

Report of the Cabinet Member for Education

Cabinet - 16 July 2015

21st CENTURY SCHOOLS PROGRAMME – GORSEINON PRIMARY SCHOOL

Purpose:

- To approve and commit to the Capital Programme the scheme for the new build for Gorseinon Primary School subject to confirmation of the grant and entering into a contract with Welsh Government (subject to planning approval).
- To seek authorisation to award the Contract for the works to Tender No. 4, under the agreement that following the contract award the contractor must obtain planning approval and all risks associated with not achieving planning approval are those of the contractor, and subject to confirmation of the grant and entering into a contract with Welsh Government (subject to planning approval).
- To approve the appropriation of the proposed site at Parc Y Werin.

Policy Framework:

- One Swansea Plan
- The Revenue and Capital Budget as reported to and approved by Council on the 10th February 2015.
- QEd 2020 programme
- Corporate Priority to review the overall provision of schools.
- Corporate Priority to improve opportunities for children and young people.
- Corporate Priority improving school performance.
- Corporate Priority effective corporate and strategic management of assets.

Reason for Decision:

- To comply with Financial Procedure Rule 7 (Capital programming and Appraisals) – to commit and authorise schemes as per the Capital Programme.
- To comply with Contract Procedure Rule 13.12 the evaluation and award of contract.
- Statutory requirement under S.123 (2A) of the Local Government Act 1972 to consider any objections to the proposed appropriation of an open space.

Consultation: Education, Finance, Legal, Democratic Services and Procurement, Corporate Building and Property Services.

Recommendations:

1. The capital scheme as detailed together with the financial implications set out in Appendix A is approved, subject to confirmation of the grant and entering into a contract (subject to planning approval) with Welsh Government and,
2. The contract for the design and construction of a new school for Gorseinon Primary School be awarded to Tender No. 4 under the agreement that following the contract award the contractor must obtain planning approval and all risks associated with not achieving planning approval are those of the contractor, and subject to confirmation of the grant and entering into a contract (subject to planning approval) with Welsh Government and,
3. As no objections to the appropriation have been received, the Appropriation of the land at Parc Y Werin from the Director of Place to the Director of People is approved which will enable the building of the proposed new Gorseinon Primary School,
4. The Head of Legal, Democratic Services and Procurement is authorised to enter into any necessary documentation required to complete the contract and achieve the scheme.

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Part A

1.0 Introduction/ Background

- 1.1** The Strategic Outline Programme (SOP) detailing the re-organisation and investment needs for schools across Swansea was submitted to the Welsh Government (WG) in 2010.

- 1.2** In December 2011 further approval in principle was granted by WG to proceed with the schemes outlined within “Band A” of the programme subject to contract and Local Authority contribution of 50% towards overall costs.
- 1.3** The Capital Budget and Programme capital budget for 2015/16 - 2018/19 provides an outline spending profile for the Phase 2 Schemes totalling £25.722m which includes £6.320m for a new build for Gorseinon Primary School.
- 1.4** The scheme is subject to the successful approval of three stages of a business case. To date the first two stages have been approved by the WG and subject to the final stage (FBC) approval and planning approval the Council may enter into a formal contract with the WG which will form a binding agreement with the City & County of Swansea (CCS).

2.0 Description of Scheme

- 2.1** Gorseinon Infant School and Gorseinon Junior School were amalgamated in September 2012. The new school is now called Gorseinon Primary School but still operates out of the three sites, with the aspiration to move the new primary school from its existing three school sites to a single site.
- 2.3** The nursery school is located 0.5 miles from the Junior School with the Junior School a further 0.3 miles from the Infant school. The distance between the nursery and Infant school is 0.6 miles. The route between the Infant and Junior, and the Infant and Nursery schools involves the crossing of the B4296.
- 2.4** The only ‘green’ areas are to be found at the Junior site which has drainage issues due to the geography and geology of the site and so can only be used in the driest months. In addition even though the green area is within the curtilage of the School grounds, as this area has a public rights of way crossing through it, as it is accessible to the public it has to be risk assessed prior to every use by the School.
- 2.5** Whilst the School are making use of the resources available to them as reported by Estyn in 2014, there is no appropriate transition from indoor to outdoor learning environments at, or immediate access to suitable habitat and grassed areas.
- 2.6** The first two stages of the Business Case process Strategic and Outline Business Case (SOC/OBC) included appraisals of the shortlisted options;
- Option 5 – Extension and remodelling/ refurbishment on Junior site
 - Option 8 – New build at Junior site for single new build
 - Option 9 – New Build at Parc Y Werin which was the preferred way forward based on the outcome of the economic appraisals.

- 2.7** The Strategic Outline Case (SOC)/Outline Business Case (OBC) in respect of the Gorseinon Primary School proposal were approved by WG including agreement to progress to Final Business Case (FBC) stage. The Full Business Case which includes actual tender costs for Option 9 will be submitted to WG in early July for consideration
- 2.8** The proposed capacity of the new build is 1.5 form entry (315 pupils) plus nursery, with common spaces to accommodate a 2 form (420 pupils) plus nursery entry school, and designed and set out in such a way that further classrooms can be added to accommodate 2 form entry. This future proofed building would then be able to meet future demand arising from possible new developments in the locality.
- 2.9** The proposed new build for Gorseinon Primary School represents a land take of 3.24 acres incorporating two mini pitches, and a modestly equipped playground from a total of 8.77 acres at Parc Y Werin.
- 2.10** The proposals include for the relocation of the playground, a modest allowance for the enhancement of the remaining facilities and / or other facilities in the locality and also the provision for the School of a mini pitch and MUGA. However it is proposed to work with the School and community to design and establish a means by which the facilities can be shared between the School and the community.
- 2.11** Furthermore, the proposed site can accommodate the guidelines for external areas contained in BB99 with the exception of the full pitch requirement, however this can be fulfilled by the School utilising free of charge the retained facilities at Parc Y Werin.
- 2.12** The other facilities, which would still be accessible to the community include:
- The grass sports pitch.
 - Upgraded and re-sited playground.
 - Bowling green and pavilion.
- 2.13** Delivery of a purpose built Primary school on the proposed site will offer opportunities to engage the community in a range of activities by enhancing amenities and facilities in the area. The proposal seeks to develop community engagement within the new school building and its school community, where this is demonstrated to be sustainable.
- 2.14** The proposals include for a 'zoned' area within the school building which incorporates the hall and a community room; these will be capable of being available for community use subject to booking with the School. It will also provide opportunities to provide family learning and after school clubs.
- 2.15** A community engagement exercise was undertaken earlier this year; leaflets were printed for distribution to all ward and catchment addresses and leaflets were also provided to the school for distribution to parents,

staff and governors, and posted to the registered users of Parc Y Werin.

2.16 The proposals and community engagement sessions were also publicised in a press release and were on display in Gorseinon Library during the engagement period. Council officers were available to answer questions in Canolfan Gorseinon on the 23rd February 2015 between 5.30pm and 7.00pm, 2nd March 2015 between 3.00pm and 5.00pm and 4th March 2015 between 9.00am and 11.00am.

2.17 87 people submitted comments/questions about the proposals, of which 22 were in support of the proposals; the FAQs have been published on the website at <http://www.swansea.gov.uk/article/11127/Gorseinon-primary-school-project>. The website will continue to be updated throughout the life of the project.

3.0 Objectives of the Scheme

3.1 The construction of a new Gorseinon Primary School will provide:

- Pupils and staff with a safe, sound and fit for purpose school environment
- An appropriate environment that facilitates an improvement in attainment levels across the whole age range of Gorseinon Primary School
- Greater operational efficiencies
- Community usage of school facilities

4.0 IT/System Implications

4.1 The IT infrastructure requirements for the new school have been identified in the Employers Requirements. The new building will have both hard wired and wireless infrastructures throughout.

4.2 Both School and Council technical support have informed the planned infrastructure provision and will continue to develop these in the new school.

5.0 Staffing Implications

5.1 The Head Teacher is planning for the occupation of the new build including staffing requirements consistent with the expected delegated budget.

6.0 Property Implications

6.1 It is proposed that a further report is brought to Cabinet to consider the future of the three sites following vacation by the School.

6.2 All future maintenance liabilities will be continued within the current review budget either retained or devolved to schools in line with the relevant division of responsibilities.

