

Open Report on behalf of James Drury, Executive Director - Commercial

Report to:	Councillor M J Hill OBE, Leader of the Council (Executive Councillor: Resources and Communications)
Date:	Between 06 - 07 August 2020
Subject:	Expansion of Willoughby Academy, Bourne
Decision Reference:	I020451
Key decision?	Yes

Summary:

The Building Communities of Specialist Provision Strategy was approved on 6 November 2018 by the Executive. This Strategy proposed the expansion of 12 schools of which Willoughby Academy, Bourne, is part of to provide sufficient and localised specialist education to children and young people with Special Educational Needs and Disabilities (SEND). The expanded and enhanced schools will provide appropriate facilities to meet all types of needs and disabilities.

This report provides a scheme appraisal and recommendation for the procurement of the expansion and remodelling to Willoughby Academy, Bourne.

This is the second scheme within the overall programme to start construction, the first being Boston Endeavour which was approved by the Council in January 2020.

Recommendation(s):

That the Leader of the Council:

- 1) Approves the scheme appraisal for the carrying out of works for the expansion and remodelling of Willoughby Academy, Bourne;
- 2) Approves the Council entering into a construction contract for the said works with Willmott Dixon Construction via the SCAPE national framework.

Alternatives Considered:

- Do nothing - This option is not recommended as it will not meet the requirements of the Building Communities of Specialist Provision Strategy that the Executive approved in November 2018.

- Procurement – Traditional tendering was considered however this would not allow early contractor engagement which is considered essential in delivering complex projects of this nature. The Council's Contract and Procurement Procedure Rules encourage the use of frameworks. Traditional tendering would not provide the equivalent outcome in terms of programme, cost and quality in comparison to a framework contract.

Reasons for Recommendation:

Approval is sought for the construction of the expansion and enhancement of Willoughby Academy, Bourne using the SCAPE framework because:

1. Early contractor involvement significantly de-risks the scheme; this is particularly important due to the school remaining open whilst the expansion is undertaken and the specialist educational context. One example is that it easily allows professional dialogue and technical surveys of the ground conditions and existing building condition to inform the design process. Gathering this intelligence early enables client and contractor to determine the best method of construction, discuss an accurate programme and intelligently inform risk allocation within the budget.
2. Early contractor involvement using a national contractor on the SCAPE framework also allows the Council to lever expertise from the delivery of SEN schemes elsewhere in the country. For example Wilmott Dixon has recently delivered similar SEND schemes in Newark, Coalville and Loughborough.
3. It delivers the objectives of the SEND programme for Bourne. Principally:
 - It will ensure there are sufficient special school places in the Bourne area.
 - It will reduce travel times for pupils as they will have access to a local school that will meet all needs.
 - It will have access to education in their local community.
 - The expanded school will enable the special school pupils to have their health and therapeutic needs met primarily in the school setting as the new building and remodelled accommodation will have facilities such as a sensory room, soft play room, physiotherapy and specialist nurse's spaces.
 - The whole building will be fully accessible and offer flexibility to meet the changing needs of future cohorts.

1. Background

- 1.1. In March 2017, the Department for Education (DfE) announced the High Needs Strategic Review, instructing all Local Authorities to review provision for pupils with SEND in order to ensure that there are sufficient good school places which meet the changing needs of pupils with SEND. The review required Local Authorities (LA) to work in close collaboration with special schools and parent and carer groups to co-produce a strategic plan which delivers sustainable, good quality provision to meet current and future needs.
- 1.2. Locally, education leaders recognised significant challenges within the existing provision and all agreed that the status quo could not remain. Increased demand on a limited number of school places, excessively long journeys for a significant number of pupils, the potentially detrimental impact of some out of county placements on families and the need for significant improvements to some special school buildings have all led to sector leaders identifying the need for change.
- 1.3. A shared response was required to these significant challenges and collaboration of school leaders and the Parent/Carer Forum was identified as the foundation for developing an effective solution. With a commitment to developing a sustainable, inclusive and localised special education system, special school leaders, Lincolnshire Parent Carer Forum (LPCF) and the LA co-produced the Building Communities of Specialist Provision Strategy and have formed a collaboration to oversee the strategy's implementation, known as the Lincolnshire SEND Alliance (LSA).
- 1.4. The strategy will make significant changes to the existing special education provision, creating an integrated and sustainable school system where pupils can attend their nearest special school, confident that their education and health needs can be fully met.
- 1.5. In order to achieve this ambition, the strategy will provide a locality-based, sector-wide approach to special education which would enable all special schools to meet the wide range of needs of pupils in their local community. As existing special schools are designed to meet specific designations of need, each school would be required to change its designation to enable them to meet all needs. In addition, the strategy will increase the special school estate by over 500 places to address the growing demand enabling each school to offer places to pupils from within their local communities with all needs.
- 1.6. The Building Communities of Specialist Provision for Children and Young People with Special Educational Needs and Disabilities Strategy was approved by the Executive on 6 November 2018.

