

CABINET

29 OCTOBER 2013

OUTLINE BUSINESS CASE FOR THE EXPANSION OF WILL ADAMS PUPIL REFERRAL UNIT

Portfolio Holder: Councillor Mike O'Brien, Children's Services

Report from: Barbara Peacock, Director of Children and Adult Services

Author: Chris McKenzie, Performance Intelligence and Strategic Manager
Philip Tucker, Interim Capital Programme Manager

Summary

This report seeks approval from Cabinet of the Business Case (OBC) for the expansion of Will Adams Pupil Referral Unit (PRU) and for permission to commence more detailed design works.

1. Budget and Policy Framework

- 1.1 This project supports the Council's School Organisation Plan 2011 – 2016, approved by Cabinet on 1 November 2011 (decision number 143/2011). The Council Plan 2013-2015 includes the following priority: Children and young people have the best start in life in Medway.
- 1.2 Subject to the approval of the OBC and the recommendations in this report, officers will develop the design and report to Cabinet for approval in compliance with the Council's procurement rules. This will then lead to Gateway 1, which will be undertaken in compliance with EU rules and Medway Council's internal procurement processes and contract rules.

2. Background

- 2.1 Will Adams PRU, Woodlands Road, Gillingham, currently have a roll of 40, (although from September the actual number on roll will be 43), based on 20 students in each Year Group (Year 11 & Y12). The PRU is currently geared to 6 rather than 8 students per class, giving a teaching accommodation need of 8 classrooms.

- 2.2 The Department for Education publishes guidance for all categories of Educational premises to identify expected standards known as Building Bulletins. Building Bulletin 77 sets out standards for PRUs and when compared to this the current accommodation is inadequate in that they are deficient in many areas:
- The school only has 6 classroom spaces (which includes 1 classroom in the Youth Centre) – currently they lease 2 minibuses and use staff cars to take students off-site for alternative provision.
 - IT, music and Art are delivered in the current classroom spaces rather than in specialist accommodation.
 - The youth club hall is rented in order to deliver dining and hall activities.
 - Visiting professionals have to use either; the reception area, corridor, Senco or Head teacher's office for meetings.
 - External spaces – no provision and currently use the Youth Club outside area.
 - On-site storage is limited and they have to use a "shed" and off-site storage.
 - The school rents 2 spaces from Woodlands Primary School for parking of the minibuses.
- 2.3 The PRU has never benefitted from purpose built accommodation and the current provision is the result of various building modifications over the years. This also included swapping accommodation from Summit House to the back of Woodlands Youth Club.
- 2.4 Ofsted has criticised the PRU and Local Authority for the inadequate provision, which prevents full curriculum entitlement and development. This leaves the PRU vulnerable to an Ofsted category of 'special measures'.
- 2.5 There is a severe pressure for places relating to the students excluded from mainstream secondary schools at Key Stage 4. As noted above the current facilities at Will Adams are currently deficient in a number of areas.
- 2.6 The Outreach Centre, which is located very close to Will Adams, has been recently vacated, and there are proposals to relocate the Duke of Edinburgh occupants who currently use Summit House, which is adjacent to the Will Adams building. This gives us an opportunity to not only address the current deficiencies but also allow for an expansion, which will help to address the current pressure on places across Medway.
- 2.7 In addition the transfer of part of the land to the rear of the site, previously the on-site playing field of Gillingham College, which closed in 2000, is proposed. This will provide a safe and secure route between the buildings and an outside space for the students, together with parking for the minibuses.
- 2.8 Current provision is for 40 places and historically the numbers requiring places have been rising:
- 2.9 Referrals made by the Inclusion team, within year, to Will Adams, Silverbank PRU and other alternative curriculum providers:

	2011-12	2012-13
Genesis	16	
Octopus		45
Rowans Silverbank	12	26
Will Adams	13	18
Total	41	89

- 2.10 A budget has been identified to provide the additional accommodation required for the expansion of places.
- 2.11 A feasibility study has been undertaken that has highlighted the shortfall in the accommodation, in line with the DfE Building Bulletin guidance.

