


<p style="text-align: center;"><b>London Borough of Hammersmith &amp; Fulham</b></p> <p style="text-align: center;"><b>CABINET</b></p> <p style="text-align: center;"><b>4 JULY 2016</b></p>	
<p><b>DEVELOPMENT OF A RESOURCE CENTRE AND RE-BUILD OF SEN UNIT AT THE QUEEN'S MANOR SCHOOL SITE</b></p>	
<p><b>Report of the Cabinet Member for Children and Education: Councillor Sue Macmillan</b></p>	
<p><b>Open Report</b></p>	
<p><b>Classification - For Decision</b></p> <p><b>Key Decision: Yes</b></p>	
<p><b>Wards Affected: All</b></p>	
<p><b>Accountable Executive Director:</b> Clare Chamberlain, (Interim) Executive Director, Children's Services</p>	
<p><b>Report Author:</b> Dave McNamara, Shared-Services Director of Finance and Resources, Children's Services</p>	<p><b>Contact Details:</b>  Tel: 020 8753 3404  E-mail: <a href="mailto:dave.mcnamara@lbhf.gov.uk">dave.mcnamara@lbhf.gov.uk</a></p>

## 1. EXECUTIVE SUMMARY

- 1.1. With the support of the Governing Body of Queen's Manor School, this report requests that the Cabinet agrees funding to build and develop a Resource Centre for disabled children and their families on a site at Queen's Manor School; to rebuild the SEN Unit at Queen's Manor School and to fund project and specialist resources to develop the service offer of the Resource Centre in co-production with partners and families.
- 1.2. The Resource Centre will be integral to the delivery of disability services for children and their families in Hammersmith and Fulham. The centre will provide information and advice as well as assessment and will include a range of activity spaces and office space for two teams of staff. The Centre will operate throughout the week, at weekends and in the evening.
- 1.3. The re-built SEN Unit will provide a modern custom-built facility for the enrichment of children with additional educational needs that attend the school.

- 1.4. The associated landscape works for the project will benefit all of the children who attend Queen's Manor School
- 1.5. The project will be designed and managed by 3BM Education Partners. These works are supplemental to the original contract with 3BM and will be managed accordingly.
- 1.6. The estimated total cost of the project is £5.75m. Funding will come from a mixture of sources including Section 106, capital receipts and borrowing. The final arrangement will be confirmed by the Strategic Director of Finance.
- 1.7. The establishment of a Resource Centre for disabled children will require a growth in revenue funding to cover operating costs, as it is planned that the service provided will be an enhanced offer to that currently available to children and families in the borough.
- 1.8. Queen's Manor School is a Grade II listed building.

## **2. RECOMMENDATIONS**

- 2.1. That approval be given to the development of the provision on the Queen's Manor site as proposed below, subject to the appropriate Listed Building Consent and Planning Permission.
- 2.2. That approval be given to contribute up to £6m. That Cabinet gives approval to delegate authority to the Strategic Director of Finance to agree the mixture of funding (Section 106, capital receipts or borrowing).
- 2.3. That approval be given to agree the sum of £241,000 to fund project and specialist resources to facilitate the development of the Resource Centre service offer.
- 2.4. That approval be given to the appointment of 3BM Education Partners as design authority and project managers to oversee the project for the design and build of the provision. These works are supplemental to the original contract with 3BM and will be managed accordingly.
- 2.5. That approval be given to delegate to the Cabinet Member for Children and Education, the appointment of a construction contractor up to £5m, subject to: i) a fully regulated procurement process having been followed; ii) the scope being agreed; iii) the costs being within budget and no more than 10% of the pre-tender estimate.
- 2.6. That the Cabinet note that the establishment of a new facility will generate revenue growth which will be reported through the Smarter Budgeting programme and approved through the Medium Term Financial Strategy.

## **3. REASONS FOR DECISION**

- 3.1. The reason for the recommendation is:
  - The business case as laid out below

- The high value of the recommendation
- The need to appoint a design team in accordance with governance procedures

#### **4. BACKGROUND AND EARLY CONSULTATION**

- 4.1. As part of the Council's commitment to put children and families first, it has sought to create strong links with parents' groups for children with complex needs. Disabled children and their families often require extra support to lead ordinary lives and they have been instrumental in identifying the need for this resource.
- 4.2. It is this administration's ambition to improve the overall local service offer to disabled children and their families through the provision of a dedicated resource centre; acknowledging concerns expressed by Parentsactive and other parents' representatives regarding the lack of such a facility in the borough.
- 4.3. In April 2011 and in May 2013 Parentsactive commissioned surveys to seek parents' views on play provision in Hammersmith and Fulham. Titled "We want to play too!" the 2011 survey identified a concern with the lack of play provision and after school clubs for disabled children. The follow up survey in May 2013 stated that provision had increased but not consistently, especially over holiday periods and with eligibility criteria continuing to be an issue. The survey reported frustration with the lack of consistency or sustainability of provision.
- 4.4. An opportunity has now arisen to use a site identified in co-operation with Queen's Manor School to develop and build the Resource Centre and at the same time redevelop the SEN Unit at the school into a modern facility that enhances the learning of children in the unit.
- 4.5. As well as designing and building a physical asset, a key part of the work is to develop the service offer and for this to fit within the overall local offer for children with disabilities in Hammersmith and Fulham that is currently being developed. As part of this process it is important to ensure that services are designed to meet the additional needs of disabled children and their families,
- 4.6. The aspiration is for the centre to provide information and advice and assessment as well as a range of activities for all ages to support the wider local offer for disabled children. The centre would act as a hub and focal point for disabled children and their families.