2. Procurement

- 2.1. The construction of the scheme has been procured in accordance with the Council's finance and procurement regulations using an EU compliant framework.
- 2.2. The use of construction frameworks to procure construction work is well established with the following benefits:
 - Improved predictability of outcome in terms of time, cost and quality
 - Efficiency savings achieved through aggregating work
 - Early engagement of the supply chain in the project
 - Continuous improvement
 - Provides employment opportunities and skills development to the construction market
 - Provides greater value for money
- 2.3. The SCAPE national construction framework is tendered every four years and the current framework contractor for construction value of £2m - £20m is Willmott Dixon Construction.
- 2.4. Willmott Dixon Construction has experience in delivering a number of SEND related building projects for other local authorities.
- 2.5. The procurement process is open book and Willmott Dixon Construction will tender individual work packages ensuring competitive prices and therefore value for money in the final project cost. This procurement process will be evaluated throughout by the Council's project manager and cost advisor, Kier.

3. Scope of Works

- 3.1. Willoughby Academy is aligned to the Building Communities of Specialist Provision for Children and Young People with Special Educational Needs and Disabilities Strategy. It is proposed to be expanded from a capacity of 84 to 148 pupils. The additional capacity will be achieved by building a new block and remodelling of some existing spaces. On completion the school will have sufficient capacity and the enhanced resources and facilities required to meet all types of needs and disabilities.
- 3.2. The intention is for construction work to commence in September 2020 for completion in August 2021.
- 3.3. The new build accommodation block will provide six classrooms, hall, specialist secondary teaching spaces including science and technology, as well as small group spaces and hygiene facilities.

- 3.4. The existing school will also undergo some remodelling work to provide therapy spaces and a medical inspection room to ensure the school can offer, in conjunction with health providers, a robust health offer to all children and young people with SEND in the local area.
- 3.5. The car park will be extended and remodelled to provide suitable drop off and pick up space and further parking for the increased staff numbers. The school has informal access to land at the rear of the site; this will be improved and brought into formal use to offset the area taken by the new block and to also enhance outdoor provision for the increased capacity of pupils.
- 3.6. The total project budget is £6.51m. £2.720m of the cost will be funded from the Basic Need Allocation, £0.455m from the DfE SEND Capital Grant, and the remaining £3.330m will come from a Capital Maintenance Grant. These funding sources were approved as part of the Building Communities of Specialist Provision Strategy on 6 November 2018.

4. Project Budget

The project budget of the new school is £6.51m, the breakdown of cost is as follows:

Construction Budget	
Item	Cost (£m)
Structure	inc
Internal Finishes and Fittings	inc
Modular Building	£2.70
Remodelling Works	£0.21
Facilitating and External Works	£1.22
Contractor's Preliminaries	£0.81
Contractor Risk and Fees	£0.87
Subtotal Construction Budget	£5.81
Kier Technical Fees	£0.12
Project Risk	£0.58
Total Project Budget	£6.51

5. Value for money

- 5.1. Using technical expertise via the partnership with Kier ensures that all costs are consistent with industry averages. Corporate Property refers to the Building Cost Information Service (BCIS). The BCIS is part of the Royal Institute of Chartered Surveyors and is a provider of cost and price information for the UK construction industry.

- 5.2. The project at Bourne is a mixture of new build and remodelling of the existing property. For comparison purposes the new build and remodelling elements have been compared to BCIS independently (see below). This is the only way that a scheme like this can be benchmarked.
- 5.3. BCIS will not take into account abnormals because these cannot be forecast or reasonably assumed by a national database. Abnormals are site specific and tend to be unique to each project. For example, Roman archaeology has been found in Bourne; the extent and type of archaeology will not be known until a full dig has excavated the site in accordance with guidance from planners, and therefore cannot be compared to another SEND project; the issue is unique to Bourne.

For clarity, an abnormal is defined by the Royal Institute of Chartered Surveyors (RICS) as:

'...costs other than those typically encountered for the project funding route, including costs accruing due to circumstances outside the project manager's control. Examples of abnormal costs include those arising from issues such as: access constraints, legacy data issues, unforeseen events due to the nature of the assessment of works, statutory bodies and listed buildings.'

