

CABINET 24th November 2015 EXECUTIVE SUMMARY OF AGENDA ITEM 7

Report title: Bristol Local Education Partnership Limited

Wards affected: All

Strategic Director: Barra Mac Ruairí, Strategic Director, Place

Report Author: Alistair Reid, Service Director, Economy

RECOMMENDATION for the Mayor's approval:

1. To authorise the extension of the Strategic Partnering Agreement between Bristol City Council and Bristol LEP Limited for a period of 5 years.
2. To authorise the procurement of technical advisors to provide project management, cost, construction and property consultancy services and delegate authority to the Strategic Director, Place to award the contract.

Key background / detail:

a. Purpose of report: The report seeks approval to extend the Strategic Partnering Agreement between Bristol City Council and Bristol LEP Limited to enable delivery of the emerging education major capital projects from the Integrated Education & Capital Strategy (2015-2019).

b. Key details:

1. On the 3rd July 2006 Bristol City Council (the '**Council**') entered into a Strategic Partnering Agreement ('**SPA**') with Bristol LEP Limited ('**BLEP**') to provide high quality education services through the development and provision of high quality schools accommodation and services to the education community in the most cost effective manner.
2. The Council has used the BLEP as a vehicle to deliver its education major capital projects since 2006.
3. The 10 year SPA with the BLEP will expire on the 3rd July 2016. Provision was included within the Official Journal of the European Union Notice and SPA for the agreement to extend up to fifteen (15) years.
4. It is recommended the Council extend the Strategic Partnering Agreement between Bristol City Council and Bristol LEP Limited for a period of five (5) years to enable delivery of the emerging education major capital projects from the Integrated Education & Capital Strategy (2015-2019).
5. To support delivery of the education major capital project emerging from the Integrated Education and Capital Strategy (2015-2019) the Council will re-procure technical advisors to provide project management, cost, construction and property consultancy services as required.

BRISTOL CITY COUNCIL
CABINET
24th November 2015

REPORT TITLE: Bristol Local Education Partnership Limited

Ward(s) affected by this report: All

Strategic Director: Barra Mac Ruairí, Strategic Director, Place

Report author: Alistair Reid, Service Director, Economy

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The proposal:

1. BACKGROUND

1.1 A publication of Supplement to the Official Journal of the European Union ('OJEU') contract notice was made on 30th September 2004. An OJEU compliant procurement process was undertaken to procure a private sector partner to enter into a contract for between 10-15 years to participate and invest in a new public/private partnership vehicle to be called a Local Education Partnership.

1.2 On the 3rd July 2006 Bristol City Council (the '**Council**') entered into a Strategic Partnering Agreement ('**SPA**') with Bristol LEP Limited ('**BLEP**') to provide high quality education services through the development and provision of high quality schools accommodation and services to the education community in the most cost effective manner.

1.3 The BLEP has three shareholders: Skanska Education Partnerships, Amber Infrastructure (formally Partnerships for School) and Bristol City Council. The BLEP have contracted Skanska Infrastructure Development UK Limited to provide the BLEP services in accordance with the SPA.

1.4 The SPA provides the BLEP with exclusivity to deliver major capital project for the Council. A major capital project is defined as;

- a) Having a capital value of over £500,000 where the project involved the

construction of, or refurbishment, repair or extension to education premises maintained by the Council.

- b) Having a capital value of over £500,000 where the project involved installation, maintenance or managed services in respect of ICT facilities.
- c) Which has been or shall be subject of a design and build Contract where the project involves hard facilities management services.

1.5 The Council has used the BLEP as a vehicle to deliver its education major capital projects since 2006.

1.6 The 10 year SPA with the BLEP will expire on the 3rd July 2016. Provision was included within the OJEU Notice and SPA for the agreement to extend up to fifteen (15) years. If the BLEP and Council both agree that it would be beneficial, to the provision of education in the City, the SPA can be extended for an additional five (5) years.

1.7 The BLEP have confirmed they agree to the extension of the SPA for an additional five (5) years. Please find a letter confirming the BLEP's position at Appendix 1.

1.8 To extend the SPA the Council must serve written notice upon the BLEP at least six (6) months before the initial expiry date on or before 3rd January 2016.

1.9 It is recognised that during the SPA contract period Skanska have delivered a number of other commercial developments within the City. Skanska also sponsor the European Green Capital 2015. The recommendation to extend the SPA was provided for within the original agreement and predates Skanska's sponsorship of European Green Capital 2015. It is based on the option appraisal in Section 3.2 below which provides objective justification for the extension of the SPA with BLEP for a period of five (5) years to enable delivery of the emerging education major capital projects from the Integrated Education & Capital Strategy (2015-2019).

Education Major Capital Projects

1.9 Since entering into the SPA with the BLEP the Council has used the BLEP to deliver its education capital programme 1 and 2. Key achievements of the programme include;

i. Building Schools for the Future (BSF) – Programme 1

4 PFI Secondary Schools – capital value £135m. (including Information Communication Technology (ICT) and Authority Notifications of Change (ANCs).

6 further Secondary Schools – capital value £108m.

3 Secondary Academies – capital value £50m.

ii. Primary Places Programme - Programme 2

New primary schools – capital value £28.9m

Expansions of existing schools – capital value £72.8m

Projects still in development – capital value £23.6m

1.10 The BLEP has successfully delivered the Council's education major capital

projects on time, to an agreed budget and to a high standard. Using the BLEP as a delivery vehicle has ensured enhanced provision of education within the City and that the Council has met its statutory duty to provide sufficient school places.

1.11 A detailed major project delivery strategy has been developed with the BLEP through project stages. Each stage of a major capital project has defined deliverables that must pass through a detailed gateway review process approved by the Council. Commercial and technical due diligence is conducted prior to each gateway approval. This ensures that the delivery approach with the BLEP is process driven with a focus on value and quality.

1.12 Utilising the BLEP as a delivery vehicle for the Councils education major capital projects has;

- a) Delivered high quality education provision across the City;
- b) Allowed the Council to procure construction related services directly from the BLEP without the need for further tendering. This has provided the Council with quick access to the market and the agility required to deliver its education major capital projects on time and to budget;
- c) Provided market certainty to enable delivery;
- d) Enabled the Council has met its statutory duty to provide sufficient school places;
- e) Allowed the procurement of professional services and contractor through the BLEP without exhausting the Council's valuable resources. The Council has only had to resource a modest client team to co-ordinate programmes of works.

1.13 To assess whether or not the BLEP has provided the Council with good value for money during its tenure, the Council commissioned an independent benchmarking review of its delivery costs for new build and refurbishment projects, against the National School Delivery Cost Benchmarking study (June 2014) attached at Appendix 2.

1.14 The benchmarking review identified that on small scale projects up to 750m² in size the average BLEP costs are higher than the national average. However on larger scale projects 1500 to 2250m² in size the average BLEP costs are comparative with average national costs. The report demonstrates that:

- a) The average cost per pupil is shown to be under the national benchmark when all projects reviewed in the report are considered as a whole;
- b) At a programme level the additional value added through the partnering agreement includes delivery of projects consistently on time, in line with the academic calendar and to a high quality;
- c) The Council requires the BLEP to deliver a high quality specification. Despite this the BLEP are comparative in average nett and gross costs across all schemes types and are under the national average for schemes of between 1500-2250m²;
- d) The partnership approach with the BLEP mitigates the challenges of building in Bristol on difficult and often constrained sites and provides a competitive average cost per m²;

- e) Overall the BLEP provided the Council with good value for money against cost, quality and delivery criteria.

1.15 The BLEP Delivery Cost Benchmarking Report is attached at Appendix 3. The assumptions that informed the benchmarking review are set out on page 4 of the report.

Programme 1 and 2 Lessons Learnt

1.16 Through the delivery of the education capital programme 1 and 2 a number of lessons learnt have been identified. If the SPA with the BLEP is extended for a further five (5) years, officers have identified that, in partnership with the BLEP, a review of the BLEP's Key Performance Indicators (KPI's) should be undertaken to ensure;

- a) KPI's reflect Council's required outcomes;
- b) KPI's remain challenging to the BLEP;
- c) KPI's remain a meaningful measure of performance;
- d) Reporting & communication align with Council structure and requirements;
- e) KPI's take account of the Council's new Social Value aspirations contained within the Social Value Tool Kit.

2. INTEGRATED EDUCATION & CAPITAL STRATEGY (2015-2019)

2.1 In January 2016 the Learning City Board will consider approving the Council's Integrated Education and Capital Strategy (2015 -2019). The strategy will develop an integrated approach and capital plan across all education sectors and partners. It will ensure the City is strategically ready to take advantage of existing and future funding investment. Its key aim is to ensure sufficient places in schools and education settings that are suitable for their purpose and in good condition.

2.2 The strategy has been informed by high quality data, including remodelled pupil projections, providing increasingly accurate, up-to-date information for predictive place planning.

2.3 At the time of writing it is envisaged the Strategy will identify the following delivery priorities;

- i. To urgently increase the number of secondary mainstream places across the city, by up to 18 forms of entry by 2019, to meet statutory requirements.
- ii. Resourcing 'quick win' additional secondary places as soon as possible is a high priority.
- iii. To provide additional 2, 3 and 4 year old places to meet statutory requirements.
- iv. To provide additional specialist places in the primary, secondary and post-16 sector to meet statutory requirements, address growth and reduce costly commissioned places.
- v. To redistribute specialist, early years and some primary provision to ensure a more suitable distribution to meet local needs.

- vi. To ensure the availability of suitable specialist provision for children with complex needs, especially those with Social, Emotional and Mental Health (SEMH) needs, through expanded Alternative Learning Provision.
- vii. To address the condition and suitability of identified primary, specialist and early years provision to ensure the estate provides fit-for-purpose learning spaces and adequate, high quality external play and sport areas

2.4 More specifically it is envisaged the Strategy will show that the supply of year 7 places at a city level will be exceeded by September 2018, with a shortfall of over 236 places as set out in the table 1 below. This equates to a projected deficit of 8 additional forms of entry (FEs), or the equivalent of an additional 11-16 secondary school.