3. Options

- 3.1 Eight options for the expansion have been considered as follows:

(Please note Options 1 to 4 were undertaken prior to the Outreach Centre becoming available)

Option 1

This option would provide separate accommodation, which would encompass a Food Technology room, Science classroom and external works to provide a recreation area and parking for the 2 minibuses.

The indicative cost estimate provided by the quantity surveyor including risk allowance and fees for option 1 is £220,000.

Option 2

This option provides a first-storey new build built above the rear end of the building. This would provide a Food Technology room, Science classroom, staffroom, relocation of head teacher's office, toilets, storage and external works to provide a recreation area and parking for the 2 minibuses.

The indicative cost estimate provided by the quantity surveyor including risk allowance and fees for option 2 is £371,000.

Option 3

This option would bring in the usage of Summit House and remodel the interior. This would provide a Food Technology room, Science classroom, staffroom, Reception, meeting rooms, Office, relocation of headteachers office, toilets, provision of an open covered link between the two buildings and external works to provide a recreation area and parking for the 2 minibuses.

The indicative cost estimate provided by the quantity surveyor including risk allowance and fees for option 3 is £294,000.

Option 4

This option is the same as Option 3 with the addition of an enclosed covered link between Summit House and Will Adams, which would also incorporate a more appropriate entrance/reception.

The indicative cost estimate provided by the quantity surveyor including risk allowance and fees for option 4 is £333,000.

Option 5

As option 4 with the introduction of the Outreach Centre, a playing field and hard play area. This would provide 4 classrooms (one being for the 6th form), Food Technology room, Science classroom, Reception, Kiln room, meeting rooms, Offices, kitchen and toilets.

The indicative cost estimate provided by the quantity surveyor including risk allowance and fees for option 5 is £1,004,000.

Option 6

This option is the same as Option 5 with the addition of a music/recording studio in an extension to the Outreach Building.

The indicative cost estimate provided by the quantity surveyor including risk allowance and fees for option 6 is £1,023,000.

Option 7

This option is the same as Option 5 but covers the demolition of the Outreach Building and rebuilding with a purpose build.

The indicative cost estimate provided by the quantity surveyor including risk allowance and fees for option 7 is £1,441,000.

Option 8

This option is the same as Option 5 with some of the facilities/provision scaled back to achieve a more affordable option. The playing field has been retained but no provision has been made to do any landscaping to this area. The additional office and link building between Summit House and the current Will Adams building has been removed.

The indicative cost estimate provided by the quantity surveyor including risk allowance and fees for option 8 is £712,000.

A copy of the site plan proposal is attached as Appendix 1.

4. Advice and Analysis

- 4.1 Option 8 addresses most of the PRU's needs and allows for future development if and when additional funding is made available. This provides more effective use of the existing accommodation, addresses the shortfall in current provision and provides flexibility for future expansion. This option also reduces the building costs and offers the most cost effective solution.
- 4.2 The Council has a statutory duty to provide school places for children resident in Medway as set out in the Education Act 1996. This project is required to enable the Council to discharge that duty.

4.3 The project will deliver benefits in the following areas:

4.4 Cost savings

Works to the fabric of the Outreach Centre building will include insulation, which will reduce the running costs for the school. Works to all 3 of the buildings are effectively alterations which, will provide the additional accommodation required at a more modest cost rather than a new purpose built facility. Work will also be undertaken with regard to the incoming utilities facilities to separate them from other buildings (shared with Woodlands Primary School and not separately metered, currently relying on a floor ratio split), this will be more economic for the PRU to operate under and budget for rather than rely on split bills with other users.

Additionally Medway Council should be able to see a reduction in revenue costs due to the expansion of the current facilities and reducing the need for placement with other providers.

4.5. Time and efficiency gains

Relocation of the facilities to the one site reducing the need to transport students offsite for some activities.

4.6 Improved quality

The project will deliver more appropriate accommodation for 21st century learning, focusing on improved use of spaces for all pupils.

4.7 Process improvement

This project will enable better curriculum delivery for pupils and improvements for learning and school management.

4.8 Site Issues

Having once been the playing field for Gillingham College, Medway Council owns the adjacent playing field. The Secretary of State's approval was given in 2003 for the disposal of the land from Education use. Colleagues in HRA are also in discussion regarding the provision of Sheltered Housing on this site, and initial agreement has been reached as to the exact allocation split. Corporate Property will formally process this through the usual procedures.

4.9 Resources & Project Management

The School Organisation Team has the resources in place to act as Client Project Manager for the project. They will be supported by a full design team of external consultants appointed by Building and Design Services including an external project manager and will be led by a Building & Design Services Project Manager in order to prepare the specification and drawings. Category Management will support the procurement process. A full detail of the governance structure is attached as Appendix 2.

5. Risk management

5.1 A copy of the risk register is attached as Appendix 3.

6. Consultation

- 6.1 As part of the feasibility process, we have undertaken external stakeholder engagement with the head teacher of the PRU, and our Inclusion Manager to develop options that will deliver the requirements for this project. During the detailed design stage and through the planning process, there will be internal stakeholder consultation with Medway Council's Planning department, Section 151 Officer and Strategic Procurement and the Monitoring Officer.

7. Financial and legal implications

- 7.1 A cost consultant has provided indicative cost estimates for all of the options including professional fees and risk allowances. The indicative costs provided at this stage are based on a typical build rate, and not on detailed designs, and do not take into account the actual ground conditions, or any other key design risks. During the next stage of the project, surveys and more detailed design work will be undertaken, to allow a more accurate cost estimate to be developed, prior to Gateway 1 approval. It is envisaged that the total cost of the scheme would be met from the SEN capital budget, funded from Basic Need Grant within the current programme.
- 7.2 The legal implications are set out in the body of the report.

8. Recommendation

- 8.1 It is recommended that Cabinet give approval to the Business Case, which has been based on the initial options appraisal and allow this project to proceed for more detailed design work on the preferred option, as set out in paragraph 4.1 of the report.

9. Suggested reasons for decision(s)

- 9.1 Option 8 delivers the maximum compromise between budget availability and building content and provides best value for money. The cost estimates indicate that the preferred scheme, which will deliver the identified accommodation requirements, is the most cost effective solution. Accurate cost estimates will be developed during the detailed design stage and presented for approval at Gateway 1 stage. Every effort will be made to include additional elements identified during the discussions with the Headteacher and unit Staff prior to the tendering process.

Lead officer contact

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Philip Tucker, Interim Capital Programme Manager X2116

Appendix 1 Site Plan

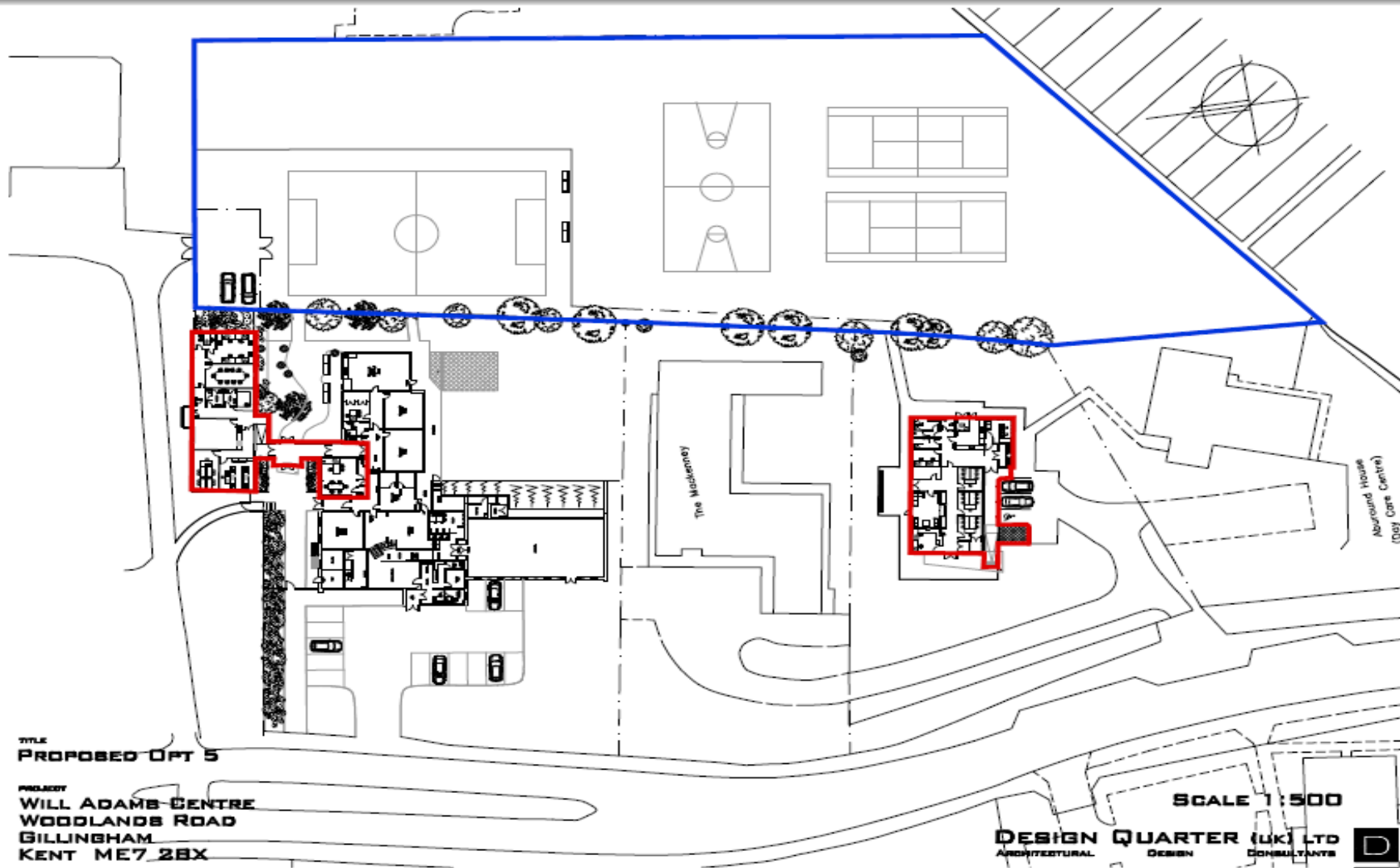
Appendix 2 Project Governance

Appendix 3 Risk Register

Background papers

None

Appendix 1



WILL ADAMS CENTRE - SIXTH FORM

TITLE
PROPOSED OPT 5

PROJECT
**WILL ADAMS CENTRE
WOODLANDS ROAD
GILLINGHAM
KENT ME7 2BX**

CLIENT
MEDWAY COUNCIL

DWG NO.
493/BK/OPT5

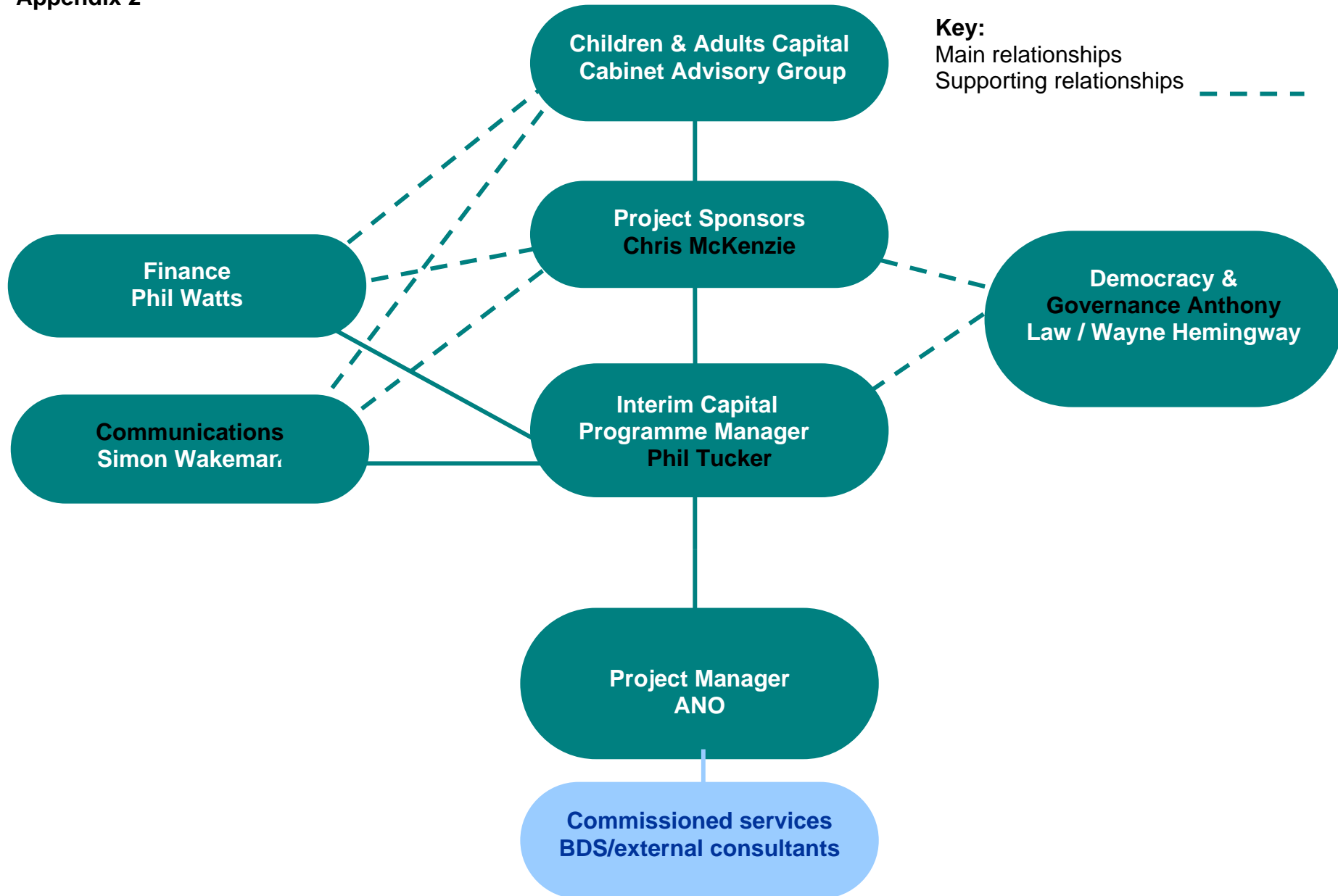
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Appendix 2



Project Manager:		#REF!																
No	Category	Risk Identification	Impact	Date Identified	Risk Owner	Likelihood (1-5)	Impact (1-5)	Risk Score (L x S)	Likelihood %	Risk cost	Risk Neutral Cost	Original Risk Ranking	Current Risk Ranking	Contingency and Mitigation Action	Date Last Updated	Action Deadline	Action Owner	Notes on changes to Risk Register/Rating
2	Vacant possession of Summit	Best guess is April what happens if this is delayed what is the contingency	Construction on this section will be delayed and result in additional costs.	23/09/13		2.5	5	12.5	50%	£70,000	£35,000		High					
4	Programme	Sept 2014 required but if the building not finished then no temporary accommodation. Delay on the programme.	Delay covered by 1 above.	23/09/13					0%	£0	£0		Nil					
6	Statutory supplies	We have allowed for a supply but possibly a new transformer	Transformer	23/09/13		2.5	5	12.5	50%	£50,000	£25,000		High					
7	Asbestos	Survey of existing field commissioned. Risk of contaminated ground.	Asbestos survey commissioned but under option 8 we do not use the field. If we use options 5, 6 or 7 then this is a risk item	23/09/13		1	5	5	20%	£300,000	£60,000		Medium					
9	Ecology	Possible delay if any ecology found on the field and if nesting birds, bats in the outreach then mitigation between now and start.	If option 5, 6 or 7 chosen will need an ecology survey on the field and with option 8 will need an ecology survey. Might delay the start if there are bats/ nesting birds etc.. This would be manageable but might delay commencement until late April.	23/09/13		1	3	3	50%	£5,000	£2,500		Low					
15	Duke Of Edinburgh not vacating	This would alter the whole dynamic of the scheme and would need to be re thought out.							0%	£0	£0		Nil					

Total Risk Costs £122,500

NB: The Client/Project Sponsor remains ultimately reliable for all risks and associated cost, Programme or otherwise implications