- 5.4. The new build construction budget for Willoughby Academy, Bourne without the abnormal, external and remodelling costs is £4.25m. This represents a cost of £3,571 per m² for the new build element. See the table below:

BCIS Comparison - New Build		
	Bourne	BCIS
	Academy	Information
Construction Budget	£5.81m	
Less Abnormals	£0.30m	
Less Externals	£1.05m	
Less Remodelling	£0.21m	
Sub Total	£4.25m	
New Build Area	1,190m ²	
Cost per m ²	£3,571 / m ²	£4,444 / m ²

- 5.5. The BCIS data shows that the new build part of the project is £873 m² lower than the BCIS comparison and falls within the normal range for this type of build.
- 5.6. In respect of the cost of remodelling, the BCIS information indicates a figure of £2,374 per m² at the upper end of the range of costs for this element. The comparative budget cost for Willoughby Academy project is £1,257 per m².

BCIS Comparison - Remodelling		
	Bourne	BCIS
	Academy	Information
Remodelling Budget	£0.21m	
Remodelling Area	167m ²	
Cost per m ²	£1,257 / m ²	£2,374 / m ²

- 5.7. This equates to £1,117 per m² less.
- 5.8. A previous SEND school was built by Lincolnshire County Council in 2010. This was Gainsborough Warren Wood Academy. The build cost of this school, when adjusted to reflect current costs, with fees and survey costs added is £3,566 per m² for the new build element. This is comparable to the new build cost of Willoughby Academy with a cost of £3,571 per m².

6. Design approval process

- 6.1. In keeping with the previously agreed Boston Endeavour scheme, to ensure that all schools within the scheme could meet all needs and fully accommodate local children with SEND, a series of workstream meetings were held to agree the baseline schedule of accommodation. The final schedule of accommodation is based on the DfE guidance, Building Bulletin 104, which outline the accommodation needed in a special school. Representatives from Children's Services and Corporate Property met regularly with Special School Headteachers to discuss overall design principles and to identify what types of spaces were essential. This ensured that the LA would be building schools based on the needs of children and young people with SEND, and the education leaders involved were able to provide specialist knowledge on accommodation requirements.
- 6.2. Workstream members were fully aware of the need to ensure that best value for money was achieved and of the likely financial pressures to the scheme. Regard to value for money was given at all stages of the design process and this group agreed to reduce the room sizes recommended in BB104 as it was felt they were excessive and not essential to meet all needs.
- 6.3. The group created a key principles document to ensure a standardised approach to the design of all schools in the scheme which provided the blueprint for all projects in the programme. The key principles document also sets out the requirements for all new external spaces as no guidance exists within BB104. All Headteachers agreed that this was an area where the schools could support the scheme to raise funds for external spaces such as sensory gardens and trim trails.
- 6.4. The schedule of accommodation will provide a basic standard of outside space including a number of zones which can be developed by the school over time. Where clarity was required over what should be provided within the schedule of accommodation, the LA consulted with an independent

special school leader to ensure there was a sound justification for the need for this type of space or provision.

- 6.5. The SEND Alliance Project Board has had full over-sight of all Schedule of Accommodation decisions.

7. Cost Control

Given the level of uncertainty within the construction industry, Corporate Property, alongside Kier Project Managers and Quantity Surveyors, actively manages all contractors delivering the capital programme and has sought opportunities to reduce costs in the design process, whilst meeting all of the essential requirements of the SEND strategy. Various measures have been undertaken:

- 7.1. The Schedule of Accommodation (a document which describes how much and what type of space is needed at each school) has been revised down so that it sits at the lower end of the DfE Building Bulletin Guidance. By taking this approach the Council is only meeting the minimum requirements for delivering SEND education space in Lincolnshire. However it is important to note that this is still a significant improvement over and above the existing provision.
- 7.2. The type of classroom space being provided as part of the programme has also been derogated against Building Bulletin guidance. DfE guidance indicate that three different classroom sizes should be provided (they are for Profound and Multiple Learning Difficulties (PMLD), Moderate Learning Difficulties (MLD) and Autistic Spectrum Disorder (ASD)); MLD and ASD have been amalgamated. This has the advantage of delivering consistent sized classrooms which are technically easier to deliver, and therefore cost less. This also offers schools more flexibility in the use of the space.
- 7.3. The same principle also applies to Art and Design Technology classrooms (which have been combined) and ICT and Library space (which has been combined). This has resulted in a net reduction in the need for two classrooms per project, saving around £400,000.
- 7.4. Similarly, the SEND programme Property and Resources workstream agreed to reduce overall classroom sizes from 65m² to 60m² for PMLD and 55m² down to 50m² for MLD and ASD. This translates into a saving of 5m² per new build classroom with the programme building 57 new classrooms; overall this is a net reduction of 285m² of space that is not being built and has saved the programme around £1.026m overall.
- 7.5. All external spaces have been standardised to provide zoned areas with limited services only. All equipment such as trim trails, play equipment and horticulture equipment will be provided by the individual schools, in order to manage costs.

- 7.6. All of the decisions above have been taken in partnership and with support from Children's Services, Head Teachers and Academy Trusts involved in the programme.
- 7.7. One of the benefits of using an NEC EU compliant Construction framework to procure the works is that all contractors must obtain three quotes for the work packages before entering into contract. For example, the Council is able to examine the quotes received for all the external works, or mechanical and electrical works and satisfy itself that value for money has been achieved. Corporate Property, via its partnership with Vinci / Kier employs a team of Quantity Surveyors to undertake this role.

By only building what is needed and consistently challenging costs, Corporate Property can provide assurance that all of the capital builds will meet All Needs in an appropriate and cost effective manner.

8. Impact of COVID-19 and Brexit

- 8.1. The purpose of this section is to highlight the current and on-going risks around COVID-19 and Brexit.
- 8.2. COVID-19 has had a dramatic and continued impact on the construction industry. Social distancing has increased costs on site (due to increased cleaning and more facilities being needed) and has extended timescales on this project from March 2021 to August 2021. This translates into a medium level of assurance around the overall project budget. £40,000 has been set aside in the risk budget specifically to cater for COVID related items.
- 8.3. There is an overall risk budget in this project of £580,000 to cater for unforeseen design and site abnormalities.
- 8.4. There is a risk, should the pandemic continue for some time, or if a second wave severely disrupts the construction industry, that costs could increase beyond that which has been allocated with the risk budget. It is impossible to forecast at present or establish a separate risk sum specifically for this eventuality. However six monthly updates for the overall programme will be provided for scrutiny and oversight by the Capital Challenge Officer Group and Corporate Property actively manage the contractor to ensure that any cost increase is warranted.
- 8.5. Brexit may also have a bearing on the project budget. At this stage this may be minimal, or it could lead to dramatic and profound disruption to the supply chain; which will extend timescales and push up cost. Again, as with some aspects of COVID-19 it is impossible to forecast (at this stage) how this will impact on the project.

2. Legal Issues:

Equality Act 2010

Under section 149 of the Equality Act 2010, the Council must, in the exercise of its functions, have due regard to the need to:

- * Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act.
- * Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it.
- * Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

The relevant protected characteristics are age; disability; gender reassignment; pregnancy and maternity; race; religion or belief; sex; and sexual orientation.

Having due regard to the need to advance equality of opportunity involves having due regard, in particular, to the need to:

- * Remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic.
- * Take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it.
- * Encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.

Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to tackle prejudice, and promote understanding.

Compliance with the duties in section 149 may involve treating some persons more favourably than others.

The duty cannot be delegated and must be discharged by the decision-maker. To discharge the statutory duty the decision-maker must analyse all the relevant material with the specific statutory obligations in mind. If a risk of adverse impact is identified consideration must be given to measures to avoid that impact as part of the decision making process.

NOTE: An Equality Impact Analysis has not been completed but the proposed works are considered to enhance the experience of children and families impacted by disability as a protected characteristic and will have a neutral impact on those that do not in that the works will improve the working environment and protect the health and safety of all staff working in the buildings affected.

The primary equality consideration for the works is the protected characteristic of people with disabilities, as it proposes to significantly alter the educational

experience of pupils with SEND. The Strategy proposes to reshape the special school system to remove designations from the entry criteria, enabling pupils to attend their local school which will meet all type of need and disability. By investing in school infrastructure and providing an improved and expanded facility in Bourne, local pupils will be able to attend school locally, meaning they no longer have to travel significantly long journeys and reduce the negative effects of daily long-distance travel. At present 93 children and young people are travelling further to school than is necessary and these works will seek to address this inequality.

All other protected characteristics relate specifically to the educational provision pupils receive within the school setting, which is not going to change as a result of the Strategy.

Joint Strategic Needs Analysis (JSNA) and the Joint Health and Wellbeing Strategy (JHWS)

The Council must have regard to the Joint Strategic Needs Assessment (JSNA) and the Joint Health and Wellbeing Strategy (JHWS) in coming to a decision.