#### **5. PROPOSAL AND ISSUES**

- 5.1. The Resource Centre will be an integral part of the delivery of disability services for children and young people and their families. There will be a range of activities and facilities provided which, although not yet finalised, are likely to include early years' provision; after school and holiday provision; youth support and outreach services. The intention is to strengthen the availability of early help support and services. The centre will operate throughout the week, at weekends and in the evening. It is not proposed that there is an overnight service. There

will be a strong link with health services with a possibility that preventative health services could be based at the Centre.

- 5.2. 3BM were commissioned to undertake initial work to establish the viability of the project. It is now proposed to appoint 3BM, as the design team and project managers to manage the build for both the Resource Centre and the SEN Unit. The award will be supplemental to the original contract and will be managed accordingly.
- 5.3. It is intended to work to a build completion and go live date of October 2017.
- 5.4. 3BM will manage the appointment of a construction contractor that the Council will appoint, subject to gaining the appropriate Planning and Listed Building Consents and the proper procurement processes being followed, the scope being agreed and the costs being within budget and the pre-tender estimate.
- 5.5. Since 2014 the Council has been seeking to apply the principles of the Public Services (Social Value) Act 2012 to contracts for concessions, works and supplies. Seeking to ensure that Council spending generates wider benefits to the community in terms of economic, social and environmental wellbeing, collectively known as “social value”. The proposed procurement strategy places significant emphasis on social value.
- 5.6. 3BM, as design team and project managers, are a Hammersmith based Social Enterprise with a large range of local businesses as part of their supply chain. Providing social value is part of their contractual obligations with the Council. They have a good track record of employing apprentices, a strong trainee programme and training partnerships with William Morris Sixth Form and Fulham College.
- 5.7. The design of the new buildings will require the support of the Governing Body of Queen’s Manor school and will be subject to planning approval.

## **6. CONSULTATION**

- 6.1. In parallel with the build of the physical asset, the service offer to be delivered at the Resource Centre will be co-designed in association with Parentsactive and Queen’s Manor School, including parents. Co-production is intended as a central tenet in the development of the provision – of both the centre and the service offer with both parents’ representatives and partners such as health and schools being key to the co-production.
- 6.2. The offer will be part of the wider local offer for disabled children and their families.
- 6.3. As part of the survey in May 2013, Parentsactive representatives visited a number of centres and playgrounds and as a result requested for the following elements to be included in a centre in Hammersmith and Fulham:

- A core offer of services without the need for statutory social work intervention when not required.
- An inclusion scheme for all children.
- Suitable equipment and spaces including accessible kitchen, ceiling tracker hoist and changing places toilet, wheelchair swing, inclusive see saw and a wheel chair accessible trampoline
- Appropriate outdoor space.
- Facilities for complex needs children with adequate space for movement
- A parent and child led centre with parents to sit on the management committee.
- Training and meeting room facilities.

6.4. The result of the co-design process will be reflected in a Listed Building Consent and planning application that will be subject to normal consultation processes, including with Historic England. If Historic England have objections to the Listed Building Consent proposals, then the Local Planning Authority would not be able to determine the application themselves and the application would be required to be referred to the Secretary of State for decision.

## **7. OPTIONS AND ANALYSIS OF OPTIONS**

7.1. Four key options have been considered:

- Do nothing
- Develop the provision on alternative sites
- Refurbish the SEN Unit only
- In addition fund the development of a Resource Centre for disabled children and their families.

7.2. The first option fails to address the urgent need to refurbish the SEN Unit and misses the opportunity to establish the Resource Centre for disabled children.

7.3. The second option has been pursued and a number of alternative sites considered but many were fettered with site issues and logistics that meant it unlikely that the facility could be established for a number of years.

7.4. The third option addresses the need to rebuild the SEN Unit but misses the opportunity to use the site to meet the expressed need for a centre for disabled children and their families in the borough as a significant component in the development of the local offer.

7.5. The fourth option is the preferred one as it seizes an opportunity to develop a long desired, state of the art, Resource Centre that will become the focal point for the community and the local offer for disabled children and their families.

## **8. EQUALITY IMPLICATIONS**

- 8.1. The proposal will have a significant positive impact for children and young people with disabilities. It is not considered that there will be any negative impact from the proposal for any protected characteristic. Further information can be found in Appendix One. An equalities impact assessment is attached as Appendix Two.

## **9. HIGH LEVEL LEGAL IMPLICATIONS**

Full legal implications can be found in Appendix One.

### **Powers**

- 9.1. The Council has a duty under the Childcare Act 2006 (“the Act”) to make arrangements to secure that early childhood services in its area are provided in an integrated manner to facilitate access to those services and maximise the benefit of those services to parents, prospective parents and children. Arrangements must so far as is reasonably practicable include arrangements for sufficient provision to meet local need.
- 9.2. The provision of a resource centre focussed on the delivery of early childhood services to children with disabilities and their carers is a lawful objective for a local authority.

### **Property**

- 9.3. Queen’s Manor School is currently consulting on becoming part of a multi-academy trust. If the Academy application proceeds, the Council will be required to grant a standard 125-year lease to the trust of the land used for school purposes. It is important the Academy Trust, Children’s Services and Property understand the intended shared use of space so the appropriate property documents can be in place that balance operational flexibility and clear rights of use by the school and other partners. As the new Resource Centre will be an LBHF run service, the Director of Property & Building Management will advise on the most appropriate property arrangements with an expectation this area will not be part of the 125-year lease to the Trust. As partners may use the Resource Centre, then property agreements may need to be in place with health colleagues.