Pupil Projections				
Secondary Surplus/Shortfall in Year 7 Capacity				
Admission Year (September)	Year 6 from Primary Model	Forecast Mainstream Year 7	Mainstream Year 7 Capacity	Shortfall/ Surplus
2014/15	3,933	3,447	3,954	507
2015/16	4,036	3,601	3,954	353
2016/17	4,267	3,818	3,954	136
2017/18	4,363	3,915	3,954	39
2018/19	4,657	4,190	3,954	-236
2019/20	4,976	4,490	3,954	-536

Table 1: Secondary Year 7 Pupil Projections (2014- 2019)

Integrated Education and Capital Strategy Funding & Delivery

2.5 If the Integrated Education and Capital Strategy (2015 -2019) is approved a new Business Case will be developed, outlining proposals for schemes based on their capability to meet needs, in the right location and as economically as possible. The Business Case will outline how the next programme of works could be funded.

2.6 At the time of writing there is no clear funding strategy to deliver the identified programme of works set out in Section 2.3. However, the Council expects that the Department for Education will continue to provide annual Basic Needs funding (based on school place pressures) and that there may continue to be opportunities to bid for capital grants (such as the Priority Schools Programme). It is also possible for the Council (BLEP) to work in partnership with Academies and Free Schools to deliver Education Funding Agency ('EFA') funded capital projects.

2.7 Alongside funding uncertainty the Council also has no clarity on the scale of the emerging programme. Current Government policy enables a range of organisations to deliver education major capital projects including the EFA. All new schools are required to be free schools or Academies. Over the life of the coalition free schools have been procured directly by the EFA on behalf of the Department for Education. The risk inherent in this is that the Council loses control over the location, type and quality of new provision.

2.8 The Council wants to position itself as the partner of choice to deliver education major capital projects across the City. However with funding uncertainty and lack of clarity over the major capital projects required, any delivery and procurement approach must be structured in a way that meets emerging project and programme demands without tying up the Council's valuable resources.

2.9 Having a delivery strategy that incorporates a responsive and deep supply chain is also vital. The construction market in Bristol and the South West is currently relatively buoyant. This can be demonstrated in the education sector through the experience of the EFA in procuring works under their Priority School Building Programme (to replace or refurbish or life expired school buildings). The EFA are currently procuring works for the rebuild of St Ursula's, Minerva and Kingfisher Primary Academies, through their own framework. There has been an issue with a lack of interest in tender returns due to a buoyant construction market, the complexity of education schemes and low funding. This reflects the position nationally.

2.10 For the Council to successfully deliver its Integrated Education and Capital Strategy (2015 -2019) it must establish a delivery and procurement approach that drives value, ensures quality, and engages effectively with end users including the EFA to ensure deliverability. Retaining control of delivery will ensure the Council can influence the location, type and quality of provision to align with its strategic objectives and meet its statutory duty to provide sufficient school places.

3. DELIVERY & PROCUREMENT APPROACH

Objectives

3.1 The Council's objectives for the delivery and procurement approach are:

- I. **Quality:** New schemes will contribute significantly to 'place-making', with high build standards which improve quality and embrace sustainable energy solutions. Designs will support curriculum development, maximise teaching and learning opportunities, promote sport and outdoor play and have the flexibility to respond to changes in pupil numbers.
- II. **Programme:** A constraint of construction in the education sector is that students arrive in September. The majority of all major capital projects should be completed by then to ensure the Council meets its statutory duty to provide sufficient school places. The identified delivery and procurement approach must have inbuilt flexibility and agility to move quickly and have systems in place to continuously drive efficiencies, to ensure major capital projects are delivered in line with the academic calendar.
- III. **Value:** The delivery and procurement approach needs to drive continuous improvement and commercial efficiencies in order to deliver best value.
- IV. **Flexibility:** As the Council currently has no certainty over what aspects of the Integrated Education & Capital Strategy (2015-2019) it will be required to deliver and funding is still not confirmed. It is paramount the delivery and procurement approach can flex to meet demand.

Options Appraisal

3.2 The delivery and procurement options available to the Council to deliver the emerging education major capital projects from the Integrated Education & Capital Strategy (2015-2019) are set below:

Procurement Vehicle	Advantages	Disadvantages
<p>Extend the Strategic Partnering Agreement with Bristol LEP Limited for five (5) years.</p>	<p>The Council will not have to undertake a procurement exercise to appoint a delivery partner saving both time and money.</p> <p>The BLEP can commence work on the emerging capital projects immediately. This will allow the Council to accelerate delivery to ensure it meets its statutory obligation to provide sufficient school places.</p> <p>Removing the need to repeatedly tender each individual capital project will significantly reduce each project programme.</p> <p>The Council would not have to resource a large project team. Professional services and contractor are provided by the BLEP, therefore the Council will only be required to resource a modest project team to co-ordinate the programmes of works.</p> <p>The BLEP are able to provide a high level of cost certainty at an early project stage allowing the Council to establish if it has sufficient funds to deliver the project.</p> <p>The BLEP provide early input into the design process to ensure the</p>	<p>Lack of competitive tendering may not deliver best value to the Council.</p> <p>The Council cannot make any material changes to the SPA without triggering the need to 're-tender' through OJEU. The SPA is 10 years old and some aspects of it may not be fit for purpose.</p> <p>The Council may not be able to agree project costs with the BLEP and require an alternative delivery strategy for some or all major capital projects.</p>

	<p>major projects are high quality, viable and deliverable within an agreed timeframe. This early contractor input saves time and money over the lifecycle of each project and ensures the delivery of high quality education provision.</p> <p>The BLEP could be used to deliver other major projects which include educational activities (subject to legal approval on a project specific basis).</p> <p>The Council can review the KPI's and benchmark costs within the SPA to ensure they align with the Council's objectives and drive value.</p> <p>A strong relationship has been built between the BLEP, Skanska and the Council. Extension of the BLEP would continue to build on this positive working relationship and assist project delivery.</p>	
<p>The SCAPE framework</p> <p>The framework is a single source (currently Willmot Dixon for major projects). The Council has already agreed access terms with the framework operator. The contractor would be appointed at feasibility stage to undertake works through pre-contract and construction of the works. The contract sum would be negotiated with a single contractor prior to commencing on site. The contractor is responsible</p>	<p>The Council will not have to undertake a procurement exercise to appoint a delivery partner saving both time and money.</p> <p>Procuring off this framework would provide a high level of cost certainty at an early project stage allowing the Council to establish if it has sufficient funds to deliver the project. This early cost certainty allows the Council to manage the delivery process it secures best value.</p>	<p>.</p> <p>The Council may not be able to negotiate and agree costs, such as preliminaries and overhead and profit with the preferred contractor. Failure to negotiate an acceptable price may delay delivery.</p> <p>The Council would have to resource a skilled project team to project manage the procurement process and delivery of the major capital projects.</p> <p>The Council does not have</p>

<p>for appointing their own design team.</p>	<p>Procuring off the framework would allow for early contractor input into the design process to ensure the major projects are high quality, viable and deliverable within an agreed timeframe. This early contractor input saves time and money over the lifecycle of each project and ensure the delivery of high quality education provision.</p>	<p>market certainty. There is a risk the contractors may not tender to complete the projects as they are often complex with low funding and less desirable.</p>
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<p style="text-align: center;">The Southern Construction Framework</p> <p>At the first stage of the framework call off Employers Requirements and drawings are issued to a short list of contractors selected from a framework. The contractors are asked to tender on the basis of their set capped preliminaries costs, design fees, overheads and profit on nett works costs and possibly key sub-contract works package costs. The contractor will also be asked to provide a programme and a budget cost plan for the project as part of their tender submission.</p> <p>The second stage of the process completes the detailed design and the negotiation of the final contract sum based on tendered packages by the main contractor.</p>	<p>The Council will not have to undertake an OJEU procurement exercise to appoint a delivery partner saving both time and money.</p> <p>The competitive tender process would ensure best value.</p> <p>There is an opportunity to overlap design and procurement activities, which could save time and money. However this could undermine any exit strategy should a satisfactory second stage not be concluded.</p> <p>Procuring off the framework would allow for early contractor input into the design process to ensure the major projects are high quality, viable and deliverable within an agreed timeframe. This early contractor input saves time and money over the lifecycle of each project and ensure the delivery of high quality education provision.</p> <p>The framework OJEU notice covers all local authority works and is not limited to education projects.</p>	<p>The 2 stage tender process lacks the commerciality of a single stage tender. Experience suggests there is potential for scope creep if not closely managed.</p> <p>The 2 stage tender process can lead to delay pre-contract if agreement can't be met on the 2nd stage tender price and negotiations are required.</p> <p>The Council does not have market certainty. There is a risk contractor on the framework may not tender to complete the projects as they are often complex with low funding and less desirable.</p> <p>The Council would have to recourse a highly skilled project team to project manage the procurement process and delivery of the major capital projects</p>
<p style="text-align: center;">Creation of a bespoke Council education framework</p> <p>The Council could undertake an OJEU procurement process to create a bespoke framework of education</p>	<p>The Council can define the terms of the framework to ensure it is fit for purpose.</p> <p>The competitive tender process would ensure best value.</p>	<p>The Council would be required to undertake an OJEU procurement exercise which would require significant resource and take roughly 20weeks.</p> <p>The Council would not be able to accelerate delivery and there is a risk the</p>

