

<b>DECISION-MAKER:</b>	CABINET COUNCIL			
<b>SUBJECT:</b>	PRIMARY SCHOOL REBUILD PROJECTS – APPROVAL OF ADDITIONAL COSTS AND INTENDED USE OF CAPITAL RECEIPTS			
<b>DATE OF DECISION:</b>	CABINET 17 <sup>TH</sup> MARCH 2008 COUNCIL 19 <sup>TH</sup> MARCH 2008			
<b>REPORT OF:</b>	CABINET MEMBER FOR CHILDREN'S SERVICES			
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**STATEMENT OF CONFIDENTIALITY**

There is a confidential appendix attached to this report and is not for publication by virtue of Category 3 (Information relating to the financial or business affairs of any particular person including the Authority) of paragraph 10.4 of the Council's Access to Information Procedure Rules. It is not in the public interest to disclose this because publication of this information could influence bids received for property which may be to the Council's financial detriment.

**SUMMARY**

This report outlines the additional costs to the rebuild projects at Redbridge and Harefield Primary Schools and proposals to fund these costs and other pressures within the Children Services and Learning Portfolio.

**RECOMMENDATIONS:****CABINET**

- (i) To declare 1.9 acres of land at Harefield Primary School surplus to educational requirements.
- (ii) To declare the Vermont Depot surplus to requirements and relocate the existing users.
- (iii) To recommend to Full Council that the capital works required to deliver the rebuilding of Harefield and Redbridge Primary schools, in the sum of £3,495,500, be added to the Children's Services & Learning Capital programme.
- (iv) To recommend to Full Council that the capital works required to dispose of the Vermont Depot and Highcrown Street sites, in the sum of £150,000, be added to the Children's Services & Learning Capital programme.
- (v) To recommend to Full Council that the capital works required to complete the Special Educational Needs review projects, in the sum of £400,000, be added to the Children's Services & Learning Capital programme.

- (vi) To recommend to Full Council that it agrees the required funding contribution, in the sum of £1,550,000, funded from corporate resources, towards the rebuilding of Harefield Primary School, the disposal of the Vermont Depot and Highcrown Street sites and the Special Educational Needs Review capital costs.
- (vii) Subject to approval of recommendations (viii) to (ix) below by Council on 19<sup>th</sup> March 2008:  
To approve in accordance with Financial Procedure Rules capital expenditure in the sum of £4,045,500 including fees from the Children's Services and Learning Capital Programme to rebuild Harefield and Redbridge Primary Schools, dispose of the Vermont Depot and Highcrown Street sites and complete the Special Educational Needs Review.

**COUNCIL:**

Subject to approval of recommendations (i) to (vii) above by Cabinet on 17<sup>th</sup> March 2008:

- (i) To add in accordance with Financial Procedure Rules an additional sum of £4,045,500 to the Children's Services and Learning Capital Programme to rebuild Harefield and Redbridge Primary Schools, dispose of the Vermont Depot and Highcrown Street sites and complete the Special Educational Needs Review.
- (ii) To agree to contribute the sum of £1,550,000 from council resources, as required by recommendation vi, in order to fund the rebuilding of Harefield Primary School, the disposal of the Vermont Depot and Highcrown Street sites and the Special Educational Needs Review capital costs.

**REASONS FOR REPORT RECOMMENDATIONS**

1. To realise capital receipts for the Council from surplus land at Harefield Primary and Vermont Depot.
2. To obtain approval to the additional costs of the Redbridge and Harefield rebuild projects so that the projects can proceed without delay.
3. To obtain approval for expenditure on additional costs arising from the SEN Review and the disposal of sites at Vermont Depot and Highcrown Street.

**CONSULTATION**

4. Redbridge and Harefield Schools, Primary Rebuilds Project Board, CS&L Capital Board, Capita, Highfield CofE Primary, Pest Control and Clinical Waste, Corporate Assets Group.

**ALTERNATIVE OPTIONS CONSIDERED AND REJECTED**

5. Reduction in the scheme costs has been rejected as this will affect the quality of the specification for the new schools.
6. Delaying the schemes until Primary Capital Programme funding is secured from September 2008 has been rejected as this will cause further delay to the projects.

7. Funding the additional costs outlined in this report from the CS&L Modernisation budget. This has been rejected as it would put further pressure on a budget used to fund improvement work in schools and other CS&L properties.

