

Gorebridge North and Bilston Primary School Update

Report by Garry Sheret, Head of Property and Facilities Management

1 Purpose of Report

The purpose of this report is to update Council on the budget position including the expected income from developer contributions, following the tender returns for the new primary schools at Gorebridge North and Bilston.

2 Background

2.1 Cabinet 13 January 2015

On 15 January 2015, Cabinet considered a report from the Head of Property and Facilities Management updating progress made on these two school projects. This report set out the following recommendations:-

- Approve the designs for Gorebridge North and Bilston Primary Schools.
- Recommend to Council that the provision in the General Services Capital plan be revised to £8.901million for Gorebridge North and £6.439 million for Bilston Primary.
- Note the anticipated delivery programme outlined within Section 3.2.
- Approve the use of a Design and Build Procurement route for the projects.
- Instruct the Director, Resources to proceed with the tender process for Gorebridge North and Bilston Primary Schools.
- Subject to tenders being returned within the parameters set by this report ask the Director, Resources to contract with the successful bidding contractor following completion of the tender period.

3 Report Implications

3.1 Gorebridge North Primary School Tender Comparisons

Table 1 compares the pre-tender estimate, included in the Cabinet report of 13 January 2015, and the preferred tender for Gorebridge North Primary School.

Table 1 - Gorebridge North Primary School Tender Comparison

Item	Budget	Preferred Tender	Notes
Construction Cost	£7,607,210	£7,913,086	See Note 1 below
Surveys/Consents	£51,590	£51,590	
Fees	£791,320	£785,916	See Note 1 below
ICT Equipment	£30,000	Incl.	
Sub-Total	£8,480,120	£8,750,592	
Contingency	£420,140	£0	See Note 2 below
Total	£8,900,260	£8,750,592	

Note 1: Portion of design fees now included in Design & Build Tender

Note 2: Zero contingency as a result of all risk being transferred to the design & build contractor.

Developer contributions associated with this project are expected to fully fund the capital costs outlined in Table 1 above.

3.2 Bilston Primary School Tender Comparisons

Table 2 compares the pre-tender estimate, included in the Cabinet report of 13 January 2015, and the preferred tender for Bilston Primary School.

Table 2 - Bilston Primary School Tender Comparison

Item	Budget	Preferred Tender	Notes
Construction Cost	£5,358,775	£6,618,310	See Note 1 below
Surveys/Consents	£53,998	£53,998	
Fees	£631,139	£373,134	See Note 1 below
ICT Equipment	£30,000	Incl.	
Sub-Total	£6,073,912	£7,045,442	
Contingency	£365,528	£0	See Note 2 below
Total	£6,439,440	£7,045,442	

Note 1: Portion of design fees now included in Design & Build Tender

Note 2: Zero contingency as a result of all risk being transferred to the design & build contractor.

Whilst the overall capital cost of the new facility has increased, the proportion that the Council is required to fund has reduced. Developer contributions associated with this project are now expected to amount to £4,334,000 (61%). The Council will be required to fund the remaining share, £2,745,000 (39%). This is a reduction from the current provision within the General Services Capital Plan of £3,894,000 or 55%, and reflects the additional units that have been brought forward in the Bilston Primary school catchment area. The increased capital cost can therefore be absorbed due to the increased level of anticipated developer contributions, at no additional net cost to the Council. The capital cost provision in the Council's General Services Capital Plan should therefore be revised to reflect the increased cost of £7,045,000, with the developer contributions profiled in accordance with expected completion rates.

3.3 Programme

Table 3 indicates the current programme for development of both schools.

Table 3 – Development Programme for Gorebridge North and Bilston Primary Schools

Start on Site	August 2015
School Building Completion	July 2016
School Opening	August 2016
Completion of Demolition, new play area and replacement football pitch at Bilston	September 2016

3.4 Contractors

Following the tender process, Morrison Construction will be contracted to deliver Gorebridge North Primary School.

Following the tender process, McLaughlin and Harvey Construction will be contracted to deliver Bilston Primary School.

4.0 Resource

The General Services Capital Plan approved on 24 March 2015 includes £8,900,000 for the construction of the Gorebridge North Primary School and £6,439,000 for Bilston Primary School. The provision for Gorebridge North will remain unchanged, however the provision for Bilston needs to be revised to £7,045,000 million. As noted in Section 3.2, the proportion of the new Bilston Primary School that the Council will be required to fund will decrease from £3,894,000 to £2,745,000. The General Services Capital Plan, also presented on today's agenda, has been updated in line with the updated capital cost and developer contribution forecasts.

