

Report to:	Cabinet	Date: 16 April 2025
Subject:	Millwood Primary Special School – Update & Request for approval to proceed to Pre-Construction Services Agreement stage (PCSA) with a contractor	
Report of	Deputy Leader and Cabinet Member for Children and Young People	

Summary

1. This updated report is presented to Cabinet with the latest position and details of the Northwest Construction Hub (NWCH) provisional milestone dates. Indicative budget costs were approved at the February 2025 Cabinet meeting. It is seeking approval to proceed to the Pre-Construction Services Agreement stage (PCSA) for the construction of the new wing extension; roofing remedial and other outstanding defects scheme.
2. The potential value of the full contract enables the Council to utilise for procurement purposes the NWCH High Value Construction Framework Lot 1 (£8m to £25m) pre-qualified panel of Contractors.

Recommendation(s)

Cabinet is asked to:

- (a) Approve entering into a Pre-Construction Services Agreement stage (PCSA) with [the contractor selected]
- (b) Delegate finalisation of the terms of the Agreement to the Director of Law and Democratic Services in consultation with the Executive Director for Children and Young People.

Reasons for recommendation(s)

Approval to proceed to PCSA stage is required for the Millwood scheme to progress. This enables the detail of the project to be developed, enabling greater confidence in the capital cost and programme for delivery. The previous scheme was developed to RIBA Stage 4 but unfortunately the contractors ISG went into Administration in September 2024. Allowing a new contractor time to develop the RIBA Stage 4 is required by the Northwest Construction Hub (NWCH) two stage process. This allows for design responsibility handover and Client Engagement Meetings to take place with the selected Contractor Partner prior to the bid being submitted.

Cabinet approval to proceed to the PCSA stage is needed at the April 2025 Cabinet meeting to ensure a quicker start on site to achieve the tight deadlines for the 4th wing extension and completion of the roofing remedial/outstanding defects work.

Development of additional capacity at Millwood Primary Special School, as set out in the Project Safety Valve agreement between the Council and the Department for Education, is a key element of the specialist place sufficiency strategy. Taken together, the Agreement and strategy set out the business case for the development of new provision and expansion of existing specialist provision to meet increasing demand within Bury and reduce the reliance on placements in Independent Non-Maintained Special Schools (INMSS). The extension scheme at Millwood Primary Special School is a priority within this strategy.

Urgent completion of the roofing remedial works/other outstanding defects is required. This has already been delayed due to the previous contractors going into Administration.

At the end of the next stage, RIBA 4, the bid will be returned and finalised figures will be available. They will then be reviewed internally and validated by independent quantity surveyors Poole Dick. That firm carried out a similar exercise in respect of the ISG bid last year. This will provide Cabinet with valuable additional assurance. Provided that the bid figures can be recommended a further report will then be submitted to Cabinet in July 2025 seeking approval to enter into a Contract on that basis.

Alternative options considered and rejected

Do nothing. If we don't proceed with the extension this would mean pupils being sent to out of borough provisions which would be at a large cost to the council.

We must address the roofing remedial works/other defects as a priority as the original contractors only re-roofed approximately half of the school roofs. The roof is deteriorating and needs to be replaced as soon as practically possible.

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Background

1.1 Cabinet have received a suite of reports regarding progress/approvals in relation to this scheme. (See below for links to the reports).

- 14 December 2022
- 12 July 2023
- 6 September 2023
- 5 June 2024
- 26 June 2024 – Urgent Decision Form
- 12 February 2025

1.2 At the February 2025 Cabinet meeting the following was approved:

(a) To approve the indicative budget and provisional works programme with an anticipated 12 month build scheme and targeted completion of September 2026.

(b) To approve the seeking of competitive tenders for the works, subject to report back to Cabinet for approval of the tender sum and contract award to the preferred contractor.

1.3 The original contractors had developed the scheme to RIBA stage 4 before going into Administration in September 2024. It is now necessary to allow a new contractor time to develop their scheme per the NWCH milestone stages.

1.4 Below are the dates the Council are working towards as agreed with NWCH. At this stage the dates are only indicative: -

Milestone	Date
Soft Marketing Event at the school for interested contractors	Monday 17.02.2025
Expression of Interest documents (EOI) issued by NWCH	Thursday 19.02.2025 to Friday 28.02.25
Issue Mini-Competition document	Monday 3.03.2025
Mini-Competition briefing meeting	Friday 7.03.2025
Mini-Competition return	Monday 31.03.2025
Clarification interview	Friday 4.04.2025 (if deemed necessary)
Constructor Partner selection / notification (including notification & feedback to unsuccessful partners) stated to be subject to Cabinet approval	Friday 11.04.2025
Bury Council Cabinet Meeting – approval to proceed to PCSA	Wednesday 16.04.2025
Pre-Construction activity	Thursday 17.04.2025 to Monday 23.06.2025
July Cabinet-to request approval to enter into a legal Contract.	Wednesday 9.7.2025
Agree Contract	Monday 7.07.2025

Contract period commences	Monday 28.07.2025 (53weeks contract period)
Contract period completion	Monday 03.08.2026 (for 4week client fit out)

1.5 The Council are working in partnership with the NWCH framework based at Manchester City Council as it is an efficient and cost-effective method of proceeding.

1.6 To further develop the design the Council is required to enter into a Pre-Construction Services Agreement with the contractor to develop the scheme further at RIBA stage. This enables the detail of the project to be developed, enabling greater confidence in the capital cost and programme for delivery.

1.7 In entering into a PCSA, it does not commit the Council to award a contract for delivery of the project. The PCSA stage is prior to awarding the main contract. The main contract will be funded from the Children's Services Capital Programme. The successful partner for the PCSA will be determined prior to the Cabinet meeting.

1.8 In order to progress the scheme to extend Millwood Special School; address roofing remedial works/other outstanding defects, Cabinet is asked to approve a decision to proceed to the Pre-Construction Services Agreement stage.

1.9The Children's Services capital programme includes a provisional sum in respect of the extension project, but also a further allocation for potential roof remediation/other defects works which is a legacy of the long-standing uncertainty about how the roof defects would be funded.

1.10The appointment of a contractor to carry out the project requires a specific procurement approach on which the Council's Legal Services and Procurement Team have advised. 'Stage 1' of a two-stage call-off procurement process under the protocols and procedures of the NWCH requires a Pre-Construction Services Agreement (General Contractor) 2016 (PCSA), which enables the contractor to collaborate with Council and team of consultants to develop detailed designs, to develop the main contract works, and to compile specialist bid documents.

1.11 This more detailed design work enables greater understanding of costs, and how the overall cost of the project and the programme for delivery can be improved upon. Once detailed bid costs are available, a further report will be presented to Cabinet seeking approval to proceed with a contract award.

1.12 Since the original contractors went into Administration the responsibility to complete the re-roofing of the school has passed to the Council. Therefore, it is proposed to combine the 4th wing extension scheme with the roofing remedial work/other outstanding defects and deliver it as one scheme by the main contractor.

1.13 Due to the delays in progressing the expansion project this has inevitably resulted in the school not being able to accommodate additional pupils in September 2025. Therefore, the Council has considered various options to provide additional space for

the pupils. In discussions with Millwood Senior Leadership Team, they have identified space consisting of the Theatre and a meeting room which can be converted into two classrooms. The Council have begun working on this option which will need to be complete by September 2025. Costs/timescales have been provided and an Operational Decision form has been signed.

The temporary classroom arrangement will be in place until the expansion project is completed which is hoped by September 2026.

Links with the Corporate Priorities:

The proposal will support key ambitions of the Let's do it strategy:

- A better future for the children of the borough
- A better quality of life
- A chance to feel more part of the borough
- Building a fairer society that leaves no-one behind

Environmental Impact and Considerations:

Environmental impacts and concerns will be considered as part of the pre-construction services and will be in-line with existing Council policies.

Assessment and Mitigation of Risk:

Risk / opportunity	Mitigation
Bid costs come back higher than anticipated	Commissioning an external Quantity Surveyor company to provide assurances to the council that the Bid represents value for money.

Legal Implications:

The process being followed under the NWCH High Value Construction Framework is compliant with the new procurement legislation which came into force on 24th February 2025 as it utilises a continuing valid framework under the Procurement Act 2023. The form of call off contract will be determined by the Framework.

The proposals will support the sufficiency of educational places in the borough which is a statutory duty under section 14 Education Act 1996.

Financial Implications:

There are no financial implications at this stage.

Appendices: None

Background papers:

Cabinet Report – 14 December 2022 – Millwood Primary Special School: Update on remediation Programme and expansion proposal. [Link](#)

Cabinet Report – 12 July 2023 – Children's Services Capital Programme [Link](#)

Cabinet Report – 6 September 2023 – Millwood Primary Special School -request to approve additional expenditure -[Link](#)

Cabinet Report – 5 June 2024 – Millwood Primary Special School - Programme Update & request for approval to appoint contractor -[Link](#)

Urgent Decision Form - 26 June 2024 [Link](#)

Cabinet Report – 12 February 2025 - Millwood Primary Special School – Update & Request for approval to go to tender - [Link](#)

Please include a glossary of terms, abbreviations and acronyms used in this report.

Term	Meaning
RIBA	Royal Institute of British Architects