## **DETAIL**

### **8. Primary Capital Programme**

9. The priority primary school rebuild projects are at Redbridge, Harefield and Newlands. Some funding is already in place for these projects but additional funding is required to enable them to proceed.
10. Additional funding is available from the Primary Capital Programme from 2009-10 for the renewal of primary schools.
11. This report seeks additional funding for the schemes at Redbridge and Harefield to enable them to proceed without delay. The Newlands scheme is on hold pending a decision on the number of primary school places required in the area.

### **12. Redbridge Primary School**

13. The current estimate of the whole project including fees is £4,840,000 and there are some additional costs explained below that are considered to be essential to the project. It is recommended that these additional costs be approved.
14.
  - ICT (£160,000) - For two servers, hardware and wireless network. This will provide an ICT set up fit for the 21<sup>st</sup> Century.
  - Loose Furniture and Equipment (£100,000) - This is required to ensure new furniture and equipment is provided throughout rather than the reuse of existing.
  - Fees (£57,000) - Additional fees are payable for specialist consultants e.g. Ecologist, BREEAM, Landscape Architect etc.
  - Surveys and Charges (£23,000) - Planning, Building Regulations and site surveys.

### **Harefield Primary School**

15. The current estimated cost of the whole project is £5,145,500 including fees which includes some additional costs that are considered to be essential to the project. These are explained below.
16.
  - Construction (£3,686,000) - Main construction works.
  - Surveys and Charges (£23,000) - Planning, Building Regulations and site surveys.
  - ICT (£130,000) - ICT suite £50,000. Remaining ICT infrastructure including wireless network £80,000. This will provide an ICT set up fit for the 21<sup>st</sup> Century.

- Biomass Boiler (£170,000) - A Biomass boiler is recommended as it will significantly reduce carbon emissions, counting towards the City Council's overall carbon reduction target of 20% and enabling the Department of Children Schools and Families (DCSF) target of 60% carbon reduction for new schools to be met. This is a requirement of the Primary Capital Programme Funding. It could also push the BREEAM rating of the school beyond very good to excellent.
- Loose Furniture and Equipment (£100,000) - This is required to ensure new furniture and equipment is provided throughout rather than the reuse of existing.
- Fees (£736,500) - Fees are payable to Capita and for specialist consultants e.g. Ecologist, BREEAM, Acoustic, Arboriculture etc
- Playing Field Mitigation – A capital receipt will be forthcoming, details contained in Appendix 1.

### **Project Timescales**

17. The Redbridge project is due to start on site in July 2008 and complete in July 2009. It is important that a decision is made on the additional costs in order to keep as close as possible to this programme.
18. The Harefield project is due to start on site in Jan 2009 following completion of the Children's Centre in Dec 2008, and complete in March 2010. Scheme approval is now sought together with the authority to dispose of surplus land.
19. It is also recommended that work to form a new administration area and ICT Suite estimated in the sum of £147,000 be brought forward to provide a focus for the management of the school which is currently spread over the former infant and junior school buildings. The costs to be met from the overall scheme funding.
20. Vermont Depot  
This site to the rear of Vermont School and in the CS&L portfolio, currently accommodates Clinical Waste and Pest Control. An alternative site has been identified for these services further down Vermont Close adjacent to the Nursery.
21. It is recommended that authority be sought from Council to add £100,000, to the CS&L Capital programme to fund the relocation of Pest Control and Clinical Waste to an alternative site to free up the Vermont Depot site for disposal.

### **Highcrown Street**

22. In July 2006 Cabinet approved the sale of 4 houses associated with the closure of Highcrown Street which currently bisects Highfield C of E Primary (Junior Dept) site. It was agreed by Council also in July 2006 that £261,650 of the receipt be used to fund works to enable the road closure. However, only £18,000 of this sum was allocated for landscaping works which is insufficient to undertake the making good of the road and provide disabled access from the school to the playing field estimated at £68,000 including fees.

### Special Educational Needs Review

23. There is an estimated overspend of £400,000 on the Special Educational Needs projects, the details of which have been discussed at the CSL Capital Board. It is recommended that £400,000 from Council Resources is added to the CSL Capital Programme to fund the overspend.

### **FINANCIAL/RESOURCE IMPLICATIONS**

#### **Capital**

24. Funding of £4.5m was approved by Cabinet in December 2006 for the rebuilding of Redbridge Primary School. In addition, funding of £1,990,000 has already been added to the Children's Services and Learning capital programme in respect of the scheme to rebuild Harefield Primary School.