There will need to be a clear delineation of school land and any land to be retained for Council purposes.

### **Funding**

- 9.4. Funding will come from Section 106 receipts, capital receipts and, if this is insufficient, from borrowing. In relation to monies received pursuant to Section 106 Agreements, such monies must be used for the purposes specified in those agreements, or where there is flexibility within the terms of the agreement, for purposes that comply with the above tests. The risk of judicial challenge and or breach of the terms of the agreements is significantly increased to the Council if, the monies secured under the terms of those agreements are not then used for their intended purpose.

Legal powers comments provided by Andre Jaskowiak, Senior Solicitor, (020 7361 2756)

Legal Property comments provided by David Walker, Principal Solicitor (020 7361 2211)

Additional Property comments provided by Nigel Brown, Head of Asset Strategy & Portfolio Management (020 8753 2835)

Listed building comments provided by Peter Kemp, Planning Change Manager (020 8753 6970)

## **10. HIGH LEVEL FINANCIAL AND RESOURCES IMPLICATIONS**

Full financial implications can be found in Appendix One.

- 10.1. Estimated total costs for build and fit out of Resource Centre and SEN Unit plus professional fees and cost of staff resource to develop the service offer total £5.75m.
- 10.2. Total costs for the design, build and fit out of both the Resource Centre and the SEN Unit are estimated at £4.8m
- 10.3. The total 3BM fee across the project is £421,120 which equates to an overall fee percentage of 8.8%.
- 10.4. These costs are estimates only, provided by 3BM who have significant experience of operating in this field. Market testing and best value will be obtained through the procurement process.
- 10.5. Other consultants, statutory fees and surveys, including landscape architect: £285,000
- 10.6. Estimated costs of project and subject specialist resource to develop the Resource Centre service offer: £241,000
- 10.7. It is intended that these costs be funded from s106 contributions, capital receipts and, if this is insufficient, from borrowing.
- 10.8. The establishment of a Resource Centre for disabled children will require a growth in revenue funding to cover operating costs. This will be reported through the Smarter Budgeting programme and approved through the Medium Term Financial Strategy.
- 10.9. The fact that Queen's Manor is becoming an academy increases the complexity of the VAT treatment of the proposed works. Consideration needs to be given to the most appropriate way of mitigating any risks that arise.

Implications verified/completed by: Dave McNamara, Shared Services Director of Finance and Resources, Children's Services (020 8753 3404)

## **11. IMPLICATIONS FOR BUSINESS**

- 11.1 As mentioned above 3BM are well placed to engage local contractors and subcontractors. In establishing and evaluating potential approaches to secure local engagement within the wider procurement strategy 3BM and LBHF Corporate Procurement officers have explored the potential for introducing a 'flow down clause' approach as utilised on large public sectors procurements such as the Olympic Delivery Authority (ODA) and Crossrail (via Competefor Procurement portal).
- 11.2 In finalising the procurement strategy for the appointment of the main contractor for the construction of the resource centre and SEN unit, consideration will need to be given as to the most appropriate way of enhancing local social value.

## **12. RISK MANAGEMENT**

- 12.1 The Children's Department has a risk management framework in place. The framework requires that risks associated with projects are reviewed periodically, at least quarterly, and are escalated where they become significant. The most significant risks are captured on the risk register reviewed by the Senior Leadership Team, risks are allocated to individuals for their management and to ensure there is sufficient accountability.

Strategic risks linked to the scheme and the Shared Services Risk Register are...Risk 4, ensuring that the Council secures the best possible commissioned services at the best possible cost to the taxpayer. This risk will be mitigated by ensuring that full engagement, co-production and consultation with partners and parents is central to the development of the offer with a full time commissioner and a full time operational lead to ensure that this is effectively implemented.

The other key risk is to deliver to the timescales required. To mitigate this risk and deliver effectively the experience of 3BM will be used to project manage the build and an additional project manager will manage the work to deliver the service offer.

- 12.2 Implications verified by: Michael Sloniowski, Shared Services Risk Manager, (020 8753 2587)

## **13. HIGH LEVEL COMMERCIAL AND PROCUREMENT IMPLICATIONS**

Full commercial and procurement implications can be found in Appendix One

- 13.1 The report seeks Cabinet approval for three procurement-related decisions:
- To proceed with a procurement to carry out the appointment of a contractor for the detailed design and build of the Resource Centre for disabled children and the rebuild of the SEN Unit at Queen's Manor School.



- To commission 3BM Education Partners to manage the design, build and fit out as part of existing contractual arrangements with the Council.
- Prior approval to delegate the approval of the award of the construction contract, up to £5m, to the Cabinet Member for Children and Education.

- 13.2 It is proposed to carry out a two stage tender process via a compliant framework: appointment of a contractor based on preliminary costs, overheads and profit, with a further stage to develop design and buildability. To obtain best value for money and mitigate risk against contractor delays the contract will be packaged into a single award. An alternative option would be to package into two lots, construction and landscaping but this would present risks in relation to the programme and the design interface.
- 13.3 A programme of consultation with service providers, school staff and governors has been carried out to establish the design brief and project outcomes.
- 13.4 A local supplier procurement portal such as Competefor will be used to let work packages.
- 13.5 The ability of the Council to employ 3BM to project manage the design and procurement was provided for in the OJEU notice placed when creating the Employee-Led Mutual.
- 13.6 The contract with 3BM allows for the allocation of additional works but the core contract relates to services provided to the Council. As such these works are supplemental to the original agreement and need to be incorporated into the contract, in the appropriate form.
- 13.7 As a local SME, with a good working relationship with local schools to deliver work placement and training opportunities, 3BM are well placed to ensure that the design and build contractor meets its contractual obligations to provide opportunities for the seeking of Social Value and local economic and community benefits.
- 13.8 It is expected that the invitation to tender for the main contractor will be within two months of 4<sup>th</sup> July 2016, informed by a fuller procurement strategy as this takes shape.

