

17 September 2018**Agenda Item: 7****REPORT OF THE SERVICE DIRECTOR, PLACE AND COMMUNITIES****LATEST ESTIMATED COSTS – REPLACEMENT OF THE ORCHARD SPECIAL
SCHOOL AND NEWARK DAY CENTRE****Purpose of the Report**

1. To advise Committee of the Latest Estimated Cost (LEC) for the programme of works to provide the replacement of the existing Orchard Special School and Newark Day Centre on the existing site, and the temporary relocation of the Day Centre to Woods Court, and seek approval to proceed to the construction phase of the project based on this estimated cost.

Information**Project details**

2. In line with the Council Plan for 2017-21, “Your Nottinghamshire, Your Future”, and the associated Place Plan for Nottinghamshire, the Council has a clear commitment to replacing the existing Orchard Special School in Newark with new school premises.
3. The project will initially deliver a 4,044 m², 140 place Special School, which is designed to be capable of expansion in the future to at least 170 places.
4. Alongside the new special school the project will also provide a new 1,024 m² Day Centre to replace the existing facility within the overall site footprint.
5. Temporary relocation of the Day Service into the existing Woods Court site, which became vacant in May 2018, is critical to the delivery of the replacement school, and necessary to ensure service continuity for the Day Service users during demolition of the existing facilities and construction of the new ones.
6. The scope of the project therefore also includes the refurbishment and remodelling of Woods Court as well as the demolition of the existing School and Day centre.
7. The professions involved in this project from Arc Partnership are:-
 - Architect
 - Landscape Architect
 - Mechanical Engineer
 - Electrical Engineer
 - Quantity Surveyor
 - Structural Engineer
 - CDM Co-ordinator
 - Project Manager

Capital budget implications

7. The latest estimated costs are as follows (note that professional fees include all feasibility costs including site surveys and associated statutory fees, as well as Arc Partnership fees):

Latest Estimated Cost

(Outturn Prices)

Building Works	£14,035,715
Professional fees	£1,407,575
Furniture and Equipment (provisional)	£100,000
Total	£15,543,290

Anticipated Cash Flow

	2018/19	2019/20	2020/21	2021/22	Total
	£	£	£	£	£
Building Works	636,303	12,517,032	1,242,3810	0	14,035,715
Professional Fees	799,527	550,068	45,581	12,399	1,407,575
Furniture and Equipment	0	100,000	0	0	100,000
Totals	1,435,830	13,167,100	1,287,962	12,399	15,543,290

Current ARC LEC's (excludes Furniture & Equipment):

Activity	Latest cost
Relocation of Day Service	
Works to Woods Court (including decant)	780,000
	£780,000
Replacement School	
New School	10,493,700
	£10,493,700
Demolition	
Demolition of existing Day Service	210,000
Demolition of existing school buildings	789,590
	£999,590
Replacement Day Service	
New Day Service	3,170,000
	£3,170,000
TOTAL ORCHARD PROGRAMME	<u>£15,443,290</u>

Benchmarking Build Costs

8. The benchmarking table normalises the cost between the Arc cost plan and the Education and Skills Funding Agency (ESFA) latest benchmarking data for SEN Schools Issued in February 2018. Comparing against the full dataset and subset of similar sized schools.
9. The Latest Arc Cost is £10,493,700 and this compares favourably against ESFA figure of £10,460,551 for similar sized schools. Demonstrating costs are comfortably within Value for money parameters.

Special educational needs school benchmarking table:

Description	Arc Latest Estimated Cost June 2018 with William Dixon Cost Advice	ESFA Benchmarking Document February 2018 Average of 7 Sample Projects all sizes	ESFA Benchmarking Document February 2018 - Average of 3 Sample Projects over 3,750 M2
Subtotal for new SEN School	10,493,700	11,266,584	10,021,032
Gross internal Floor Area	4,044	4,044	4,044
SEN School Cost £/ m² including Fees	2,595	2,786	2,478
Pricing Point of Project	June 2018	November 2017	November 2017
BCIS Indices at Pricing Point	N/A - Uplift included	342	342
Commencement Date of Project	April 2019	April 2019	April 2019
BCIS Indices at Project Commencement	N/A - Uplift Included	357	357
Fixed Price Uplift to be applied Per m ²	0	122	109
Adjusted Overall Cost Per M2	2,595	2,908	2,587
Adjusted Overall Cost	10,493,700	11,760,732	10,460,551

Day centre Benchmarking Table:

	Floor area m2	BCIS Mean rate m2	Overall Cost	Arc LEC m2	Arc LEC overall Cost
Day centre	1024	£2,910	£2,979,840	£3,095	£3,170,000

10. The day centre benchmarking compares the Building Cost Information Service (BCIS) cost data against the Current ARC LEC. The BCIS data provides a mean average rate of £2,910 m² however this figure excludes the design fee. This compares well with the ARC figure £3,095, especially considering as the ARC Estimated Costs include the design fees.

ESFA funding

11. The ESFA has allocated £125k grant for Project Delivery for the replacement school in addition to its £1.03m funding contribution to the project.

Revenue budget implications

12. Any additional premises and human resources costs arising from these proposals will be met from the individual school and Day Centre's budgets.

Other Options Considered

13. Consideration has been given to a range of options for the site. However the solution agreed offers the best long term option for service users in the Newark area, and will see both existing facilities replaced with outstanding replacement premises

Reason for Recommendation

14. Replacement of the Orchard school is a key aspiration of the County Council, and the best option for delivering that aspiration includes the associated replacement of the Newark Day Centre. The resultant new premises will deliver outstanding service provision for vulnerable children and adults for many years to come.

Statutory and Policy Implications

15. This report has been compiled after consideration of implications in respect of crime and disorder, data protection and information governance, finance, human resources, human rights, the NHS Constitution (public health services), the public sector equality duty, safeguarding of children and adults at risk, service users, smarter working, sustainability and the environment and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

Crime and Disorder Implications

16. There are no direct crime and disorder implications within the report. Within the wider development the site is relatively straightforward to secure. As a result, risk of crime from theft or vandalism will be minimised. Additional measures which will be considered to further minimise risk of crime will include the provision of overnight security systems during the construction period.

Financial Implications

17. These are set out in the report

Implications for Sustainability and the Environment

18. Environmental and Sustainability requirements will be incorporated into the detailed design process of the buildings.

RECOMMENDATION/S

It is recommended that:

- 1) Committee approve the Latest Estimated Costs for the projects and agree to vary the capital programme as necessary;
- 2) Committee approve the project to proceed to the construction phase based on this Latest Estimated Cost.

Derek Higton

Service Director, Place and Communities

For any enquiries about this report please contact: Phil Berrill, Team Manager, Departmental Services, Tel: 0115 977 4641

Constitutional Comments

19. Constitutional Comments will be provided orally at the meeting.

Financial Comments [PH 24/08/2018]

20. The financial implications are set out in the main body of the report within the Latest Estimated Costs.

Background Papers and Published Documents

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

- Replacement of the Orchard Special School and Newark Day Centre – Report to Policy Committee 28-03-2018 – Published
- Replacement of the Orchard Special School and Newark Day Centre update report – Report to Report to Finance and Major Contracts Management Committee 16-07-2018 – Published
- Replacement of the Orchard Special School and Newark Day Centre – Report to Policy Committee Update Report 12-09-2018

Electoral Division(s) and Member(s) Affected

Ward(s): Newark East
County Councillor Stuart Wallace