<p>contractors who would tender for projects. This would require a pre-qualification process to identify a shortlist of contractors to invite to tender for projects which typically takes approximately 20 weeks. The terms of appointment and process could be design to meet the Council's requirements.</p>		<p>Council would not be able to meet their statutory duty to provide sufficient school places.</p> <p>The Council does not have market certainty. There is a risk contractors may not tender to be on the framework or complete projects as they are often complex with low funding and less desirable.</p> <p>The Council would have to recourse a highly skilled project team to project manage the procurement process and delivery of the major capital projects.</p>
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<p style="text-align: center;">The EFA regional framework</p> <p>The EFA have regional contractor frameworks for delivering education capital works. The Council could call off the framework. The framework is designed to incorporate a collaborative design process and is suited for £5m - £12m projects. It has a cost driven approach (contractors working to a budget set by the client) and the framework contractors are a mix of regional, national and multinational firms.</p>	<p>The Council will not have to undertake a procurement exercise to appoint a delivery partner saving both time and money</p> <p>The competitive tender process would ensure best value.</p> <p>Procuring off the framework would allow for early contractor input into the design process to ensure the major projects are high quality, viable and deliverable within an agreed timeframe. This early contractor input saves time and money over the lifecycle of each project and ensure the delivery of high quality education provision</p>	<p>The framework is limited to delivering education construction projects.</p> <p>The Council does not have market certainty. There is a risk contractors on the framework may not tender to complete the projects as they are often complex with low funding and less desirable.</p> <p>The Council would have to resource a highly skilled project team to project manage the procurement process and delivery of the major capital projects.</p>
<p style="text-align: center;">For schemes under European procurement thresholds – The Council Exor System</p>	<p>This route is managed under a e-tendering system administered by the Council and is well established for smaller schemes up to £500k.</p>	<p>Tendering parties are selected on hard rotation from an approved list. This would lead to very varied tender responses with many unable to deliver on the critical criteria set out above. This can lead to performance issues due to inappropriate contractor selection.</p> <p>The Council would have to resource a highly skilled project team to project manage the procurement process and delivery of the major capital projects.</p>

Recommended Delivery & Procurement Approach

- 3.3 It is recommended the Council extend the Strategic Partnering Agreement between Bristol City Council and Bristol LEP Limited for a period of five (5) years to enable delivery of the emerging education major capital projects from the Integrated Education & Capital Strategy (2015-2019).
- 3.4 The recommended delivery and procurement approach should ensure delivery of the Council's objectives outlined in Section 3.1 as it allows the Council to accelerate delivery, drive efficiency and cascade inherent delivery risks to the BLEP and its supply chain.
- 3.5 If the Council extend the SPA between Bristol City Council and Bristol BLEP Limited, the Council will seek to review the SPA KPI's and benchmark costs to ensure they are fit for purpose, drive continuous improvements and value for money over the next five (5) years. The KPI review will also aim to address the lesson learnt identified in Section 1.16. It should be noted that the Council are unable to make any material amendments to the SPA.
- 3.6 If the Council are unable to reach agreement with the BLEP to extend the SPA or on individual project costs the Council can utilise alternative procurement routes including but not limited to those set out in Section 3.2 Any decision to use a framework should be made on a case by cases basis ensuring that it meets the requirements of the particular project.

Resources

- 3.7 The Council will appoint an Education Programme Manager and up to four (4) project managers funded through the capital programme to manage and oversee the delivery of the education major capital project emerging from the Integrated Education & Capital Strategy (2015-2019).

4. PROCUREMENT OF TECHNICAL ADVISORS

- 4.1 A publication of Supplement to the OJEU contract notice was made on 25th September 2003. An OJEU compliant procurement process was undertaken to procure the provision of technical advisors to the Bristol Schools Private Finance Initiative (PFI) Project. The Council entered into a contract with Faithfull and Gould (part of the Atkins Group) to provide construction and property consultancy services to progress Building Schools for the Future and transform school buildings in Bristol.
- 4.2 Since 2003 Faithful + Gould have been supporting the capacity of the Council's internal project team providing project management, cost, construction and property consultancy services.
- 4.3 To support delivery of the education major capital project emerging from the Integrated Education and Capital Strategy (2015-2019) the Council will re-procure technical advisors to provide project management, cost, construction and property consultancy services as required. The procurement process with either form an OJEU compliant process or a mini competition under a framework which has been

established in accordance with the Public Contracts Regulations 2006 (the EU Regulations).

Consultation and scrutiny input:

a. Internal consultation:

The Education Programme Management Group, which is attended by Service Managers from the education team within the People Directorate have been consulted on the performance of the BLEP and viable future procurement options.

b. External consultation:

No external consultation has been undertaken on the preferred delivery and procurement approach for the emerging education major capital projects from the Integrated Education & Capital Strategy (2015-2019).

The Integrated Education & Capital Strategy was presented to Learning City Partnership Board on 23rd September 2015 and has since been through a period of consultation. The consultation focused on key stakeholders, through a range of meetings to include phase headteachers, school governors, strategic partners, elected members, parents and young people.

Other options considered:

The options considered are set out in the detailed options appraisal at Section 3.2.

Risk management / assessment:

FIGURE 1							
The risks associated with the implementation of Bristol Local Education Partnership Limited decision :							
N o.	RISK Threat to achievement	INHERENT RISK		RISK CONTROL MEASURES	CURRENT RISK		RISK OWNER
		Imn	Proba		Imn	Proh	
1	Failure to obtain Cabinet approval to extend the SPA with the BLEP by December 2015. This would result in the Council being unable to serve written notice on or before 3 rd January 2016. This would be a breach of the SPA and the Council would not be able to extend the BLEP to deliver its education capital	Hig h	Medi um	A Cabinet decision on 24 th November 2015 will ensure the Council can serve written notice upon the BLEP on or before 3 rd January 2016 and its contractual obligations are met.	Hig h	Low	Strategic Director of Place

	programme.						
2	The BLEP's performance and quality standards may not meet the Council's objective for high quality education provision	High	Low	Review the SPA KPI's to ensure that they are fit for purpose and meet the Council's performance and quality standards.	High	Low	Education Programme Board
3	The lack of competitive tendering could result in a failure to achieve value for money.			Review SPA KPI benchmark costs within the SPA. The Council will rigorously implement a value driven governance process which will ensure the costs of each project is benchmarked at every project stage. If the Council are unable to reach agreement with the BLEP, it can utilise alternative procurement routes including but not limited to those set out in Section 3.2.			Education Programme Board
4	The BLEP do not agree to extending the SPA	High	Low	If the Council are unable to reach agreement with the BLEP on project costs. It can utilise alternative procurement routes including but not limited to those set out in Section 3.2.	High	Low	Education Programme Board

FIGURE 2

The risks associated with not implementing the Bristol Local Education Partnership Limited *decision*:

No.	RISK Threat to	INHERENT RISK		RISK CONTROL MEASURES	CURRENT RISK		RISK OWNER
		Imn _a	Proh		Imn	Proh	
1	The Council will not have a vehicle to deliver its integrated education and capital strategy. This could	High	High	Seek authority to use an alternative delivery and procurement approach in January 2016	High	Low	Education Programme Board

	result in the Council not meeting its statutory obligation to provide sufficient school places.						
2	The alternative delivery and procurement approach selected would not be appropriate for the volume and type of work required. This could result in the Council not delivering its objectives set out in Section 3.1.	High	High	Seek to utilise the best possible alternative procurement route including but not limited to those set out in Section 3.2.	High	Low	Education Programme Board
3	The use of an alternative delivery and procurement approach may require a larger internal project management team which would require additional resource.	Medium	High	Allocate additional funds from the capital budget to cover the additional delivery costs	Medium	Low	Education Programme Management Group
4	The use of an alternative delivery and procurement approach will limit the Council's ability to accelerate its delivery programme increasing the risk it may not be able to its statutory obligation to provide sufficient school places.	High	Medium	Seek authority to use an alternative delivery and procurement approach in January 2016	High	Low	
5	The knowledge and experience that has been developed over a 10 year partnership with the BLEP and Skanska is lost.	Medium	Medium	Seek to obtain as much information as possible from the BLEP prior to closure	Medium	Low	

Public sector equality duties:

An Equalities Impact Assessment is attached at Appendix 4.

Eco impact assessment

Please find an Eco Impact Assessment attached at Appendix 5.

Resource and legal implications:

a. Financial (revenue) implications:

This proposal is to extend the current contract for managing education capital with the BLEP. The signing of an extension to this contract has no direct revenue impact upon the Council as the BLEP is funded via charges made to major projects which they undertake, on behalf of the Council.

The only risk in terms of revenue spend is in respect of the Programme Manager and Project Managers as set out above in Section 3.7. As it stands, this is a low risk, as with £23.6m of projects in development, it should be possible to capitalise the costs of these officers, assuming that they were 100% occupied on such capital projects.

Advice given by Mike Allen / Finance Business Partner

Date 1st October 2015

b. Financial (capital) implications:

All projects that are carried out by the BLEP are funded in advance and the BLEP essentially manages the delivery of capital projects. Therefore, there are no capital implications for the Council. Such projects have and will form part of the agreed Education Capital Programme, which is subject to the usual governance pathway for capital.

Advice given by Mike Allen / Finance Business Partner

Date 1st October 2015

Comments from the Corporate Capital Programme Board:

This Report was considered and agreed by Corporate Capital Programme Board on 27th October 2015.

c. Legal implications:

The OJEU contract notice provided that the contract for partnering services could be for 10-15 years. (Arrangements placed may last for longer e.g. PFI contract is expected to be for c25 years).

In the agreement itself, clause 3.1 provides that the term may be extended in accordance with clause 3.2 of the Agreement. Clause 3.2 states that the term may be extended for an additional five (5) years after the initial period in the circumstances and in accordance with the procedure set out in this clause. Clause 3.2 then sets out the principles and procedure to be followed. Note there is no provision for any further extension.

Clause 3.2 requires that not less than twelve (12) months before the Initial Expiry Date the BLEP and the Council shall meet to review:

- the performance of the parties under this Agreement and, in particular, the performance of the BLEP in delivering the Partnering Services to the performance standards required under this Agreement and the Project Services to the performance standards required under the relevant Project Agreements;
- the education needs of the population within the Area; and
- whether it would be beneficial to the provision of Education Services in the Area to extend the Agreement for a further five (5) year period.

If the parties agree that it would be beneficial to the provision of education in the Area to extend the Agreement, the Council shall serve a written notice upon the BLEP at least six (6) months before the Initial Expiry Date the effect of which shall be to extend the term of this Agreement by five (5) years. If either party does not agree then this Agreement shall expire on the Initial Expiry Date.

Provided this procedure is adhered to then the term can be extended for a period of five years.

In deciding whether or not to extend the Council should also review the operation of the agreement more generally and assess whether the opportunity should be taken to vary or amend any of its requirements or provisions. The Agreement provides that any variations must be agreed between the parties. Any changes would have to be viewed in light of the general principles regarding contract variations, but given the long term nature of the Agreement, and in particular provisions such as clause 2.6 (continuous improvement) there may be scope.

Scope of Agreement

With regard to the scope of the Agreement generally, regard must be had to its stated aims and the terms of the original OJEU Notice. In both cases these are focussed on schools/education related capital projects. Accordingly any project promoted under this Agreement must relate to the provision of schools etc and/or the delivery by the Council of its educational responsibilities, and to the extent that a project fall within this ambit that would be capable of being promoted under the Agreement.

Procurement of Technical Advisors

The procurement of technical advisors will need to comply with the Procurement Regulations and the Councils own Procurement Rules.

Advice given by Eric Andrews / Senior Solicitor
Date 8th October 2015

d. Land / property implications:

All education buildings and infrastructure procured are constructed on land that is either held freehold or by way of a long leasehold interest by the City Council. Once constructed, where the relevant education establishment is an Academy such completed schemes will form part of the demise within the 125 year lease to the Academy or, when a school converts to Academy status after scheme completion, the Academy will be granted a 125 year lease as required by statute. Where schemes are constructed as part of Diocesan Schools on Council owned land the freehold of such land will be transferred to the Diocese

as required by statute.

Advice given by Steve Matthews/ Service Manager Asset Strategy
Date 2nd October 2015

e. Human resources implications:

There are no HR implications arising from the recommendation to extend the Strategic Partnering Arrangement for a period of 5 years. However, the report includes a proposal (Section 3.7) to increase the number of posts in the Major Projects team up to 5 FTE posts. This will increase the budget establishment of the Major Projects team and recruitment to the jobs will be conducted in accordance with HR policies.

Advice given by Mark Williams / People Business Partner
Date: 2 October 2015

Appendices:

- Appendix 1 Letter from Bristol LEP Limited.
- Appendix 2 National School Delivery Cost Benchmarking study undertaken by Hampshire County Council June 2014.
- Appendix 3 Bristol City Council Delivery Cost Benchmarking Report undertaken by Faithful & Gould.
- Appendix 4 Equalities Impact Assessment
- Appendix 5 Eco Impact Assessment

Bristol City Council
City Hall
College Green
Bristol
BS1 5TR

1st October 2015

For the attention of Bob Rutherford

Dear Sir,

Extended Expiry Date for the Bristol Local Education Partnership

In accordance with the terms of clause 3.2 of the Strategic Partnering Agreement (SPA), the Bristol Local Education Partnership (LEP) supports, promotes and requests the extension of the term of the SPA Agreement by five years from the initial expiry date

The LEP would agree with Bristol City Council that it would be beneficial to the provision of education within the Bristol City area to extend the Agreement. If Bristol City Council serve a written notice upon the LEP to this effect the revised date will become the 'Extended Expiry Date' within the SPA Agreement.

In support of the Extension we believe that the Bristol Local Education Partnership is an outstanding success, with a proven track record of providing an integrated and strategic approach to the delivery of the schools programmes undertaken during the current exclusivity period.

SKANSKA



Building Schools for the Future
Investments LLP

The Partnership has demonstrated its ability through strong performance, programme management tools and successful construction to meet the challenges needed to deliver comprehensive and sustainable educational facilities for both the current and future needs of the growing population of Bristol and the policies and strategies of Bristol City Council.

Yours faithfully



P Shadbolt
General Manager and Director
Bristol LEP Ltd

cc James Anderson BCC

SKANSKA



Building Schools for the Future
Investments LLP



National School Delivery Cost Benchmarking Primary & Secondary Schools

A Local Authority cost benchmarking study undertaken by Hampshire County Council
in conjunction with East Riding of Yorkshire Council

January 2015

Version 5.0

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1 | Weeke Primary, Hampshire County Council
 2 | Cayley Primary, London Borough of Tower Hamlets
 3 | Carr Lodge, Doncaster Metropolitan Borough Council

the sample contains
122 projects from
 across England

Study Background

This document publishes the results of a national cost benchmarking exercise undertaken by Hampshire County Council in partnership with East Riding of Yorkshire Council on new build and refurbished primary and secondary school projects.

This study has been undertaken with funding from the Local Government Association (LGA), as part of the National Procurement Strategy (NPS), and has been conducted in conjunction with the following organisations:

- Education Building and Development Officers Group (EBDOG).
- National Association of Construction Frameworks (NACF).

Local Authorities were invited to take part in the study through EBDOG, the NPS, NACF, local frameworks and through participation in previous studies. The project sample used in this report comprises 122 projects from across England, consisting of:

- 61 New build primary school projects.
- 56 Refurbished/partial new build primary school projects.
- 5 New build secondary school projects.

The sample comprises national school projects classified regionally as South East, North East, London, East Midlands, East of England, West Midlands, Yorkshire & Humber, North West and South West.

A common standard of cost analysis has been used to capture cost data, ensuring a high level of consistency across the sample, while including detailed cost and background information on each project – allowing the costs to be fully understood on an individual basis. The data has then been collated at a common price base, in order to compare projects with each other on level terms.

42 Local Authorities
contributed across
England

Contributing Authorities

We are grateful to the following Local Authorities who have contributed projects to this study.

Birmingham City Council	London Borough of Tower Hamlets
Bradford Metropolitan District Council	Manchester City Council
Brighton & Hove City Council	Medway Council
Chichester District Council	Northamptonshire County Council
Coventry City Council	Nottingham City Council
Devon County Council	Nottinghamshire County Council
Doncaster Metropolitan Borough Council	Peterborough City Council
East Riding of Yorkshire Council	Portsmouth City Council
Essex County Council	Reading Borough Council
Hampshire County Council	Rotherham Metropolitan Borough Council
Kent County Council	Rutland County Council
Leeds City Council	Royal Borough of Kensington & Chelsea
Leicester City Council	Sheffield City Council
Liverpool City Council	Shropshire Council
London Borough of Croydon	South Gloucestershire Council
London Borough of Haringey	Surrey County Council
London Borough of Hounslow	Trafford Metropolitan Borough Council
London Borough of Islington	Wakefield Metropolitan District Council
London Borough of Newham	West Sussex County Council
London Borough of Redbridge	Wokingham Borough Council
London Borough of Sutton	Worthing Borough Council



Pilgrims Cross, Hampshire County Council

Definitions of Key Terms

New Build

A new build project has been taken as any project where 90% or more of the works being undertaken are new build. This includes both new build schools and extensions to existing school buildings.

Refurbished/Partial New Build

A refurb/partial new build project has been taken as any project which contains significant alterations or partial new build to existing buildings up to 90% of the total build element.

Spatial Measures

Encompass the most common formats used by clients and industry to benchmark total construction costs, which in the case of schools has been taken as £/m² of the Gross Internal Floor Area (GIFA). This is related to throughout and is the total square metreage of accommodation delivered by a project.

Total Project Cost

Represents the overall project cost at tender stage, inclusive of fees, external works, abnormal costs, including minor building works and fittings and fixtures. It is inclusive of additions for preliminaries, contingency, overheads and profit.

Nett Cost per m²

Represents the tendered cost per m² of GIFA, exclusive of fees, abnormal, external works, minor building works and alterations. It is inclusive of additions for preliminaries, contingency, overheads and profit. Fixed fittings and furnishings are included.

Gross Cost per m²

Represents the tendered Total Project Cost per m² of GIFA.

Cost Per Pupil Place

Represents the Total Project Cost, divided by the number of additional pupil places being created by the works in the school. Where this data has not been available for refurbished/partial new build projects, the Total Project Cost has been divided by the total number of pupils in the school.

Abnormals

These encompass substructure cost above normalised base cost and demolitions. The normalised base cost for substructures used was £120 per m² of GIFA. This value has been derived using the worked example for calculating substructure abnormals published by the former Department for Education and Employment (DFEE) within their document entitled "Education Building Projects: Information on Costs and Performance Data". This calculation used within this report recognises the impact of timing (tender factor), location and size of projects.

Fees

All professional fee costs have been included where provided within the sample data. If fee information was not available a standardised professional fee allowance of 12% has been included on all projects where the unadjusted tendered Contract Sum is £10m or less. A standardised professional fee allowance of 10% has been included on all projects where the unadjusted Contract Sum is in excess of £10m.

Excluded Cost Elements

Statutory fees, survey costs, loose furniture and equipment, client department costs including programme management, legal and land acquisition costs are excluded from all figures shown herein.

Location Factor

All costs have been normalised to a common UK average price level using regional location factors published by BCIS to accord with the UK Mean 100.

Inflation

All costs have been updated to the latest firm Building Cost Information Service (BCIS) ALL-IN Tender Price of Index (TPI) of 1st Quarter 2014 of 244.

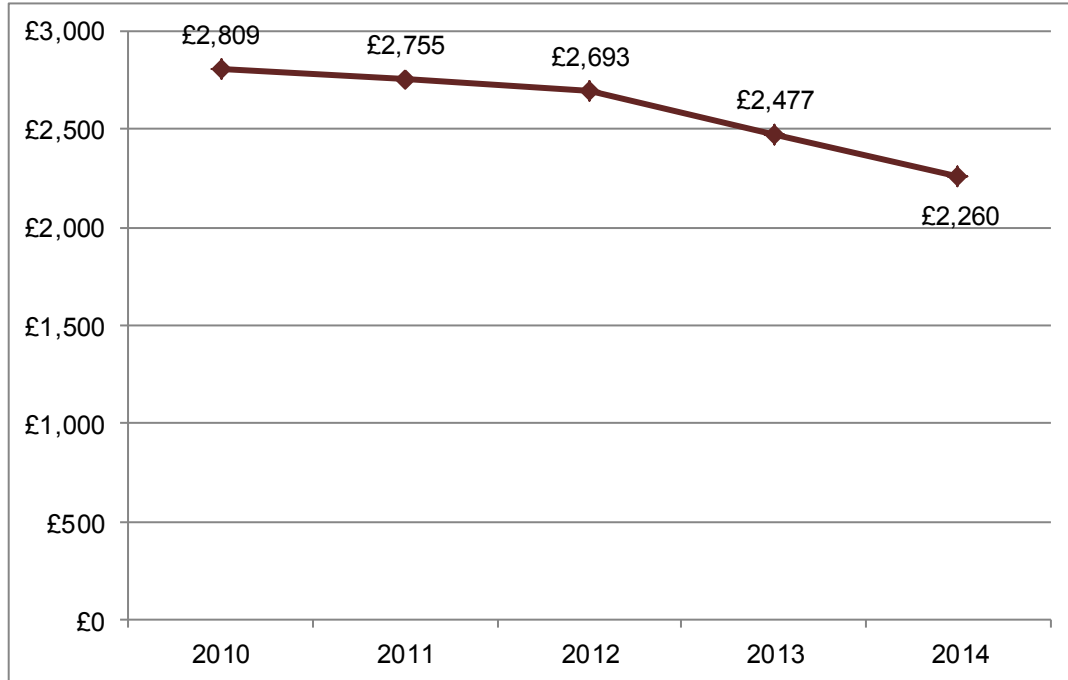
20th and 80th Percentiles

The 20th percentile is the value below which 20% of the observations may be found, while the 80th percentile is the value below which 80% are found.

New Build Cost Trajectory

This study has shown the following observations relating to annual cost projections since 2010. Graph 1 below is based on 61 new build primary projects.

Graph 1 | New Build Gross Costs per m²



Over the last five years, since 2010, average gross new build costs, as defined on page 4, have fallen 19.5% (with a 16% fall over the last 3 years).

This trend provides a five year average gross cost for new build projects of £2,531 per m².

The table below shows the number of projects used for each year banding displayed in Graph 1.

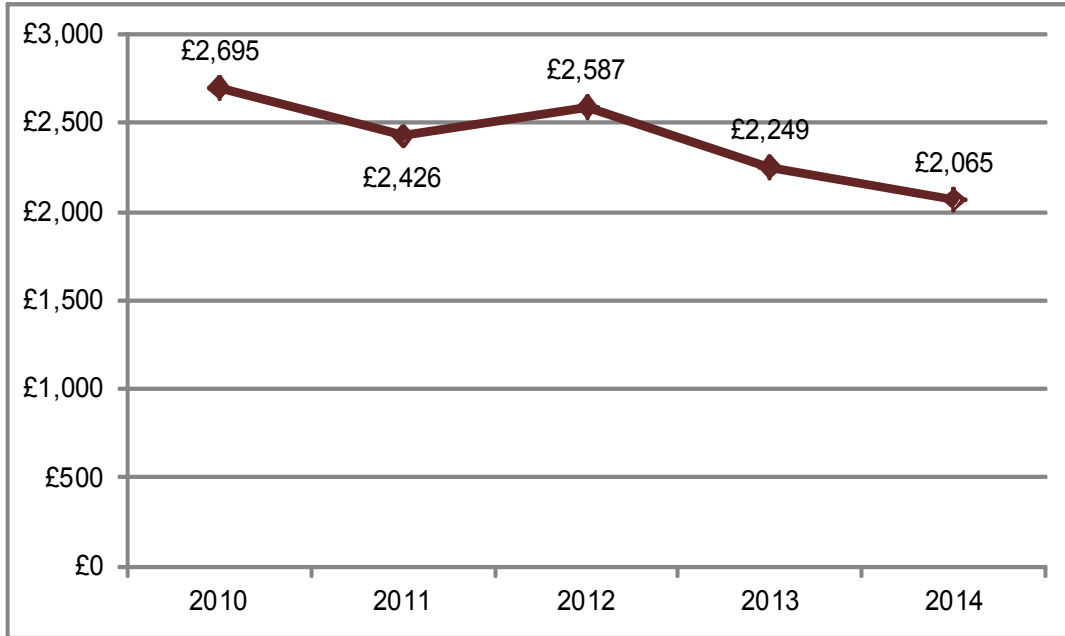
Year Band	Number of Projects
2010	7
2011	6
2012	9
2013	27
2014	12

16% reduction in gross costs since 2012 for new build projects

Whole Sample Cost Trajectory

This study has shown the following observations relating to cost projections since 2010. Graph 2 below is based on the whole sample (117 projects including both new build and refurbished/partial new build primary school projects).

Graph 2 | Whole Sample Gross Costs per m²



Over the last five years, since 2010, average gross build costs based upon the whole sample, as defined on page 4, have fallen 23.4% (with a 20% fall over the last 3 years).

This trend provides a five year average gross cost across the whole sample of £2,345 per m².

The table below shows the number of projects used for each year banding displayed in Graph 2.

Year Band	Number of Projects
2010	13
2011	8
2012	24
2013	50
2014	22

20% reduction in gross costs since 2012 across the whole sample

New Build Cost Benchmarking Summary

This study demonstrates the following findings in relation to new build primary school projects. Definitions of terms can be found on page 4.

Figure 1 New Build Cost Benchmarking							
GIFA (m ²)	Gross Cost per m ²		Nett Cost per m ²		Cost Per Pupil Place		Sample Size
	Average	20th Percentile 80th Percentile	Average	20th Percentile 80th Percentile	Average	20th Percentile 80th Percentile	
0 - 750	£2,962	£2,688 £3,406	£1,785	£1,474 £2,030	£10,077	£6,920 £11,480	8
750 - 1,500	£2,438	£2,147 £2,839	£1,726	£1,488 £1,947	£14,686	£10,105 £18,008	22
1,500 - 2,250	£2,566	£2,070 £3,004	£1,753	£1,556 £1,991	£19,706	£10,893 £22,794	15
2,250 - 3,000	£2,443	£2,043 £2,826	£1,747	£1,597 £1,958	£17,163	£11,923 £21,870	11
3,000 - 3,750	£2,343	£1,809 £2,813	£1,730	£1,458 £2,024	£18,809	£16,298 £22,729	5
Whole New Build Sample	£2,531	£2,073 £2,970	£1,745	£1,549 £1,995	£16,101	£10,156 £20,834	61

52% of projects in the whole sample for primary schools are new build (61 projects), with a combined capital value of £249 million.

General observations show that the majority of Local Authorities build new schemes which are in the 750 - 1,500m² GIFA band, with a significant number also being built in the 1,500 - 2,250m² band.

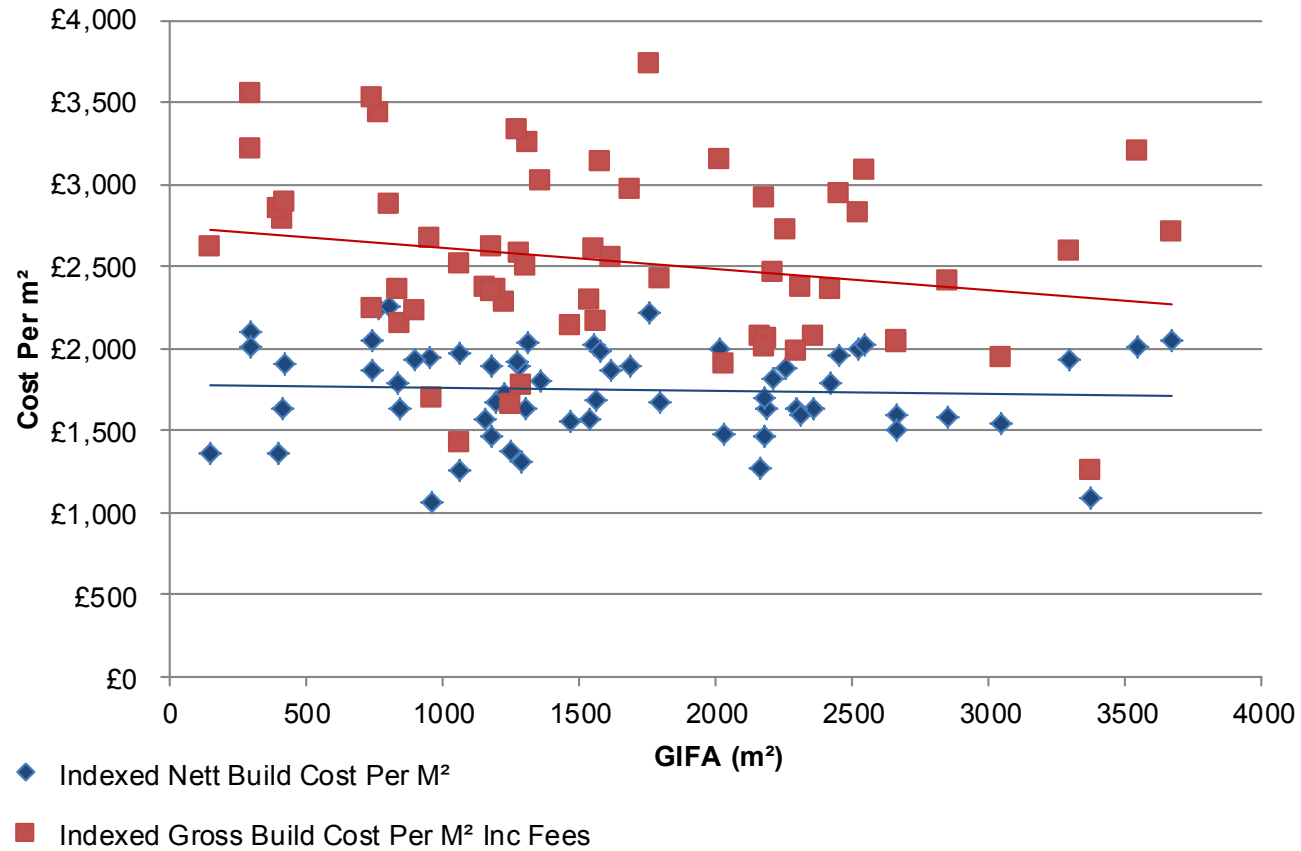
Projects in the 0 - 750m² and 750 - 1,500m² GIFA bands are mostly extensions to existing schools. This accounts for the lower costs per pupil place figures as these projects have a reduced infrastructure provision.

Combined project value of
£500 million across
the whole sample

New Build Cost Benchmarking Summary

The data in Figure 1 (page 7 of this report) is shown graphically below.

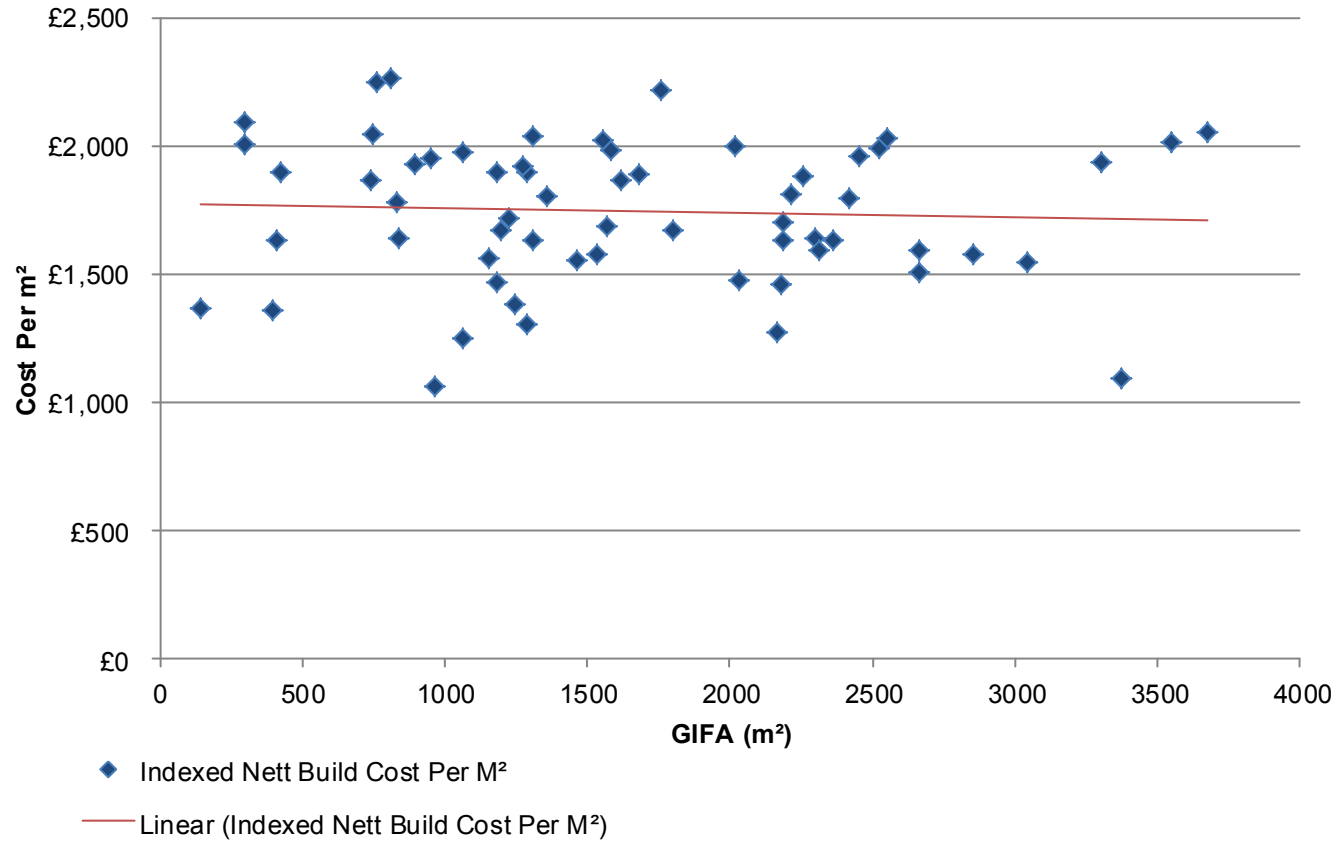
Graph 3 | New Build Gross Costs & Nett Costs per m²



New Build Cost Benchmarking Summary

The data in Figure 1 (page 7 of this report) is shown graphically below.

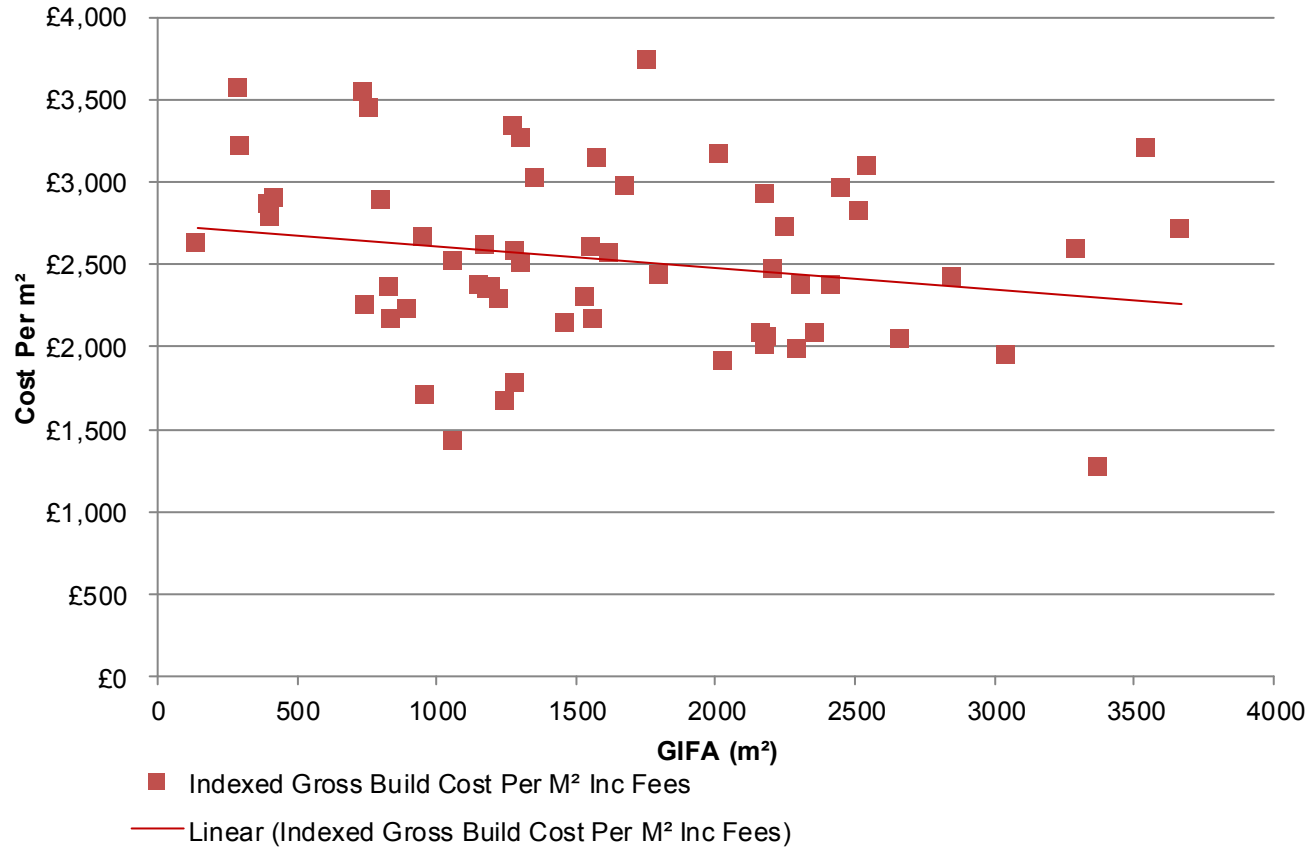
Graph 4 | New Build Nett Costs per m²



New Build Cost Benchmarking Summary

The data in Figure 1 (page 7 of this report) is shown graphically below.

Graph 5 | New Build Gross Costs per m²



Refurbished/Partial New Build Cost Benchmarking Summary

This study demonstrates the following findings in relation to refurbished/partial new build primary school projects. Definitions of terms can be found on page 4.

Figure 2 Refurb/Partial New Build Cost Benchmarking					
GIFA (m ²)	Gross Cost per m ²		Cost Per Pupil Place		Sample Size
	Average	20th Percentile 80th Percentile	Average	20th Percentile 80th Percentile	
0 - 750	£2,414	£1,755 £3,007	£14,117	£7,652 £19,856	38
750 - 1,500	£1,805	£1,118 £1,965	£12,789	£11,785 £15,117	7
1,500 - 2,250	£1,471	£953 £1,985	£12,836	£10,227 £15,415	4
2,250 - 3,000	£1,301	£1,019 £1,524	£15,116	£6,528 £21,685	4
3,000 - 3,750	£1,465	£1,314 £1,610	£16,201	£9,719 £21,626	3
Whole Refurb Sample	£2,140	£1,437 £2,834	£14,042	£7,622 £19,105	56

48% of projects in the whole sample for primary schools are refurbished/partial new build (56 projects), with a combined capital value of £175 million.

General observations show that the majority of refurbishment/partial new build projects are in the 0 - 750m² GIFA band.

The 2,250 - 3,000m² and 3,000 - 3,750m² GIFA bands include schemes which feature a greater proportion of new build elements. This accounts for the higher costs per pupil place figures as these projects have a higher average cost for infrastructure provision.

48% of projects are refurbished/partial new build schemes

Future Reports & Secondary Schools

We have obtained a small data set for Secondary Schools which has been summarised below for information. The costs have been brought in line with this publication as outlined on page 4. The sample contains 5 schemes ranging from 2,500 - 12,000m², the table below displays the average costs.

Figure 3 New Build Cost Benchmarking							
	Gross Total Project Cost per m²		Net Total Project Cost per m²		Cost Per Pupil Place		Sample
	Average	20th Percentile	Average	20th Percentile	Average	20th Percentile	
		80th Percentile		80th Percentile		80th Percentile	
Whole Sample	£2,430	£1,646 £2,711	£1,601	£1,306 £1,855	£14,127	£10,897 £16,997	5

Given the size and range of the sample it is not possible to draw any firm conclusions from this data set. We welcome Secondary School submissions for future publications from Local Authorities to enable further analysis to be conducted.

We also hold limited data on the following types of project and welcome any further submissions to allow analysis to be carried out for these categories:

- Special Educational Need schools.
- Free schools.
- Academies.
- Social Housing.

Future Reports

This and future reports, build a credible case to inform both the market and Central Government. The report is a valuable tool for us all to understand the real cost of building new school places across the country. We are keen to receive projects for our next publication, and welcome project submissions from any Local Authority.

Participating Authorities will be listed in the published report, however any data supplied will be treated as commercially confidential and will not be shared with third parties without the submitting Authority providing written approval.

All submissions must use our standard form of cost analysis and these should be forwarded to Mike Raven at East Riding of Yorkshire Council, who is collating the projects for the next publication.

For further information and to participate, please contact Mike using the details found at the end of this report.

The table below displays a summary of previous publications, which can be obtained by contacting Matt Robertson using the details found at the end of this report.

Report	Sample Size	Sample Type
Apr 2013*	45	Primary & Secondary
Nov 2013	39	Primary
Jun 2014	70	Primary
Jan 2015	122	Primary & Secondary
TBC 2015*	-	-

* Report not currently available.

Publication Contacts

For further information relating to this study or for details regarding future publications and how to participate please contact the individuals below.

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Hampshire County Council
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Transformation Manager
Hampshire County Council
matthew.robertson@hants.gov.uk

Mike Raven

Senior Construction Officer
East Riding of Yorkshire Council
michael.raven@eastriding.gov.uk

For Quantity Surveying queries relating to costs, formulas used and rationale please contact the individuals below.

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Cost Manager
Hampshire County Council
stephen.smith@hants.gov.uk

Fergus Aitken

Construction Framework Manager
East Riding of Yorkshire Council
fergus.aitken@eastriding.gov.uk



- 1 | Tweseldown Primary, Hampshire County Council
- 2 | Cayley Primary, London Borough of Tower Hamlets
- 3 | Woolmore Primary, London Borough of Tower Hamlets

BRISTOL CITY COUNCIL

Primary School Provision

Benchmarking Report

04 November 2015

DRAFT



Document status					
Revision	Date	Status or comment	Prepared by	Checked by	Authorised by
1	28.09.15	Draft	P Cooke	M Bridges	C Rogers
2	04.11.15	Draft	P Cooke	M Bridges	C Rogers

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1.0 **OVERVIEW**

- 1.1 Faithful+Gould (F+G) have been requested to carry out a cost benchmarking report for Bristol City Council (BCC).
- 1.2 The aim of the report is to provide a benchmark comparison of construction costs for a number of Bristol primary school schemes which have been procured through the Learning Education Partnership (LEP).
- 1.3 The report focuses on new build works and uses cost data from a sample of 16 Bristol based primary school projects carried out since 2010.

2.0 EXECUTIVE SUMMARY

- 2.1 The table below summarizes the average costs per m2 and costs per pupil across the 16 sample schools which have been adjusted to a base date of 1Q 2014

BCC Primary Schools New Build Benchmarking					
GIFA (m2)	Gross Cost per m2		Cost Per Pupil		Sample Size
	Average	20th Percentile 80th Percentile	Average	20th Percentile 80th Percentile	
0-750	£3,300	£ 2,669 £ 3,552	£11,817	£ 9,643 £ 12,679	6
750 - 1,500	£3,120	£ 2,918 £ 3,334	£13,012	£ 10,074 £ 14,487	5
1,500 - 2,250	£2,712	£ 2,538 £ 2,872	£13,109	£ 11,627 £ 14,176	5
Combined	£2,880	£ 2,653 £ 3,269	£11,853	£ 10,144 £ 14,065	16

- 2.2 The average cost per m2 according to size range of the new build works ranges from **£2,712/m2** up to **£3,300/m2**
- 2.3 The average cost per pupil remains relatively consistent across all schemes, irrespective of size, with a combined average rate of **£11,853 per pupil**.

3.0 SCHEDULE OF COST DATA

- 3.1 The benchmarking exercise has been based on a sample of 16 primary schools.
- 3.2 The cost data for each school has been extracted from the Stage 2 Contract Close Cost Reports (Proforma 3.1). The historical cost data within the Proforma 3.1 document has been recorded on a uniform basis across all projects which facilitates comparison between individual schemes.
- 3.3 A schedule of the schools used in the study and the associated construction and project costs can be found within Appendix A.

4.0 KEY ASSUMPTIONS & NOTES

- 4.1 The cost data is for 'new build' works only and discounts any associated refurbishment costs which may have been carried out at the same time as the new build works.
- 4.2 The cost data has been presented as £/m² based on the Gross Internal Floor Area (GIFA) of the new build works, as defined under NRM.
- 4.3 The 'Net Cost' represents the out-turn construction cost inclusive of fixed FF&E, preliminaries costs, overheads and profit. The following items are excluded from the Net Cost:
- Abnormals
 - External Works
 - Professional Fees
 - Local Education Partnership (LEP) fees
 - Loose FF&E
- 4.4 The 'Gross Cost' represents the combined total of the 'Net Cost' and the following additional items:
- Abnormals
 - External Works
 - Professional Fees
- 4.5 The abnormals costs are based on the abnormals as identified in the proforma 3.1 document, they include the following items:
- Demolitions & asbestos removal.
 - Sprinkler provision
 - Kitchen equipment
 - Bid (tender) costs/project management.
 - BCC core strategy (renewables)
 - Other site specific abnormals which vary according to scheme.

4.6 Professional fees have been included on the basis of the out-turn proforma 3.1 allowances for each project.

5.0 CONSTRUCTION PRICE INFLATION & LOCATION FACTOR

5.1 All costs within this report have been adjusted to a base date of 1Q 2014 based on the Building Cost Information Service (BCIS) published 'All In' Tender Price Indices.

5.2 The costs are limited to the Bristol area which aligns with the BCIS UK Mean location factor (100).

6.0 EXCLUSIONS

6.1 The following general items are excluded;

- Site acquisition costs
- Finance costs
- Legal Costs
- VAT
- Future Inflation

6.2 The following project specific items are excluded;

- Statutory Fees
- Loose Furniture & Equipment
- Client internal costs e.g. client programme management.
- Local Education Partnership (LEP) fees

7.0 ANALYSIS SUMMARY


- 7.1 The table below summarizes the average costs per m2 and costs per pupil across the 16 sample schools.
- 7.2 The comparison of costs on a cost per m2 basis is the most useful way to view the figures in terms of benchmarking. This is an industry standard approach and allows meaningful benchmarking against other industry data and is a true reflection of out-turn building cost in relation to building size (GIFA)
- 7.3 The comparison of costs on a cost per pupil basis is influenced by the ratio of classrooms to other areas in addition to building size (GIFA).
- 7.4 The schemes within the first two size categories tend to be small extensions to existing school blocks. They have classrooms and some welfare facilities but tend not to include areas such as hall/studio space, kitchen, ICT, staff areas which effectively reduces the cost per pupil.

BCC Primary Schools New Build Benchmarking							
GIFA (m2)	Gross Cost per m2		Nett Cost per m2		Cost Per Pupil		Sample Size
	Average	20th Percentile	Average	20th Percentile	Average	20th Percentile	
		80th Percentile		80th Percentile		80th Percentile	
0-750	£3,300	£ 2,669	£ 2,133	£ 1,736	£11,817	£ 9,643	6
		£ 3,552		£ 2,228		£ 12,679	
750 - 1,500	£3,120	£ 2,918	£ 2,050	£ 1,960	£13,012	£ 10,074	5
		£ 3,334		£ 2,136		£ 14,487	
1,500 - 2,250	£2,712	£ 2,538	£ 1,843	£ 1,745	£13,109	£ 11,627	5
		£ 2,872		£ 1,985		£ 14,176	
Combined	£2,880	£ 2,653	£ 1,898	£ 1,759	£11,853	£ 10,144	16
		£ 3,269		£ 2,134		£ 14,065	

- 7.5 The schemes within the 1,500-2,250 m2 category are generally large extensions or new build blocks. They typically include classrooms and welfare areas but also kitchens, studios, hall space and staff areas.
- 7.6 When the Gross Construction Cost is viewed as an average Cost Per Pupil:
- The combined average cost per pupil is **£11,853**.
 - There appears to be a relatively consistent average rate across schemes of all sizes even though the cost per m2 shows significant variance. When compared to the 1,500-2,250 m2 schemes the smaller schemes have an increase in the 'cost per pupil rate of approximately 4% even though the increase in 'cost per m2' is approximately 45% higher.
- 7.7 When the Gross Construction Cost is viewed as an average Cost Per m2:
- The combined average cost per m2 is £2,880/m2.
 - There appears to be a relatively large variance in average rates across schemes of different sizes. The smaller schemes have an average rate of £3,300/m2, whereas the larger size category has an average rate of £2,712/m2.

- 7.8 It appears the smaller, less economical buildings tend to have a high ratio of classrooms to other areas when compared to the larger schemes, this will in turn have an impact on the Cost Per Pupil analysis. Overall this leads to the cost per pupil across all scheme remaining relatively consistent even though the cost per m² is variable.