Implications completed by Elizabeth Hibbs, Programme Manager, Children's Services (020 7361 3044) and verified by John Francis, Interim Head of Procurement (job-share), (020 8753 2582)

## **14. PLANNING IMPLICATIONS**

- 14.1 To date no formal discussions have been undertaken with the planning authority about the planning merits of the scheme. The planning service is experienced at finding positive solutions to planning issues and that has been demonstrated previously in bringing forward education schemes. That being said this must be

noted as a risk to the scheme, given it relates to the site of a listed building.

- 14.2 Funding will come from a mixture of sources including s106, capital receipts and, if this is insufficient, from borrowing.

It must be noted that funds have not yet been identified from section 106 funds for this and the Bridge Academy project. There are currently up to £2m immediately available for these two projects. A review is being undertaken of funds that are due in over the next year or so to identify what can also be committed to this project and these schemes will be included in new opportunities for S106 agreements and the allocation of CIL moving forwards.

- 14.3 Implications verified/completed by: Juliemma McLoughlin, Director for Planning and Growth (020 8753 3565)

## **15. IT STRATEGY IMPLICATIONS**

- 15.1 There are not considered to be any IT Strategy implications.

### **LOCAL GOVERNMENT ACT 2000** **LIST OF BACKGROUND PAPERS USED IN PREPARING THIS REPORT**

<b>No.</b>	<b>Description of Background Papers</b>	<b>Name/Ext of holder of file/copy</b>	<b>Department/ Location</b>
1.	NONE		

#### **List of appendices:**

**APPENDIX ONE: FULL EQUALITIES, LEGAL, PROCUREMENT AND FINANCIAL IMPLICATIONS**

**APPENDIX TWO: EQUALITIES IMPACT ASSESSMENT**

### 1. EQUALITY IMPLICATIONS

#### **Resource Centre**

A comprehensive service re-design of services for Disabled Children in Hammersmith and Fulham will ensure that the whole journey for families of children with disabilities, from first identification to transition from children services through preparation for adulthood, is undertaken in a timely, holistic, personalised, effective and cost efficient manner. Part of this re-design will enhance access to short breaks which includes a range of advice, information and support through differentiated assessments.

It is envisaged that the outcomes of such a co-produced service re-design will be that families feel able to engage and receive appropriate support where previously they declined to do so, thus widening the early help offer for disabled children and their families.

A full re-design of commissioned services is currently being co-designed with parents and partners and will inform new arrangements to be in place during 2017/18. Consultation is being undertaken across a broad spectrum of the parents and will be informed by previous consultations. Young people will be approached via schools and current services to ascertain their wishes and feelings. An Equality Impact Assessment will be undertaken as part of this process.

The resource centre is an integral part of this re-design as it provides a focus for information, a `family friendly` front door or first point of contact, capacity for direct delivery of afterschool/holiday services/stay and play groups and the hub for outreach services. Development plans include the opportunity to work with Health colleagues to develop collaborative programmes, promoting improved outcomes and access to early support for the whole family.

The proposal will have a significant positive impact for children and young people with disabilities. It is not considered that there will be any negative impact from the proposal for any protected characteristic. The resource centre will provide an accessible environment for families to use and may act as the location for meetings with professionals and other multi agency arrangements.

#### **Special Education Needs (SEN) Unit**

The rebuilt Special Education Needs (SEN) Unit within Queen's Manor school will considerably enhance equality of access and opportunity for children in the area with Special Education needs.

It will enable local children with the prescribed issues to attend a local school, with enhanced provision without the inequalities arising from transportation to a much more distant provision. It will be fully compliant with latest access requirements and will be built to offer the most appropriate environment for its pupils.

In making decisions about changes to existing SEN provision, the Local Authority needs to have due regard to the SEN Improvement Test requirements (School Organisation Regulations 2007) and demonstrate improvements in provision in line with the LA's draft Accessibility strategy in terms of the following:

- improved access to education and including wider school activities, facilities and equipment
- improved access to specialist staff, both education and other professionals, including any external support and/or outreach services
- improved access to suitable accommodation
- improved supply of suitable places

In taking forward the development of the Queens Manor Resource Base for children with moderate learning difficulties the Local Authority is making improvements to the accommodation so that this is more suitable and better suited to effective teaching and learning for children with special educational needs.

It will be fully compliant with latest access requirements and will be built to offer the most appropriate environment for its pupils.

The LA is expected to set out the plan for any interim arrangements for children during the period of development.

## **2. LEGAL IMPLICATIONS**

### **Powers**

In deciding what arrangements to make the Council must in particular have regard to the quantity and quality of early childhood services that are provided or that the Council expect to be provided in the area and where those services are provided or are expected to be provided. Those arrangements must so far as is reasonably practicable include arrangements for sufficient provision of children's centres to meet local need.

The Council has a duty under the Act to consult before making any arrangements for the provision of a children's centre and when making any significant change in the services provided through a relevant children's centre.

