

Finance and Resources Committee

10:00, Thursday, 20 May 2021

Learning Estate Projects Procurement Update

Executive/routine Wards Council Commitments	Executive all 28
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1. Recommendations

1.1 It is recommended that the Committee:

- 1.1.1 Note the update on the new primary schools being delivered in line with the growth of the city attributable to major housing development in the Local Development Plan and that further reports will be submitted to Committee for consideration before main construction contracts are awarded.
- 1.1.2 Approve the appointment of Faithful & Gould Limited for full design services for the replacement Currie High School project, with an estimated value of £3.6m, noting this project will now progress into RIBA Stage 4 including progression of an exercise to appoint a contractor for preconstruction services and also noting that a further report will be submitted to Committee for consideration before the main construction contract is awarded.
- 1.1.3 Approve the appointment of Arcadis LLP for full design services for the replacement Liberton High School project, with an estimated maximum value of £5.3m, noting this project will progress through RIBA stages 3 and 4 including progression of an exercise to appoint a contractor for preconstruction services and also noting that a further report will be submitted to Committee for consideration before the main construction contract is awarded.
- 1.1.4 Note the update on the design process for Wester Hailes Education Centre (WHEC) phase 2 and that a further report on the next stages will be provided to Committee later this year once a review of the procurement options has been completed.
- 1.1.5 Approve the procurement route outlined in the report for progression of the Trinity Phase 2 project utilising multidisciplinary design lot 11 of the Council's new Professional Services Framework for the direct appointment of Faithful & Gould Ltd for full design services with an estimated value of £3.3m.

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Report

Learning Estate Projects Procurement Update

2. Executive Summary

- 2.1 Communities and Families are taking forward a significant number of learning estate capital investment projects across the city. As a result of the COVID-19 pandemic the on-site projects have been significantly delayed and those in the design development stage have slowed down due to challenges progressing the necessary engagement with school communities.
- 2.2 This report provides an update on projects where construction has recently commenced following Committee approval in December 2020 to award contracts under delegated authority. An update is also provided for the projects which have been progressing through the design phase during the pandemic.
- 2.3 Many of the projects in the design phase have progressed to a stage where the preferred procurement routes for construction have now been identified. This report requests the necessary approvals from Committee to ensure that the major projects which have approved budgets identified in the Communities and Families Capital Investment programme can continue to be progressed. For every project a further report will be submitted to Committee for consideration before the main construction contract is awarded.

3. Background

- 3.1 In December 2020 a report to the Finance and Resources Committee approved that contracts for the James Gillespie's High School Darroch Annexe, Trinity Academy (Bangholm Sports and Outdoor Learning Facility) and Wester Hailes Education Centre Phase 1 Improvements learning estate capital programme projects could be awarded by the Chief Executive under delegated authority following consultation with the Convenor and

Vice Convenor. All three of these projects have now been awarded on this basis and details of the contract awards are provided in the table below. All three of the construction contracts have been awarded at a value which was within the pre-construction cost estimate.

Project	Successful Contractor	Contract Value
James Gillespie's High School Darroch Annexe	McLaughlin and Harvey	£6,788,050.98
Trinity Academy (Bangholm Sports and Outdoor Learning Facility)	McLaughlin and Harvey	£9,111,461.89
Wester Hailes Education Centre Phase 1 Improvements	Morrison Construction	£ 6,959,238.36

- 3.2 During the COVID pandemic the Learning Estate team, supported by the Capital Programme Team has, wherever possible, been continuing to progress the design and development of other projects which had not yet reached the contract award stage. This has been challenging due to the requirement to engage with schools and the wider community not always being possible because of school closures and wider community lockdowns. However, several of the larger secondary and primary school projects have been progressed through various stages and estimated timescales for when these will move into the construction phase are now available.
- 3.3 This report provides an update on progress with these primary and secondary school projects so that Committee are aware of the design team appointments and can consider the approvals recommended in relation to the preferred procurement route for each project.

4. Main report

Local Development Plan Primary Schools

- 4.1 A [report](#) to the Finance and Resources Committee on 10 October 2019 approved the appointment of specialist design team to deliver three new primary schools to certified Passivhaus standards. Committee approved that the Crown Commercial Services (CCS) framework, Lot 1 Multidisciplinary Design Services, could be utilised for the procurement of the Design Team for the delivery of three new Primary Schools under the Local Development Plan (LDP) programme.
- 4.2 The primary schools are all related to the growth of the city through major housing developments which were included in the Local Development Plan. These are located within major new housing developments at Builyeon Road in South Queensferry; the new Brunstane site within Newcraighall Primary School's catchment area; and the Maybury site in West Edinburgh.

- 4.3 The Maybury Primary School project was the first of three projects to be progressed and the planning application for the new school has recently been submitted. The design process has moved on to RIBA stage 4 and a contractor has been added to the team through 2 stage Design and Build, to provide preconstruction services. The main outputs of RIBA stage 4 are preparation of the detailed design documents and working with the contractor to undertake a series of market tender exercises to arrive at the final contract proposal.
- 4.4 A report will be presented to Committee for consideration before the main contract for construction of the school is awarded. The estimated timescale for this report coming to Committee is December 2021. The current estimated timescale for the new school to open is August 2023.
- 4.5 The design of the other two LDP primary school projects are at the early stages. The proposed procurement route for construction is the same as what has been adopted for the Maybury project. Further reports will also be presented to Committee for consideration before the main contracts for construction of these schools are awarded.

Replacement Currie High School

- 4.6 The Currie High School project commenced its initial feasibility stage via an application for Enabling Funds from the Hub South East Territory Board which was approved. As the project progressed, and following consideration of different routes to market, it was concluded that appointment of the design team via the Crown Commercial Services (CCS) framework represented the best option for the Council.
- 4.7 Within delegated authority limits, the design team led by Faithful & Gould Limited was appointed through the CCS framework to take the project to RIBA Stage 3 which will be completed by early June 2021. This route enabled the replacement Currie High School project to proceed to plan in line with Scottish Government criteria for the Learning Estate Investment Programme (LEIP) as it was one of the successful Phase 1 projects for this funding stream. In order to remain on programme and meet the Scottish Government requirement for the new school to be delivered by summer 2024, the design process is due to move straight into RIBA stage 4 on completion of stage 3 in June. Due to the values involved going beyond delegated authority limits Committee approval is now required to move into RIBA stage 4. The final value of the commission is estimated to be £3.6m. The performance of the design team to date has been excellent and it is therefore recommended that Committee approves the progression to RIBA Stage 4. This project will be to Certified Passivhaus standard with low zero carbon heating plant.
- 4.8 The next stage of the procurement process during RIBA Stage 4 is to appoint a contractor to provide pre construction services (2 stage Design and Build), to help develop design buildability and undertake market testing exercises with the supply chain. The expected time for this initial contractor appointment is summer 2021 with a view to the final construction contract being ready to be progressed by April 2022. A report will be presented to Committee for consideration before the main contract for construction of the school is awarded.

Replacement Liberton High School and WHEC Phase 2

- 4.9 The projects to replace Liberton High School and to deliver Phase 2 of the WHEC refurbishment and replacement were successfully included in Phase 2 of the Scottish Government's Learning Estate Investment Programme.
- 4.10 The CCS framework has also been used to appoint a design team, led by Arcadis LLP, under delegated authority for the replacement Liberton High School project. The initial appointment is for RIBA stages 0-2 and the intention is to progress with the successful design team through RIBA stages 3-4 and into construction. Again, progressing into these further stages will take the value of expenditure beyond delegated limits and it is therefore recommended that Committee approve, subject to the client team being satisfied with the performance at the end of RIBA stage 2, the design team can be appointed for the remainder of the project and that during stage 4 a contractor will be brought on board to provide pre construction services. The estimated maximum value of the commission is £5.3m. A report will be presented to Committee for consideration before the main contract for construction of the school is awarded.
- 4.11 For the WHEC Phase 2 project the Council's internal architects have been appointed to lead on an initial feasibility study which will determine the overall strategic approach for the project. The Council's new professional services framework has been utilised to provide the wider design disciplines to make up the full design team to progress the feasibility design. It is recommended the design team continues to the end of RIBA stage 1 and options for the onward procurement route for the remaining design and construction phases are being considered. One of the options that will be considered is the Council's internal architects continuing to work on the project to completion. A report on the preferred procurement option will be returned to Committee for consideration later in the year.