The Joint Health and Wellbeing Strategy prioritises the needs of children and young people with SEND through the objective:

- Ensure appropriate support services are in place for pupils with a special educational need and/or a disability.

Two primary aspirations for the Building Communities of Specialist Provision address this objective:

- Provide a local education system in which parents can have confidence that their child's education, health and care needs can be met.
- Clarify and enhance health interventions across Special schools, so all schools can meet the health and therapeutic needs of the pupils in their communities.

Crime and Disorder

Under section 17 of the Crime and Disorder Act 1998, the Council must exercise its various functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent crime and disorder in its area (including anti-social and other behaviour adversely affecting the local environment), the misuse of drugs, alcohol and other substances in its area and re-offending in its area.

NOTE: The section 17 matters have been taken into account but there are not considered to be any implications for the section 17 matters arising out of the decision.

3. Conclusion

The Building Communities of Specialist Provision Strategy has identified a need to increase capacity of special school places in Bourne and to provide all needs education. The proposed expansion and remodelling of Willoughby Academy, Bourne will deliver this requirement and the signing of the construction contract will enable this to proceed.

4. Legal Comments:

The Council has the power to carry out the works and enter into the contract proposed.

The decision is consistent with the Policy Framework and within the remit of the Leader of the Council.

5. Resource Comments:

The recommendation to approve the delivery of the school expansion of Willoughby Academy, Bourne through the SCAPE national framework and for the Council to enter into a construction contract with Willmott Dixon Construction will enable the Council to continue implementing the Building Communities of Specialist Provision Strategy, which was approved by the Executive on 6 November 2018. The Strategy will create an integrated system where pupils attend their nearest school, and that education, health and care needs can be met by schools through facilities and premises to meet all needs.

The total project cost for Willoughby Academy is £6.51m. £2.720m of the cost will be funded from the Basic Need Allocation; £0.455m from the DfE SEND Capital Grant, and the remaining £3.330m will come from the Capital Maintenance Grant.

The report outlines value for money comparisons to BCIS, which shows a favourable position for this recommended school expansion. The design principles were a fundamental part of governing the school building requirements and its financial cost.

The financial needs of the overall programme of works are being regularly reviewed as surveys and requirements to the schemes progress including exploring alternative funding streams that come available.

6. Consultation

a) Has Local Member Been Consulted?

Local Members were consulted as part of the original Strategy consultation which took place between January and March 2018. All Local Councillors were also consulted with as part of the Pre-Planning Community Engagement Event which took place in advance of the planning submissions for each scheme.

b) Has Executive Councillor Been Consulted?

Yes

c) Scrutiny Comments

At a virtual meeting on 17 July 2020, the Children and Young People Scrutiny Committee considered the report and unanimously agreed to support the recommendations to the Leader of the Council.

Members of the Committee asked a number of questions, when the following points were confirmed:

- The building had been designed to meet all needs for 148 pupils by providing flexibility in the use of the classrooms. The design of the building was future proof in terms of the number of pupils and the complexity of needs coming through, and allowed for the use of large specialist equipment when required.
- The impact of Covid-19 on the capital expenditure for the overall Special Schools programme was subject to a review and a report would be brought to scrutiny in future for consideration. It was expected that there would be challenge on the overall budget for this programme.
- The funding for this project would come from the Basic Need Allocation, the Department for Education SEND Capital Grant, and the Capital Maintenance Grant. Any cost pressures would also be met from these grants.
- In future the capital appraisal reports would contain more information on the Building Cost Information Service (BCIS) value for money comparisons and what the national benchmarks were, in order to provide more confidence that the costings were providing value for money and in line with national benchmarking figures.
- The capital programme for the Special Schools would be monitored by the capital monitoring group and also by an officer group for education.
- The medical inspection room was an innovation for this project and by working with partners in Health, it would provide wraparound health services in school for a number of pupils.
- It was suggested that consideration should be given to the design of the school to ensure it was future proof against another pandemic and could cope with another outbreak. It was confirmed that all schools had to have a plan in place for lockdowns if required.
- It was suggested that a roof garden on the new block's flat roof, like the

sensory garden at Haven Cottage in Boston, would be beneficial to the pupils.

d) Have Risks and Impact Analysis been carried out?

Yes

e) Risks and Impact Analysis

See the body of the Report.

7. Background Papers

The following Background Papers within the meaning of section 100D of the Local Government Act 1972 were used in the preparation of this Report.

Background Paper	Where it can be viewed
Building Communities of Specialist Provision for Children and Young People with Special Educational Needs and Disabilities	https://lincolnshire.moderngov.co.uk/ieListDocuments.aspx?CId=121&MId=4973

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