1 The Local Authority has a statutory duty to provide school places. There are significant pressures on the city to provide school places in the areas most in need. The decision to expand Southfields Primary School was made by the Cabinet Member for Education, Skills and University following review of demographic data as part of the School Organisation Plan 2012-2017.

- 7.2 As a result of the above, Southfields Primary School is expanding to four forms of entry. The proposed scheme will :

- Provide 5 new classrooms located in the heart of the school site as part of existing block 5
- Re-configure the car parking at the school to maximise the number of spaces available
- Re-locate the administration area of the school to include office space for administrative staff and senior staff and create a new entrance to the school as part of block 5
- Create a corridor which links the existing buildings internally
- Upgrade the school kitchen to ensure it can cater for the additional intake
- Refurbishment works to 4 classrooms and the infant servery
- Redesign and replacement of surface water drainage system
- Replacement of Fire Alarm system
- Replacement of the cold water distribution systems in the infant block

## **8. ALTERNATIVE OPTIONS CONSIDERED**

The following options were considered and rejected:

- 8.1 To do nothing – this option was rejected due to the shortage of primary pupil places in the area and the Local Authority's statutory duty to provide sufficient school places.
- 8.2 Other schools within the area were considered for expansion but rejected by the Children's Services Capital Projects Board, as demographic data demonstrates the need for expansion in the catchment area of Southfields Primary School.
- 8.3 To tender to the construction market for a contractor – this option was rejected due to the timescales and costs of the tender process which would have meant that it would not be possible to complete the works in order for the accommodation to be available for September 2016.
- 8.3 To run a mini competition using the LHC Framework – this option was rejected due to the timescales of the tender process which would have meant that it would not be possible to complete the works in order for the accommodation to be available for September 2016.

## **9. IMPLICATIONS**

- 9.1 Legal - The Framework was procured under the Restricted Procedure of the Public Contracts Regulations 2006 and the Council is permitted to use the framework to call-off contracts instead of carrying out a separate tender exercise for the proposed works. The Council is entering into the agreement pursuant to its powers contained in section 2 of the Local Government Act 2000, section 14 of the Education Act 1886, section 22 of the Schools Standards and Framework Act 1998 and section 111 of the Local Government Act 1972 in order to enable investment in certain educational services and facilities.
- 9.2 Environmental - The specification for the works in the new build will include a sustainable approach to ensure that the building envelope exceeds current building regulations in terms of air quality, air tightness and energy efficiency to achieve the 10% improvement in Part L2A Buildings Regulations.

## **10. DECLARATIONS / CONFLICTS OF INTEREST & DISPENSATIONS GRANTED**

None.

## **11. BACKGROUND DOCUMENTS**

Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985) and The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012

School Organisation Plan 2012-2017