Trinity Phase 2

- 4.12 Phase 1 of the Trinity Academy Wave 4 project, the construction of the Bangholm Sports and Outdoor Learning facility, is now on site and due to be completed by April 2022. The design team involved in Phase 1 have completed an initial feasibility study for Phase 2 which will see replacement and refurbishment of the remaining school situated on the main school site.
- 4.13 Due to the nature of the main school site, the number of different building types that currently make up the school facilities and the desire to keep the school operational while phase 2 is completed the project will be very complex. Therefore, it requires an experienced design team where the various consultants have experience of working together on such a complex project. The project will also benefit from early contractor engagement.
- 4.14 It is recommended the multidisciplinary design lot 11 of the Council's new Professional Services Framework is utilised for a direct appointment of the top-ranking design team for this project. This would be a multi-disciplinary team with Faithful and Gould as the lead consultant. As this design team would take the project to completion the value of the appointment is likely to exceed delegated limits and Committee approval is sought to proceed with this procurement route. The estimated value of the commission is £3.3m. Options to secure early contractor engagement will also be considered and progressed. A

further report will be presented to Committee for consideration before the main contract for construction of the Phase 2 is awarded.

5. Next Steps

- 5.1 Should Committee approve the recommendations then all the projects included will be progressed as detailed in the main section of this report.

6. Financial Impact

Capital

- 6.1 The capital budgets for all of the projects in this report were included in Communities and Families element of the [Sustainable Capital Budget Strategy 2021-2031](#) report submitted to Committee on 2 February 2021.

Revenue

- 6.2 A [report](#) to the Finance and Resources Committee on 23 May 2019 and referred to the Education Children and Families Committee on 16 August 2019 confirmed (in paragraph 6.3) that further property running cost funding has been included within the budget framework to reflect rising school rolls; Wave 4 school programme and additional or expanded facilities linked to the Local Development Plan.
- 6.3 The report includes details of the estimated running costs expected to be generated by the growth in the Council's operational estate and the projects in this report are included. Finance have confirmed that the budget framework makes provision for the associated additional running costs.
- 6.4 The other main revenue costs which require to be accounted for in future budgets are the school staffing costs. Finance colleagues are aware of the scale of investment over the next 10 years so that the staffing budget implications can be taken into account during future budget setting processes.
- 6.5 The costs associated with each procurement process is under £10,000

7. Stakeholder/Community Impact

- 7.1 For Communities and Families Learning Estate projects, where required engagement with all key stakeholders, including elected members and school communities is undertaken through both informal and statutory consultation. All statutory consultations will be conducted in line with the procedures set out in the Schools (Consultation) (Scotland) Act 2010 as amended by the Children and Young People (Scotland) Act 2014.

8. Background reading/external references

- 8.1 [Changes to the Operational Property Estate: Lifecycle Costs Forecast](#) Finance and Resources Committee 23 May 2019.
- 8.2 [Appointment of specialist design team to deliver three new primary schools to certified Passivhaus standards.](#) Finance and Resources Committee 10 October 2019.

- 8.3 Communities and Families Learning Estate – Project Contract Awards (B Agenda) Dec 2020, Finance and Resources Committee 3 December 2020.
- 8.4 [Sustainable Capital Budget Strategy 2021-2031](#), Finance and Resources Committee 2 February 2021.

9. Appendices

N/A