Indicative costs have been modelled to account for the staffing and operational costs of these new facilities, and is included in the Financial Strategy 2016/17 to 2020/21 report elsewhere on today's agenda.. This modelling will be required to be developed and will be reported to Council through the Financial Strategy and Revenue Budget setting reports.

4.1 Risk

The following are the key risks:-

Construction delivery

The Contractors will be engaged in lump sum design and build contracts. This will limit the Council's exposure to future movement in costs.

4.2 Single Midlothian Plan and Business Transformation

Themes addressed in this report:

- Community safety
- Adult health, care and housing
- Getting it right for every Midlothian child
- Improving opportunities in Midlothian
- Sustainable growth
- Business transformation and Best Value
- None of the above

4.3 Key Priorities within the Single Midlothian Plan

This project links to the following national and local outcomes and objectives.

National Outcome 04: Our Young people are successful learners, confident individuals, effective contributors and responsible citizens.

National Outcome 05: Our children have the best start in life and are ready to succeed.

National Outcome 10: We live in well-designed places where we are able to assess the amenities and services we need.

National Outcome 15: Our public services are high quality, continually improving, efficient and responsive to local people's needs.

Divisional Priority 1: Provide increased access to Education and Communities facilities and resources through the Divisional Estate Asset Management Plan.

Divisional Priority 6: We aim to give children the best start in life and improve life chances of children, young people and families.

Divisional Priority 7: provide opportunities for people to develop skills for learning, life and work with a continuous focus on literacy, numeracy, health and wellbeing.

Divisional priority 11: Raise the profile of our services, people and communities through celebrating our achievements and successes.

4.4 Impact on Performance and Outcomes

This work is a part of the Single Midlothian Plan's key priority of Early Years, providing fit for purpose community schools to present every child with the opportunity to attend the school which serves their community and supports improvement in pupil attainment and achievement.

4.5 Adopting a Preventative Approach

Providing fit for purpose community schools to provide every child the opportunity to attend the school which serves their community supports the preventative approach by improving achievement and attainment of pupils and increasing their prospects of progressing onto positive destinations.

4.6 Involving Communities and Other Stakeholders

Consultation events were held for each project with the respective communities.

The format of the events were drop in sessions to enable members of the public to pop in and discuss the details of the proposed development at times which suited them.

The events in Gorebridge were held in the local library and the events in Bilston were held in Bilston Pavilion.

The project team attended local Community Council meetings in advance of the public events to make the Community Councils aware of the projects and obtain feedback from the Community Councils. Both Community Councils were extremely co-operative and assisted in developing public interest in the consultation events.

The community consultation events were well attended in both Gorebridge (16 attendees) and Bilston (34 attendees).

Events were advertised on the Council website, local press and on the local Community Council websites to encourage people to attend.

4.7 Ensuring Equalities

An EQIA has been carried out for this programme.

4.8 Supporting Sustainable Development

Sustainability is at the centre of the design for both projects. The designs have been developed following the delivery of the successful Burnbrae Primary School.

Both Schools use a Glulam timber frame with structural insulated timber wall panels which provide the benefit of extremely high insulation values. The design is geared towards preventing heat loss through increased U-values and air-tightness therefore reducing the demand on energy to heat the building and our carbon footprint.

Both Schools incorporate photovoltaic panels which will be used to heat hot water supplies within the new buildings.

4.9 IT Issues

The budgets outlined within sections 3.1 and 3.2 of this report provide for the necessary IT equipment such as SMART boards and other active IT equipment.

5 Recommendations

It is recommended that Council:-

- Note the progress made and the appointment of contractors detailed in Section 3.4
- Note that the provision in the General Services Capital plan for Gorebridge North Primary School remain at £8.901 million and approve the revision to the provision in the General Services Capital Plan for Bilston Primary School to £7.045 million.
- Note the anticipated delivery programme outlined within Section 3.3.

10 September 2015

Report Contact: Maurice McCann

Name Tel No 0131 561 5422

E-mail maurice.mccann@midlothian.gov.uk

Background Papers: