

Cabinet Member Delegated Decision 03 January 2019

Approval of the Capital Allocation for the Construction of Sudbourne Primary School 1.5 Form Entry (FE) Extension

Wards: Brixton Hill

Report Authorised by: Strategic Director, Neighbourhoods & Growth Sue Foster

Portfolio: Deputy Leader of the Council (Children & Young People), Councillor Jennifer Brathwaite

Contact for enquiries:

Gary Meeds, Project Manager gmeeds2@lambeth.gov.uk, 07719 649656

Report summary

This report seeks approval for the increase of the capital funding profile for the construction of Sudbourne Primary School 1.5 FE Extension, due to site spatial constraints in the context of achieving school construction standards (Building Bulletin 103) and further, the impact of adverse ground investigation results.

Finance summary

The current estimated scheme cost of £9,250,000 needs to be increased by £1,200,000 to £10,450,000 for the reasons set out below and in section 2 of this report. It is proposed that these sums are sourced from retained funds in the Primary Schools Expansion Programme.

Recommendation

1. To approve and allocate further capital investment of £1,200,000, bringing the total investment to £10,450,000, in the provision of a new 1.5FE Primary School Extension for Sudbourne School.
2. To approve a contingency as set out in the Part II report.

Reason for Exemption from Disclosure

The accompanying part II report is exempt from disclosure by virtue of the following paragraphs of Schedule 12A to the Local Government Act 1972:

Paragraph 3. Information relating to the financial or business affairs of a particular person. (Including the authority holding that information).

1. Context

- 1.1 The expansion of Sudbourne Primary School was initially agreed in 2013 but the original plan was to expand the school on a different site (on the Acre Lane site). This involved a land transaction and a number of difficult conveyancing issues that also came to light. This became extremely complicated and resulted that ultimately the land acquisition could not be agreed with the developer and other parties subject to the land transfer.
- 1.2 Recent years have seen a change in the demographics with a falling birth rate and the impact of Welfare Reforms reducing demand. After several years of progressive and significant increase in demand for places, there has been a slight reduction in applications over the last two years. The birth rate is however expected to rise again in the 2020s.
- 1.3 There remains a number of other reasons to proceed with the expansion of Sudbourne Primary School. It is a very popular school which tends to be heavily over-subscribed and local residents are supportive of an expansion. Currently, operating as a 1.5 FE school creates significant operational difficulties for the school and it would be more efficient and effective if it could be expanded to 3 FE.
- 1.4 In 2017 a decision was taken by the Cabinet Member for Children & Schools to progress with the scheme on the Mandrell Road site and therefore the intention of this paper is to set out the budget requirement for delivering the scheme on that basis.
- 1.5 Although described as a 1.5FE extension, the development is more significant, in that it provides accommodation for years 3-6 (12 classrooms), plus a number of additional resource as identified against the final bullet point in section 2.2 below.
- 1.6 The design development process has been ongoing throughout 2018 and the design team has now completed the Stage 3 design and cost analysis for the new build project (demolition & main works) on the Mandrell Road site and the refurbishment works to the existing school.

2. Proposals and Reasons

- 2.1 Further to the ongoing design development review undertaken by the project team at key stages, independent review of the scheme design and cost plan was commissioned, amid concern that the total, projected Stage 3 outturn cost figure exceeded the available budget by £1,169,235.
- 2.2 This review generally supported the design ethos applied to the scheme, that sought to deal with a range of logistical issues peculiar to the construction of a primary school on the selected site as follows:-
 - Measures were required to satisfy the construction guidance for schools' spatial standards for external provision, as contained in Building Bulletin 103 (BB103). The inclusion of a rooftop MUGA is considered a sensible measure in addressing the problems that arise from construction on a constrained site.
 - In a similar vein, the building massing and design has responded to spatial limitation by adopting a less regular form around the edge of the site, thereby maximising the quantum of external open space available to students and at the same time providing safe and controlled access to the site.
 - Recent ground investigation work has also identified the requirement for a more robust, piled foundation design and the removal of certain contaminated materials.
 - As the Sudbourne school will be split over two sites BB103 guidance acknowledges the replication of key resources, such as a larger hall/ studio and a larger catering kitchen.