The Act defines a children's centre as a place or group of places through which each of the early childhood services (including childcare) is made available. A service is made available by providing the service or by providing advice and assistance to parents and prospective parents on gaining access to the service.

The provision of a resource centre focussed on the delivery of early childhood services to children with disabilities and their carers is a lawful objective for a local authority.

Legal powers comments provided by Andre Jaskowiak, Senior Solicitor, (020 7361 2756)

### **Planning**

Queen's Manor School is a Grade II Listed Building. Pre-application discussions have just begun with 3BM. Historic England may need to be involved as this will be a Local Authority own application. If the intention is that Queen's Manor becomes an Academy but any new SEN Unit doesn't, this will also impact on subdivision of this planning which is listed.

The Council enters into agreements with developers and land owners under section 106 of the Town and Country Planning Act 1990 to enable mitigation of impacts of development and to enable delivery of necessary social and physical infrastructure. The obligations are required to comply with the tests set out in Regulation 122 of the Community Infrastructure Regulations 2010 (as amended). Essentially all obligations must be:

- Necessary to make the development acceptable in planning terms;
- Relevant to the development being permitted; and reasonably in all other respects.

However, because planning permission is being applied for by the Council in its capacity as "Education Authority" it cannot lawfully contract with the Planning Authority on that basis, so the usual requirement for a section 106 Agreement in these circumstances is dispensed with. Alternatively, it is advisable for the two Directorates to document the agreed heads of terms by either a Memorandum of Understanding or exchange of letters. Planning Permission is required to be obtained in the usual way by the Education Authority and should planning Members be minded to approve the proposed scheme to rebuild the SEN unit appropriate conditions will be added to the permission.

Legal planning comments provided by Horatio Chance, Licensing and Highways Solicitor (020 8753 1863)

Listed building comments provided by Peter Kemp, Planning Change Manager (020 8753 6970)

### **Property**

Queen's Manor School is currently consulting on becoming part of a multi-academy trust. If the Academy application proceeds, the Council will be required to grant a standard 125-year lease to the trust of the land used for school purposes. It is important the Academy Trust, Children's Services and Property understand the intended share use of space so the appropriate property documents can be in place that balance operational flexibility and clear rights of use by the school and other partners. As the new Resource Centre will be an LBHF run service the Director of Property & Building Management will advise on the most appropriate property arrangements with an expectation this area will not be part of the 125-year lease to the Trust. As partners may use the Resource Centre then property agreements may need to be in place with health colleagues.

There will need to be a clear delineation of school land and any land to be retained for Council purposes. The school should declare the land surplus to requirements.

At a future date once the SEN Unit is completed, the Members could advise if this would pass to the new Academy Trust.

The Council is likely to need to enter into a building agreement with the Academy and to agree to assign the benefit of the building contract and any warranties.

Legal Property comments provided by David Walker, Principal Solicitor (020 7361 2211)

Additional Property comments provided by Nigel Brown, Head of Asset Strategy & Portfolio Management (020 8753 2835)

### **Procurement**

Procurement of project management, design and construction services as laid out at below.

### **Funding**

Funding will come from a mixture of sources including Section 106, capital receipts, and if this is insufficient, from borrowing. In relation to monies received pursuant to Section 106 Agreements, such monies must be used for the purposes specified in those agreements, or where there is flexibility within the terms of the agreement, for purposes that comply with the above tests. The risk of judicial challenge and or breach of the terms of the agreements is significantly increased to the Council if the monies secured under the terms of those agreements are not used for their intended purpose.

The Council at present does not have £5.75m of s106 funding available for funding education projects in the borough. As such a review is currently being undertaken of funds available for more flexible purposes and future section 106 agreements not yet entered into.

Where developers are agreeable to vary the terms of those individual agreements, this therefore widens the scope and provides a mechanism for contributions to be payable for education purposes in order to fund the proposed scheme, identified above. This can be achieved by the relevant parties entering into the necessary Deeds of Variation, the cost of which, subject to negotiation may have to be borne by the Council.

### **Contract**

The contract with 3BM allows for the allocation of additional works but the core contract relates to services provided to the Council. As such these works are supplemental to the original agreement and need to be incorporated into the contract, in the appropriate form.

The decision to approve the appointment of 3BM Education Partners delegates the acceptance of the final terms to officers.

The contract to be used between the Council and the contractor will be determined as part of the further development of the procurement strategy outlined below.

Legal Procurement, Funding and Contract comments provided by Andre Jaskowiak, Senior Solicitor (020 7361 2756)

Section 106 comments provided by Peter Kemp, Planning Change Manager (020 8753 6970)

### **3. FINANCIAL AND RESOURCES IMPLICATIONS**

The financial implications of this report relate to the £5.75m funding of the project from the Council and the funding of the scheme from a mixture of s106 contributions, capital receipts, and if this is insufficient, from borrowing. The final arrangement will be confirmed by the Strategic Director of Finance.

Estimated total costs for build and fit out of Resource Centre and SEN Unit plus professional fees and cost of staff resource to develop the service offer total £5.75m.

Total costs for the design, build and fit out of both the Resource Centre and the SEN Unit are estimated at £4.8m

Estimated costs of design, build and fit out of Resource Centre: £2,144,000

Estimated costs of design, build and fit out of SEN Unit: £1,416,000

3BM indicative estimate for core fees for the above work, at 10.50% of construction cost £374,000

Estimated costs of landscaping and access: £1,240,000

3BM indicative estimate for core fees for the above work, at 3.8% £47,120

These costs are estimates only, provided by 3BM who have significant experience of operating in this field. Market testing and best value will be obtained through the procurement process.