7.0 Equality and Engagement Implications

- 7.1** A full Equality Impact Assessment has been drafted (and will be progressed throughout the life of the project) and shows that this project will have a positive impact on;
- 7.2** *Age* – Gorseinon Primary School is a school for pupils aged 3-11 years. This project will have a very positive impact on the Education of all 3-11 year olds who attend the school in the future.
- 7.3** *Disability* – The design, delivery and implementation of this project has taken full consideration of the social model of disability, which recognises that people are disabled by the barriers of society (e.g. physical, environmental, organisational, and attitudinal, communication, etc.) rather than by any physical condition. The design of the new buildings and the running of the school in the future will ensure that ALL the pupils and staff can make the most of their new environment.
- 7.4** *Welsh* – All public signage within the school will be bilingual.

8.0 Legal Implications

- 8.1** The land is currently held by the Director of Place for recreation purposes. In order for the scheme to proceed, the land use needs to be altered from recreation to Education purposes and hence the requirement for Appropriation.
- 8.2** Under the provisions of Sections 123, (2A) of the Local Government Act 1972, the Council may not appropriate land comprising or forming part of an open space unless before doing so, it causes notice of its intention to do so, specifying the land in question, to be advertised in two consecutive weeks in a newspaper circulating in the area in which the land is situated and consider any objections to the proposed appropriation which may be made.
- 8.3** Notices of the intended appropriation of the said land at Parc Y Werin were duly published in The South Wales Evening Post on the 23rd and 30th May 2015. No objections were received.
- 8.4** The Head of Legal, Democratic Services and Procurement has carried out a report on title on the land and has confirmed that there are no constraints that would affect the proposals.

9.0 Financial Implications

Capital

- 9.1** The WG announced its support in principle for an agreed programme of school building improvements in early 2012. This programme – termed the 21st Century Schools Programme - entails the Welsh Government

providing a 50% contribution in relation to schemes costing £51m. The Council is expected to provide the remaining 50% contribution. In recent correspondence WG advised that as we are now in the delivery phase of Band A of the Programme that it must hold Authorities to their delivery commitments as set out in their 21st Century School matrices. WG's budgets for each financial year are fully allocated, and should delivery slip, WG may not be able to guarantee that this funding will be made available in future years.

- 9.2** The schemes included in both phases of the programme were summarised in the Capital Budget and Programme report presented to Council on the 10th February 2015 with the budget for Gorseinon being £6.320m.
- 9.3** The current estimate of cost amounts to £6.0799m and will if approved be funded with WG grant of £3.0399m and the Council's own resources of £3.0399m. The Council's resources will ultimately come from realised capital receipts but in the interim it may be necessary to undertake temporary additional borrowing until they are tangibly realised.

The costs are summarised as follows:

	Expenditure	£
1	Construction	£4,401,666
2	Community facilities & playground relocations	£132,000
3	Surveys and external fees	£489,280
4	Additional Traffic Measures	£300,000
5	CBPS Fees	£170,000
6	Education Fees	£80,000
8	Digital Learning	£40,000
9	Decant	£120,000
10	Contingency	£240,223
	Total	£5,973,169
11	Optimism bias @ 1.788%	£106,800
	Total	£6,079,969

- 9.4** Until the Council receives the offer of the grant from WG (subject to planning approval) the successful contractor will not receive notification of the award of the contract.
- 9.5** Details of the current estimated cost and funding are set out in Appendix A.

Revenue

- 9.6** The school's operational revenue costs will continue to be appropriately funded by way of budget share of the total schools delegated budget provided in 2015-16 budget and future years as set out in the medium term financial plan.
- 9.7** All schools are funded on a consistent and transparent basis and the new build on a single site will mean that the school no longer requires split site funding (which is provided to reflect the additional costs incurred when a school operates across more than one site).
- 9.8** Furthermore, there are currently two kitchens operating, at each of the infant and junior sites. The new build will have a single kitchen which will result in a direct revenue saving.

Part B - Appointment of a contractor to carry out a single stage design and build.

10.0 Procurement/Tender Process

10.1 This scheme was procured through a single-stage procurement process utilising the South West Wales Regional Framework via a mini competition. The Tender Evaluation Report of the 2 June 2015 set out the tendering procedure.

10.2 The single stage tenders were returned to Legal and Democratic Services by the stated deadline of noon on the 30 April 2015 and were opened in compliance with the Contract Procedure Rules.