8.0 APPENDIX A – SCHEDULE OF COST DATA

Primary School Provision Benchmarking Report Appendix A - Cost Data														
Primary New Build - Stage 2 Costs														
Date	School	Pupil nr in New Build	New Build m ²	Project cost (£)	Uplift to 1Q14	£/m ²	Net cost (£)	Net/m ²	Uplift to 1Q14	Cost per pupil (£)	Uplift to 1Q14 (£)	LEP Cost	Project Cost + LEP	£/m ²
1Q15	Bank Leaze	120	401	1,200,113	1,135,492	2,832	742,776	1,852	1,753	10,001	9,462	0	1,135,492	2,832
3Q10	Compass Point	120	316	1,250,278	1,404,422	4,444	805,599	2,549	2,864	10,419	11,704	0	1,404,422	4,444
3Q14	St Johns	150	585	2,234,617	2,138,972	3,656	1,375,846	2,352	2,251	14,897	14,260	0	2,138,972	3,656
4Q11	Bridge Farm	180	754	2,111,526	2,329,307	3,089	1,482,959	1,967	2,170	11,731	12,941	0	2,329,307	3,089
3Q12	Glenfrome	180	740	2,082,424	2,297,203	3,104	1,432,623	1,936	2,136	11,569	12,762	0	2,297,203	3,104
3Q15	Avon	180	710	2,025,368	1,866,069	2,628	1,334,177	1,879	1,731	11,252	10,367	0	1,866,069	2,628
4Q14	West Town Lane	240	778	2,831,738	2,721,123	3,498	1,669,025	2,145	2,061	11,799	11,338	0	2,721,123	3,498
3Q13	Parson Street	120	839	2,359,615	2,480,621	2,957	1,572,087	1,874	1,970	19,663	20,672	0	2,480,621	2,957
4Q13	Brunel Field	240	871	2,336,814	2,405,256	2,761	1,624,911	1,866	1,920	9,737	10,022	0	2,405,256	2,761
2Q13	Begbrook	180	709	2,131,613	2,221,936	3,134	1,404,287	1,981	2,065	11,842	12,344	0	2,221,936	3,134
2Q10	Easton	300	919	2,681,832	3,026,287	3,293	1,733,179	1,886	2,128	8,939	10,088	0	3,026,287	3,293
2Q12	St Annes & Wicklea	360	1,943	4,755,752	5,086,587	2,618	3,387,757	1,744	1,865	13,210	14,129	0	5,086,587	2,618
2Q13	May Park	480	1,757	5,348,246	5,574,867	3,173	3,374,075	1,920	2,002	11,142	11,614	0	5,574,867	3,173
4Q10	Southville (Myrtle Primary)	360	1,880	4,624,514	5,171,047	2,751	3,330,258	1,771	1,981	12,846	14,364	0	5,171,047	2,751
1Q14	Avonvale	420	2,073	5,798,639	5,798,639	2,797	3,702,736	1,786	1,786	13,806	13,806	0	5,798,639	2,797
3Q14	Marksbury Road	420	2,200	5,103,185	4,884,761	2,220	3,634,935	1,652	1,582	12,150	11,630	0	4,884,761	2,220

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Bristol City Council Equality Impact Assessment Form

(Please refer to the Equality Impact Assessment guidance when completing this form)



Name of proposal	Extension of current contract with Bristol Local Education Partnership Limited
Directorate and Service Area	
Name of Lead Officer	Alistair Reed - Service Director Economy Abigail Stratford – Service Manager Major Projects

Step 1: What is the proposal?

Please explain your proposal in Plain English, avoiding acronyms and jargon. This section should explain how the proposal will impact service users, staff and/or the wider community.

1.1 What is the proposal?

The extension of the Bristol Local Education Partnership (**'BLEP'**) strategic partnering agreement for 5 years.

The aim is for Cabinet to approve the extension of the BLEP by formal notification in December 2015.

Retention of the BLEP for an additional 5 years will maintain the successful processes currently in place to deliver capital education projects. It is designed to meet the needs of the Council to deliver its statutory obligation to provide enough education places for the city and the needs of those within the education system itself.

The BLEP represents a long term partnership with Skanska construction that is proven in the Cabinet Report to be highly effective, value for money and to provide excellent quality.

Step 2: What information do we have?

2.1 What data or evidence is there which tells us who is, or could be affected?

The contractor needs to contribute to delivering equality of opportunity through effective buildings design.

The school building programme needs to meet the needs of all young people, a client group which includes people with all protected characteristics.

The building programme and building design needs to specifically addresses the access needs of disabled children, disabled parents, disabled teaching staff, provision for people of different faiths and the access needs of pregnant women and nursing mothers so the contractor needs to understand the access needs of these groups.

Larger building programmes need to take place on the school site whilst school is in progress therefore the contract needs to have a thorough understanding of risk assessments for younger children, pregnant women, disabled people and other groups who are particularly at risk during building works.

2.2 Who is missing? Are there any gaps in the data?

We do not have data on the Skanska workforce or of the workforce for construction in general therefore we are unable to assess whether Skanska employs people from equalities communities to a greater or lesser extent than for the construction workforce in general so we are unable to identify whether the contract advances equality of opportunity in the workforce

2.3 How have we involved, or will we involve, communities and groups that could be affected?

A benchmarking exercise has been conducted based on cost and delivery within timescales. Consultation has not been undertaken as to the quality of the work. The projects which this contract will deliver are being consulted on under the Integrated Education Strategy due to be included in the January 2016 Learning City Board. The proposal of this report maintains the current contractual position and no additional consultation has been arranged with the equality community groups because equalities issues have relatively low relevance when deciding whether to undertake a new procurement process to deliver the future school buildings programme, in comparison to value for money, delivery to timescales and health and safety on site.

Step 3: Who might the proposal impact?

3.1 Does the proposal have any potentially adverse impacts on people with protected characteristics?

The main equalities relevance is to ensure the contractor can deliver accessible

schools in line with designs produced by other providers and to ensure the build programmes do not create access problems for people with protected characteristics. The current provider meets both of these requirements.

3.2 Can these impacts be mitigated or justified? If so, how?

The decision to extend the existing Strategic Partnering Agreement with the BLEP and not undertake a procurement exercise to identify a new provider could have a negative impact if other providers have workforces which are more reflective of the local population. We do not have this information on the sector so we are unable to identify any positive or negative impact about workforce issues.

3.3 Does the proposal create any benefits for people with protected characteristics?

The extension of BLEP would:

- Ensure continuation of the relationship with the Local Education Partnership and Skanska that has at its heart:
 - o equal treatment for the equalities community during the procurement process and administration of its business
 - o creation of an end product that helps to remove obstacles to those with protected characteristics and enable full integration into public life

3.4 Can they be maximised? If so, how?

New KPIs could include feedback on the quality of the contract in relation to meeting the needs of people with different protected characteristics

Step 4: So what?

The Equality Impact Assessment must be able to influence the proposal and decision. This section asks how your understanding of impacts on people with protected characteristics has influenced your proposal, and how the findings of your Equality Impact Assessment can be measured going forward.

4.1 How has the equality impact assessment informed or changed the proposal?

BLEP will be asked to undertake positive action to ensure apprenticeships are accessible to local young women and people from Black and minority ethnic communities.

New KPIs to include feedback on the quality of the contract in relation to meeting the needs of people with different protected characteristics

4.2 What actions have been identified going forward?

- Promote equality of opportunity

- a. The extension of the BLEP will maintain the policy of equal opportunity in both the procurement of construction works and allow for the delivery the BCC Integrated Education & Capital Strategy that addresses the desire to ensure full access to all state school facilities for all equality communities
- b. Key performance indicators promote equality of opportunity through the use of local labour and resources on projects during construction and will enable increased opportunities for vocational learning for students in schools where the BLEP undertake major projects. The Strategic Partnering Agreement with the BLEP is contractually binding in legislating against discrimination, victimisation and harassment in all its forms. The contract supports community cohesion by establishing schools as places that are available for use by the whole community and increased opportunity for community to engage in lifelong learning.

4.3 How will the impact of your proposal and actions be measured moving forward?

BLEP will be asked to include equalities monitoring of its workforce and evidence of local sourcing.

Service Director Sign-Off:	Equalities Officer Sign Off: Anne James – Equality and Community Cohesion Team Leader
Date:	Date:11 November 2015

Eco Impact Checklist

Title of report: Bristol LEP 5 year Extension				
Report author: Alistair Reid Service Director Economy				
Anticipated date of key decision 24th November 2015				
Summary of proposals: A Cabinet decision is required to extend the Strategic Partnership agreement between Bristol City Council & Bristol LEP for 5 years.				
Will the proposal impact on...	Yes/ No	+ive or -ive	If Yes...	
			Briefly describe impact	Briefly describe Mitigation measures
Emission of Climate Changing Gases?	No			
Bristol's resilience to the effects of climate change?	No			
Consumption of non-renewable resources?	No			
Production, recycling or disposal of waste	No			
The appearance of the city?	No			
Pollution to land, water, or air?	No			
Wildlife and habitats?	No			
Consulted with: Claire Craner-Buckley & Claire King- Environmental Project Managers- Energy Service (formerly Sustainable City Group).				
Summary of impacts and Mitigation - <u>to go into the main Cabinet/ Council Report</u>				
There are no significant direct environmental impacts arising from this proposal to extend the strategic Partnership Agreement between BCC & Bristol LEP for the next 5 years. There are no direct projects or works associated with this proposal. Direct proposals in the future will require a further Cabinet Report & associated Eco-Impact assessment to highlight & mitigate against any associated environmental impacts.				
Checklist completed by:				
Name:	Claire Craner-Buckley			
Dept.:	Energy Service-Place Directorate			
Extension:	9224459			
Date:	30.9.15			
Verified by Environmental Performance Team	Claire Craner-Buckley			