The total 3BM fee across the project is therefore £421,120 against a contract value of £4,800,000 which equates to an overall fee percentage of 8.8%.

Other consultants, statutory fees and surveys, including landscape architect: £285,000

Estimated costs of project and subject specialist resource to develop the Resource Centre service offer: £241,000

- *Strategic Business Change Lead: 34 weeks 5 days a week at £450 per day £76,500*

- *Project Manager: 78 weeks 3 days a week at £450 per day £105,300*
- *Operational lead: 18 month secondment £60,000 including on costs*

It is intended that these costs be funded from s106 contributions, capital receipts, and, if this is insufficient, from borrowing. The final arrangement will be confirmed by the Strategic Director of Finance.

The establishment of a Resource Centre for disabled children will require a growth in revenue funding to cover operating costs. This will be reported through the Smarter Budgeting programme and approved through the Medium Term Financial Strategy.

The fact that Queen's Manor is becoming an academy increases the complexity of the VAT treatment of the proposed works. Consideration needs to be given to the most appropriate way of mitigating any risks that arise.

Implications verified/completed by: Dave McNamara, Share Services Director of Finance and Resources, Children's Services (020 8753 3404)

#### **4. COMMERCIAL AND PROCUREMENT IMPLICATIONS**

The report seeks Cabinet approval for three procurement-related decisions:

- To proceed with a procurement to carry out the appointment of a contractor for the detailed design and build of the Resource Centre for disabled children and the rebuild of the SEN Unit at Queen's Manor School.
- To commission 3BM Education Partners to manage the design, build and fit out as part of existing contractual arrangements with the Council.
- Prior approval to delegate the approval of the award of the construction contract, up to £5m, to the Cabinet Member for Children and Education.

The value of the contract for the design and build of the Resource Centre; the build of the SEN Unit and full site landscaping is estimated at £4.8m.

The specification to be fully developed as outlined in the proposal above.

Key requirements for the Resource Centre: space for 20 children and 20 staff; used on weekdays, evenings, weekends and during school holidays; two key play and development rooms with a range of supporting spaces, including kitchen, toilet and hygiene areas; use of external space to allow free flow between external and internal play; mobility hoists; sensory room; secure drop off points and parking.

Key requirements for the SEN Unit: 2 classrooms for 10 pupils and 4 staff each; improved toilet and hygiene room; sensory room; staff changing rooms/showers.



It is proposed to carry out a two stage tender process via a compliant framework between July and November 2016: appointment of a contractor based on preliminary costs, overheads and profit, with a further stage to develop design and buildability.

A programme of consultation with service providers, school staff and governors has been carried out to establish the design brief and project outcomes.

The full procurement strategy will include a local supplier engagement strategy. A local supplier procurement portal such as Competefor will be used to let work packages.

To obtain best value for money and mitigate risk against contractor delays the contract will be packaged into a single award. An alternative option would be to package into two lots, construction and landscaping but this would present risks in relation to the programme and the design interface.

Meetings with the service, service users, procurement and legal colleagues are planned to finalise contract award criteria and weightings.

3BM Education Partners will be directed to project manage the design, build and fit out and provide contract administration. The ability of the Council to do this was provided for in the OJEU notice placed when creating the Employee-Led Mutual. The contract with 3BM allows for the allocation of additional works but the core contract relates to services provided to the Council. As such these works are supplemental to the original agreement and need to be incorporated into the contract in the appropriate form.

As a local SME, with a good working relationship with local schools to deliver work placement and training opportunities, 3BM are well placed to ensure that the design and build contractor meets its contractual obligations to provide opportunities for the seeking of Social Value and local economic and community benefits.

3BM have a good record for design and project management of building schools, particularly taking into account the requirements of school users. This is evidenced in the construction of Queensmill Special School and how they have managed the initial stages of this project where they have gained the confidence of the school.

There is the question whether the direct award of a contract to 3BM achieves the most commercially competitive price. In this case, Children's Services are able to benchmark the proposed fees against other projects some of which were commercially tendered and won by 3BM. The proposed fees are consistent with those rates at 10.5% on the works contract and 8.8% including landscaping and other works.

It is expected that the invitation to tender for the main contractor will be within two months of 4<sup>th</sup> July 2016, informed by a fuller procurement strategy as this

takes shape.

Project management and contract administration will be carried out by 3BM Education Partners.

Implications completed by Elizabeth Hibbs, Programme Manager, Children's Services (020 7361 3044) and verified by John Francis, Interim Head of Procurement (job-share), (020 8753 2582)