10.3 Tender received as marked by Legal Services:-

Tenderer No. 1. – £5,480,748.97.
Tenderer No. 2. - £5,992,266.00.
Tenderer No. 3. - £4,919,520.00.
Tenderer No. 4. - £4,676,094.00.

The tenders were arithmetically checked and all were correct with the exception of Tender 1 which was adjusted giving a revised tender figure of £5,555,748.97.

10.4 The tender has been approved by the Tender Evaluation Panel, and recommended for Contract Award by the Responsible Officer in accordance with the Council's Contract Procedure Rules.

11.0 Financial Implications

11.1 The overall project budget is £6.320m however this is now revised down to £6.0799m to include a construction works budget of £4.401m, and if approved by WG will be subject to 50% WG funding and the remaining 50% being funded by the Council.

11.2 The Contract cost, inclusive of Works, Contractor Design Fees and Services, can be met from the approved budget for the scheme. Any variations to the contract that arise will have to be funded by reducing other elements of the scope of works.

11.3 In the event that the contractor is unsuccessful in obtaining planning consent, the Council will only be liable for the costs of progressing the scheme to planning application stage. However this full cost would have to be funded by the Council as WG will not enable the drawdown of funding until planning approval has been obtained.

11.4 Until the Council receives the offer of the grant from WG (subject to

planning approval) the successful contractor will not receive notification of the award of the contract.

12.0 Legal Implications

12.1 The South West Wales Regional Framework led by Carmarthenshire County Council has been established in accordance with EU legislation. The Contract Award is recommended for approval in accordance with the Council's Contract Procedure Rules.

12.2 Any contractual liabilities/obligations with the successful tenderer will be covered by appropriate contract documentation to be prepared and approved by the Head of Legal, Democratic Services and Procurement. The successful contractor will only apply for planning permission when he has received notification of the award of the contract. At that stage the Council will not be in a position to accept being contractually bound for the total value of the project to completion. The Council must protect its position in the event that planning permission is not granted; a Letter of Intent will be issued to the contractor to confirm that the Council shall pay all costs up to the planning consent.

12.3 The contract and offer of grant funding from Welsh Government will contain conditions which are legally binding. The Council will need to ensure that these conditions are reasonable and that it is able to comply with the same.

Background Papers:

- Gorseinon Single Stage Tender Evaluation Report dated 2 June 2015
- Capital Budget & Programme 2015/16 - 2018/19 approved by Council 24 February 2015
- Delegated Powers Report for approval to proceed to publish under the Open Space Act 1906 and s.123 of the Local Government Act 1972 approved 12 June 2015

Appendices

Appendix A - Financial Implications: Summary

1. Capital Costs	2014/2015 £	2015/2016 £	2016/2017 £	2017/2018 £	Total £
<u>Expenditure</u>					
Pre-start works					
Construction		860,000	3,441,666	100,000	4,401,666
Playground works & relocate facilities		82,000	50,000		132,000
External Fees and Surveys		200,000	172,428		372,428
Additional traffic measures	16,000	60,000	224,000		300,000
CBPS Fees	25,875	40,000	104,125		170,000
Other fees	8,255	50,171	58,426		116,852
Education fees	1,176	38,824	40,000		80,000
Additional works items			140,223		140,223
Digital learning			40,000		40,000
Decant			120,000		120,000
Contingency		50,000	50,000		100,000
Subtotal	51,306	1,380,995	4,440,868	100,000	5,973,169
Optimism Bias		25,000	81,800		106,157
EXPENDITURE	51,306	1,405,995	4,522,668	100,000	6,079,969
<u>Financing:</u>					
WG Grant		1,195,000	1,915,000	50,000	
Own Resources	51,306	210,995	2,607,668	50,000	
FINANCING	51,306	1,405,995	4,522,668	100,000	6079,969

2. REVENUE COSTS	2014/2015 £	2015/2016 £	2016/2017 £	2017/2018 £	TOTAL
<u>Service Controlled Expenditure</u>					
Employees			(3250)	(13,000)	(16,250)
Maintenance			(3368)	(13,470)	(16,838)
Equipment					
Administration					
NET EXPENDITURE			(6618)	(26,470)	(33,088)