The total additional estimated costs of implementing the report recommendations are as follows:

	<b>Estimated cost 2008-09</b>	<b>Estimated cost 2009-10</b>	<b>TOTAL</b>
Redbridge Primary		£340,000	£340,000
Harefield Primary		£3,155,500	£3,155,500
Relocation of Vermont Depot	£100,000		£100,000
Landscaping at Highcrown Street	£50,000		£50,000
SEN Review	£400,000		£400,000
<b>TOTAL</b>	<b>£550,000</b>	<b>£3,495,500</b>	<b>£4,045,500</b>

25. It is proposed that the schemes are funded as follows:

	<b>Primary Capital Grant</b>	<b>Capital Contribution required from City Council</b>	<b>TOTAL</b>
Redbridge Primary	£340,000		£340,000
Harefield Primary	£2,155,500	£1,000,000	£3,155,500
Relocation of Vermont Depot		£100,000	£100,000
Landscaping at Highcrown Street		£50,000	£50,000
SEN Review		£400,000	£400,000
<b>TOTAL</b>	<b>£2,495,500</b>	<b>£1,550,000</b>	<b>£4,045,500</b>

### Primary Capital Grant

26. Potential funding to meet the additional costs at Redbridge and Harefield is available from the Primary Capital Programme of £3,241,017 in 2009-10 and £5,619,017 in 2010-11 (and approximately £2.5m per annum thereafter). This funding is subject to the satisfactory completion of a Primary Strategy for Change (PSfC), which is to be submitted to DCSF by 16 June 2008 with a decision from September 2008. The Strategy must specify how the initial tranche of funding will be spent. The priority schemes are the rebuilds at Redbridge, Harefield and Newlands. It is recommended that £2,495,500 be earmarked from the 2009-10 allocation to meet the shortfall at Harefield and Redbridge.

### Capital Receipts

27. Subject in part to the report recommendations being approved, the capital receipts referred to in Appendix 1 are potentially available from a number of sites to contribute to corporate capital resources, and which would replenish any funding which the Council determines to apply to the schemes at this stage.

### **Revenue**

28. The rebuilding of the schools at Redbridge and Harefield Primary Schools will have no revenue impact on the general fund. School funding is delivered through the Dedicated Schools Grant (DSG), with schools primarily funded on the basis of pupil numbers. The number of pupils at the school may change as a result of these proposals and if this is the case the cost impact would be contained within the DSG and the Individual Schools budget (ISB).
29. The new schools would, however, have lower long term maintenance costs (which would mean a reduced call on the planned maintenance budget), and also would be likely to have lower premises costs than the present buildings, much of which are of temporary construction. Any savings from lower premises costs would be contained within the ISB and the school's budget.

### **Property**

30. Further work will be required to progress the disposals of land at the various sites and properties outlined in this report. All of these disposals are contained within the Corporate Asset Management Plan and are under discussion at the Corporate Assets Group.

### **Other**

31. There are no other implications to report.

## LEGAL IMPLICATIONS

### Statutory power to undertake proposals in the report:

32. The provisions of facilities for schools, including the provision of land and buildings, together with the maintenance and renewal of such facilities is made in accordance with the Education Act 1996 as amended. Capital expenditure within the Council is subject to the provisions of the Financial Procedure Rules as set out in part 4 of the Council's Constitution. Land use and management is subject to the provisions of the Local Government Act 1972.

### Other Legal Implications:

33. Disposal of land that is or was school land or buildings or land that was used as or comprised playing field land is subject to the requirement to obtain consent from the Secretary of State in accordance with s.77 School Standards and Framework Act 1998, as amended by Schedule 4 of the Education & Inspections Act 2006 and to Schedule 35A of the Education Act 1996 as inserted by Schedule 7 to the Education Act 2002.

## POLICY FRAMEWORK IMPLICATIONS

34. The proposals in this report are consistent with the Children and Young Persons Plan Educational Development Plan and Community Strategy in providing enhanced facilities for young people and the community.

## SUPPORTING DOCUMENTATION

### Appendices

1.	Primary School Rebuild Projects – Approval of Additional Costs and Intended Use of Capital Receipts (not for publication)
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### Documents In Members' Rooms

1.	None
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### Background Documents

Title of Background Paper(s)	Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)
1.	None

1.	None	
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**FORWARD PLAN No:** CL02785 **KEY DECISION?** YES

<b>WARDS/COMMUNITIES AFFECTED:</b>	Redbridge, Harefield
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