## LBHF Equality Impact Analysis Tool

Overall Information	Details of Full Equality Impact Analysis
<b>Financial Year and Quarter</b>	2016/17 Quarter 1
<b>Name and details of policy, strategy, function, project, activity, or programme</b>	<p><b>Development of a Resource Centre and Re-build of the SEN Unit at the Queen's Manor School Site</b></p> <p>Short summary: A proposal is to be presented to LBHF Cabinet requesting that the Cabinet, with support from Queen's Manor School, agree to funding the build and development of a Resource Centre for disabled children and their families on a site at Queen's Manor School and to funding the re-build of the Special Educational Needs (SEN) Unit at Queen's Manor School. The funding of project and specialist resources to develop the service offer of the Resource Centre, in co-production with partners and families is also requested. The proposed funding, up to the value of £6m will be a mixture of s106 funds, capital receipts and, if this is insufficient, from borrowing.</p> <p>The Resource Centre will be integral to the delivery of disability services for children in Hammersmith and Fulham. It will provide information and advice as well as assessment and will include a range of activity spaces and office space for staff. The Centre will operate throughout the week, at weekends and in the evening.</p> <p>The re-built SEN Unit will provide a modern custom-built facility for the enrichment of children with additional educational needs that attend Queen's Manor School.</p> <p>The associated landscape works will benefit all of the children who attend Queen's Manor School.</p>
<b>Lead Officer</b>	<p>Name: Dave McNamara,  Position: Tri-borough Director of Finance and Resources, Children's Services  Email: <a href="mailto:dave.mcnamara@lbhf.gov.uk">dave.mcnamara@lbhf.gov.uk</a>  Telephone No: 07968859936</p>
<b>Date of completion of final EIA</b>	18/05/16

<b>Section 02</b>	<b>Scoping of Full EIA</b>								
<b>Plan for completion</b>	<p>Timing: A completion date of Autumn 2017 is planned.</p> <p>Resources: The proposal is to commission 3BM Education Partners as design authority and project managers to oversee the project for the design and build of the provision. The appointment of a construction contractor will be delegated to the Cabinet Member for Children and Education subject to the proper procurement processes being followed, the scope being agreed, the costs being within budget and no more than 10% of the pre tender estimate. Project and specialist resources will also be allocated to develop the Resource Centre Service Offer. The proposed funding, up to the value of £6m will be a mixture of s106 funds, capital receipts, and, if this is insufficient, from borrowing.</p>								
<b>Analyse the impact of the policy, strategy, function, project, activity, or programme</b>	<p>Analyse the impact of the policy on the protected characteristics (including where people / groups may appear in more than one protected characteristic). You should use this to determine whether the policy will have a positive, neutral or negative impact on equality, giving due regard to relevance and proportionality.</p>								
	<table border="1"> <thead> <tr> <th data-bbox="481 790 716 938">Protected characteristic</th> <th data-bbox="728 790 1899 938">Analysis</th> <th data-bbox="1899 790 2116 938">Impact: Positive, Negative, Neutral</th> </tr> </thead> <tbody> <tr> <td data-bbox="481 938 716 1380">Age</td> <td data-bbox="728 938 1899 1380"> <p><b>The SEN Resource Unit</b> has 20 places for children aged 4 – 11 with moderate learning difficulties.</p> <p><b>The Resource Centre for Disabled Children</b> will be open to all disabled children and young people resident in the London Borough of Hammersmith and Fulham and their families. There will be a range of activities and facilities provided, which, although are not yet finalised could include early years' provision; after school and holiday provision; a youth club and outreach facilities. The centre will operate throughout the week, at weekends and in the evening.</p> <p><b>Design and Build</b></p> <p>As a local SME 3BM have a good working relationship with local schools to deliver work placement and training opportunities as part of the design and build of the both the SEN Unit and the Resource Centre.</p> </td> <td data-bbox="1899 938 2116 1380"> <p>Positive</p> <p>Positive</p> <p>Positive</p> </td> </tr> </tbody> </table>	Protected characteristic	Analysis	Impact: Positive, Negative, Neutral	Age	<p><b>The SEN Resource Unit</b> has 20 places for children aged 4 – 11 with moderate learning difficulties.</p> <p><b>The Resource Centre for Disabled Children</b> will be open to all disabled children and young people resident in the London Borough of Hammersmith and Fulham and their families. There will be a range of activities and facilities provided, which, although are not yet finalised could include early years' provision; after school and holiday provision; a youth club and outreach facilities. The centre will operate throughout the week, at weekends and in the evening.</p> <p><b>Design and Build</b></p> <p>As a local SME 3BM have a good working relationship with local schools to deliver work placement and training opportunities as part of the design and build of the both the SEN Unit and the Resource Centre.</p>	<p>Positive</p> <p>Positive</p> <p>Positive</p>		
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	Disability	<p><b>The SEN Resource Unit</b> is a provision for children with moderate learning difficulties.</p> <p>The re-build of the unit will replace a building in poor state of repair with a modern custom-built facility. Improvements to the accommodation will make the facility more suitable to effective teaching and learning for children with special educational needs. The Unit will be fully compliant with latest access requirements and will be built to offer the most appropriate environment for its pupils.</p> <p>It will enable local children with the prescribed issues to attend a local school, with enhanced provision without the inequalities arising from transportation to a much more distant provision. It will be fully compliant with latest access requirements and will be built to offer the most appropriate environment for its pupils.</p> <p>In making changes to existing SEN provision the Local Authority must have due regard to the SEN Improvement Test requirements (School Organisation Regulations 2007) and demonstrate improvements in provision in line with the LA's draft accessibility strategy in terms of:</p> <ul style="list-style-type: none"> <li>• Improved access to education and including wider school activities, facilities and equipment</li> <li>• Improved access to specialist staff, both educational and other professionals, including any external support and/or outreach services</li> <li>• Improved access to suitable accommodation</li> <li>• Improved supply of suitable places</li> </ul> <p>The unit will be fully compliant with these requirements.</p> <p>The Local Authority will set out the plan for any interim arrangements for children during the period of development.</p> <p><b>The Resource Centre for Disabled Children</b> will cover the range of disability and cover the journey for families of children with disabilities, from first identification to transition from children's services, through preparation for adulthood. It will be central to the local offer for children with disabilities in</p>	Positive
			Positive