3. Finance

- 3.1 Following a cost review of the scheme at the end of RIBA stage 3, the outturn cost of the project is estimated at £10,419,235. The previous budget estimate established within a Cabinet Member Delegated Decision Report in November 2017 was £9,250,000.
- 3.2 On this basis, an uplift of the budget to the sum of £1,169,235 is required. This will be funded from retained funds within the Primary Schools Expansion Programme.
- 3.3 The current approved budget of £9.25m and the revised budget of £10.419m as set out in this report, including previous expenditure of £277k, is set out in the table below:

Sudbourne Primary	2017/18 Expenditure	2018/19 Budget	2019/20 Budget	2020/21 Budget	Total Budget & Expenditure
Current Approved Budget (Nov 2017)	£ 276,979	£ 600,000	£ 3,500,000	£ 4,873,021	£ 9,250,000
Revised Budget	£ 276,979	£ 600,000	£ 3,500,000	£ 6,073,021	£ 10,450,000

4. Legal and Democracy

- 4.1 The authority to approve the recommendations in this report is delegated to the Deputy Leader (Children and Young People).
- 4.2 Local authorities have a duty under the Education Act 1996 to contribute towards the spiritual, moral, mental and physical development of the community by securing that efficient primary and secondary education are available to meet the needs of the population of their area.
- 4.3 Under section 19 of the Education and Inspections Act 2006, a local authority is required to publish a proposal to make a prescribed alteration to a maintained school. The proposed expansion is a prescribed alteration within the meaning of the Act pursuant to the School Organisation (Prescribed Alterations to Maintained Schools) (England) Regulations 2013. There is no longer a duty to pre-publish the proposal for consultation but statutory guidance makes it clear that schools and local authorities will consult interested parties in developing an expansion proposal as part of its general public law duty.
- 4.4 Award of the various packages of works will be subject to the procurement requirements of the Public Contracts Regulations and the Council's contract standing orders and will need to be the subject of separate reports.

4.5 This proposed key decision was entered in the Forward Plan on 10th October 2018 and the necessary 28 clear days' notice has been given. In addition, the Council's Constitution requires the report to be published on the website for five clear days before the proposed decision is approved by the Cabinet Member. Any representations received during this period must be considered by the decision-maker before the decision is taken. A further period of five clear days - the call-in period – must then elapse before the decision is enacted. If the decision is called-in during this period, it cannot be enacted until the call-in has been considered and resolved.

5. Consultation and co-production

5.1 Local residents and Ward Councillors have been consulted on this scheme and will continue to be engaged through the pre-construction and construction periods. The headteacher and governors of the school have been fully involved in the design development process.

6. Risk management

Risk	Impact	Likelihood	Mitigation	Risk Owner
Inability to attract sufficient number of contractors to tender for the main works	High	Medium	Carry out initial market testing and draw attention of suitable contractor to the OJEU entry	Lambeth
Inability to transfer Design, Programme and Services risks to the contractor due to the market pressure	Medium	Medium	Start negotiation early with tenders at tender stage	Lambeth / Contractor
Potential delay of the programme due to the pre-construction surveys not carried out or completed on time.	Medium	Low	Identify all necessary surveys and commission all in a timely manner	Lambeth
Lack of Community Buy-In	Medium	Low	Comms plan in place that provides for regular updates to key stakeholders	Lambeth/ Contractor

7. Equalities impact assessment

7.1 An equalities impact assessment has been carried out for the works for primary school expansion and the impact has been rated as 'low'.

8. Community safety

8.1 Provision of the school expansion will improve the local public realm and provide a building which adheres to 'Secured by Design' principles. Secured by Design focuses on holistic crime prevention of the premises in the local context and promotes the use of security standards for a wide range of applications and products.