		<p>Hammersmith and Fulham. It will provide a focus for information, a family friendly first point of contact as well as capacity for the direct delivery of after school, holiday services and stay and play groups. It will be the hub for outreach services.</p> <p>There will be opportunities to work with health colleagues to develop collaborative programmes, promoting improved outcomes and access to early support for the whole family.</p> <p>As a central hub, with information provision and meetings facilities the centre will contribute to the delivery of the requirements of the Children and Families Act 2014 to provide a holistic approach to education health and care for children and young people with special educational needs and disabilities.</p>	
	Gender reassignment		Neutral
	Marriage and Civil Partnership		Neutral
	Pregnancy and maternity		Neutral
	Race	As a central hub with information provision and outreach services the Resource Centre will aim to ensure that any groups at risk of exclusion are particularly targeted for inclusion, such as those who for example have English as a second or other language.	Neutral
	Religion/belief (including non-belief)		Neutral
	Sex		Neutral
	Sexual Orientation		Neutral

**Human Rights or Children's Rights**

Will it affect Human Rights, as defined by the Human Rights Act 1998?

No

Will it affect Children's Rights, as defined by the UNCRC (1992)?

No

**Section 03**

**Analysis of relevant data**

Examples of data can range from census data to customer satisfaction surveys. Data should involve specialist data and information and where possible, be disaggregated by different equality strands.

**Documents and data reviewed**

**Demonstration of need**

**Disabled children – customer satisfaction surveys:**

In April 2011 and in May 2013 Parentsactive (a parents' support group) commissioned surveys to seek parents' views on play provision in Hammersmith and Fulham. Titled "We want to play too!" the 2011 survey identified a concern with the lack of play provision and after school clubs for disabled children. The follow up survey in May 2013 stated that provision had increased but not consistently, especially over holiday periods and with eligibility criteria continuing to be an issue. The survey reported frustration with the lack of consistency or sustainability of provision.

As part of the survey in May 2013, Parentsactive representatives visited a number of centres and playgrounds and as a result requested for the following elements to be included in a centre in Hammersmith and Fulham:

- A core offer of services without the need for statutory social work intervention when not required.
- An inclusion scheme for all children.
- Suitable equipment and spaces including accessible kitchen, ceiling tracker hoist and changing places toilet, wheelchair swing, inclusive see saw and a wheel chair accessible trampoline
- Appropriate outdoor space.
- Facilities for complex needs children with adequate space for movement

- A parent and child led centre with parents to sit on the management committee.
- Training and meeting room facilities.

<b>Section 04</b>	<b>Consultation</b>
<b>Consultation</b>	Details of consultation findings (if consultation is required. If not, please move to section 06)
<b>Analysis of consultation outcomes</b>	<p><b>Resource Centre</b></p> <p>A key element of the proposal is the development of the service offer which will be developed in parallel with the build of the physical asset. The service offer to be delivered at the Resource Centre will be co-designed in association with Parentsactive and Queen’s Manor School, including parents. Co-production is intended as a central tenet in the development of the provision – of both the centre and the service offer with both parents’ representatives and partners such as health and schools being key to the co-production. Co-design and consultation will be an integral part of the project and specialist resources have been costed into the project to ensure this is done effectively. If the proposal is approved a full communications plan will be put into place and rigorously implemented.</p>

<b>Section 05</b>	<b>Analysis of impact and outcomes</b>
<b>Analysis</b>	<p>The re-build of the SEN Resource Unit within Queen’s Manor School will considerably enhance equality of access and opportunity for children in the area with special educational needs. It is not considered that there will be a negative impact for any protected characteristic.</p> <p>There is strong evidence to support the need for a Resource Centre as a central hub for disabled children and their families in Hammersmith and Fulham. The centre will advance the equality of opportunity for disabled children and improve outcomes for them. Through its information and outreach services it will also aim to foster good relations between those who share the protected characteristic and those who do not. The remit of the centre will be to promote inclusivity and will ensure that outreach services reach out to those who might otherwise be excluded, including those who share other protected characteristics, for example those for whom English is a second or other language. It is not considered that there will be a negative impact for any protected characteristic.</p>



<b>Section 06</b>	<b>Reducing any adverse impacts and recommendations</b>
<b>Outcome of Analysis</b>	<p>3BM Education Partners will be appointed as design authority and project managers to oversee the project for the design and build of the provision – both the SEN Unit at Queens Manor School and the Resource Centre for Disabled Children. The award will be supplemental to the original contract and will be managed accordingly. Experienced in this field 3BM will be commissioned to ensure full and proper consultation as part of the procurement process. A programme of consultation with service providers, school staff and governors has been carried out to establish the design brief and project outcomes.</p> <p>As stated above the service offer for the Resource Centre will be co-produced with young people, parents and partners.</p>

<b>Section 07</b>	<b>Action Plan</b>
<b>Action Plan</b>	No specific actions result from this EqIA.

<b>Section 08</b>	<b>Agreement, publication and monitoring</b>
<b>Chief Officers' sign-off</b>	<p>Name: Clare Chamberlain  Position: Executive Director Children's Services  Email: <a href="mailto:clare.chamberlain@rbkc.gov.uk">clare.chamberlain@rbkc.gov.uk</a>  Telephone No:</p>
<b>Key Decision Report (if relevant)</b>	<p>Date of report to Cabinet/Cabinet Member: Cabinet 4 July 2016  Key equalities issues have been included: Yes</p>
<b>Opportunities Manager (where involved)</b>	<p>Name:  Position:  Date advice / guidance given:  Email:  Telephone No:</p>