9. Organisational implications

9.1 Environmental

Provisions will be made to keep dust and noise to a minimum in order not to affect local residents. In line with Lambeth's procurement policy, the specifications of work will be developed as far as realistically possible to obtain a BREEAM of 'Excellent'.

9.2 Staffing and accommodation

None.

9.3 Procurement

The adopted tender strategy will comply with OJEU regulations and protocols and reflect the programme constraints that arise from a September 2020 opening .

9.4 Health

Tenderers will be required to prioritise health and safety management practice and provide for all regulatory procedures and arrangements. This will include effective control of common and significant operational and product hazards, including risks generated by noise and vibration, pollution, pesticides, asbestos, other waste and contaminated materials.

10. Timetable for implementation

10.1 The table below shows the stages, milestones and deadlines for implementing the contract.

#	Item Description	Date
1	Cabinet Member Briefing	9 th October 2018
2	Procurement Board – revised strategy approved	9 th October 2018
3	Issue ITT to Shortlisted Tenderers	21 st November 2018
4	End of Tender Period	21 st January 2019
5	Procurement Report to Board	18 th February 2019
6	Publish Decision	21 st December 2018
7	Alcatel Period	5 th March 2019
8	Contract Award	12 th March 2019
9	Design Lead In Complete/ Mobilisation (13 weeks)	11 th June 2019
10	Completion and Handover (14 months)	August 2020

Audit trail				
Consultation				
Name/Position	Lambeth directorate/ division or partner	Date Sent	Date Received	Comments in para:
Cllr Jennifer Brathwaite	Deputy Leader of the Council (Children & Young People)	9/10/18	9/10/18	No comments
Sue Foster Strategic Director	Neighbourhoods and Growth	12/10/18	20/11/18	Para 1, Part II Report
Rachel Sharpe, Director of Strategic Programmes	Neighbourhoods and Growth	8/10/18	8/10/18	Throughout
Cathy Twist, Director of Education & Learning.	Education & Learning	1/10/18	8/10/18	No comments
Kamran Rashid / Assistant Director of Capital Delivery	Neighbourhoods and Growth	1/10/18	8/10/18	Throughout
Peter Dawes / Commercial Manager	Business Growth & Regeneration	1/10/18	8/10/18	3
Paul Butler, Group Finance Manager	Corporate Resources	1/10/18	9/10/18	3
Michael O'Hora Legal clearance	Corporate Resources	1/10/18	3/10/18	4
Maria Burton, Democratic Services	Corporate Resources	1/10/18	4/10/18	4
AIMG	Date of Meeting	16/10/18		

Report history	
Original discussion with Cabinet Member	11 th September 2018
Report deadline	N/A
Date final report sent	N/A
Part II Exempt from Disclosure/confidential accompanying report?	Yes
Key decision report	Yes
Date first appeared on forward plan	10 th October 2018
Key decision reasons	2. Expenditure, income or savings in excess of £500,000
Background information	<p>1. Cabinet Member Delegated Decision Report, Expansion of Sudbourne Primary School from 1.5 FE to 3 FE on the existing site and the Mandrell Road site, 22nd November 2017.</p> <p>2. Pupil Place Planning and Capital Projects Cabinet papers, 11th December 2017.</p>
Appendices	None

APPROVAL BY CABINET MEMBER IN ACCORDANCE WITH SCHEME OF DELEGATION

I confirm I have consulted Finance, Legal, Democratic Services and the Procurement Board and taken account of their advice and comments in completing the report for approval:

Signature _____ **Date** _____

Gary Meeds, Project Manager

I confirm I have consulted the relevant Cabinet Members, including the Leader of the Council (if required), and approve the above recommendations:

Signature _____ **Date** _____

Deputy Leader of the Council (Children & Young People), Jennifer Brathwaite

Any declarations of interest (or exemptions granted) N/A