

Cabinet **11 May 2005**

Report title Fibbersley Park Primary School: Scheme Arrangements

Portfolio Councillor E F Hughes, Children's Services

Service Area Education Walsall

Wards South Willenhall

Forward Plan Yes

Summary of report

Fibbersley Park Primary School is the name that the Temporary Governing Body have chosen for the new school to replace Clothier Street, Lakeside and Little London Primary Schools.

This report details the arrangements necessary to secure completion of the scheme in time for the opening of the new school in September 2006.

Recommendations

Cabinet is asked to:

- (1) To agree, in principle, to the allocation of council funds of up to £400,000 to be identified from an appropriate combination of capital contingency, underspends on other schemes and above-target capital receipts, delegating authority for the identification of such funds to the Executive Director (CFO) in consultation with the Cabinet Portfolio Holder for Finance, noting that if these sources prove insufficient that a variation to the capital programme will be required and identification of funding from alternative sources, requiring a further report to Cabinet.
- (2) In accordance with contract procedural rule 25.3, delegate to the Executive Director of Lifelong Learning and Community authority to accept tenders for the works.

Resource and legal considerations

In July 2004, the School Organisation Committee approved statutory proposals to provide a new school to replace Clothier Street, Lakeside and Little London Primary Schools.

A temporary governing body has been appointed to oversee the establishment of the new school. The governors are proceeding with arrangements for the appointment of a headteacher and have decided that the new school will be called Fibbersley Park Primary School. In previous Cabinet reports this school has been referred to as 'New Primary School, South Willenhall'.

The new school is scheduled to open on 1 September 2006. Although the Building Design Unit had done a considerable amount of scheme development work, staffing changes in January 2005 made it necessary for the development of the scheme to be outsourced.

The newly appointed architect completed a redesign early in 2005 and this addressed a number of longstanding and challenging issues and brought the scheme within the area guidelines published by the DfES. The Building Project Team consists of the architect and other building professionals / consultants including a quantity surveyor, electrical and mechanical engineer, structural engineer, a planning officer and landscape designer from the Council and representatives from Education Walsall. This Team has met weekly during the design period and the combined experience of the members has enabled easier, more cost effective construction methods to be incorporated in the scheme. This has assisted in maintaining the programme identified for completion of the school in time for the opening in September 2006 and ensured that increased costs are kept to a minimum.

The budget for the scheme was estimated in October 2003 and was in line with the methodology prescribed by the DfES for Targeted Capital bids. The bid was based upon the new school being sited in the Willenhall Memorial Park Extension; this was subsequently changed following the identification of the Fibbersley site as more suitable during an option appraisal process and incorporating the views expressed during consultation with local communities.

The Targeted Capital allocation for the scheme was announced in February 2004 based on the October 2003 bid figures. A period of consultation on the proposed changes in school organisation then followed and the statutory processes associated with this were completed in July 2004. At that stage Cabinet added the school element of the overall scheme to the Capital Programme at a total cost of £3,188,522 on 8 September 2004. Financial provision of £3,204,564 for all Children's Centres was added to the Capital Programme by Cabinet on 20 October 2004 and of this £671,399 has been identified for the Children's Centre at Fibbersley Park Primary School.

Members will recall that the Council had previously consulted on these proposals prior to the submission of PFI bids and in view of this, it was decided that it would not be appropriate on this occasion to undertake further consultation until the necessary funding had been secured. This, together with the matter discussed above, has necessarily contributed to the commencement of construction occurring later than would otherwise have been the case.

The building professionals appointed to the scheme now advise us that the cost of the project is likely to exceed that initially estimated by the consultant who assisted with the bid. The reasons for this increase are as set out as follows:

- significant increase in building costs since the bid was first made to the DfES (15% increase in the last year);

- the use of the Fibbersley site rather than the Memorial Park site has necessitated a different design with different associated costs;
- there is an existing building on the Fibbersley site which needs to be demolished;
- traffic calming measures will be introduced into the programme to address concerns regarding traffic problems in the area;
- the new design incorporates a number of environmentally friendly aspects which carry additional capital costs but will reduce on-going revenue costs;
- the approval to build on the site is dependent upon particular treatment to the rare newts that were found on the site;
- construction costs are also slightly inflated by the use of construction methods that will enable the building to be completed within the required timescale;
- the increase in the total cost of the scheme has necessarily been reflected in the building professionals' fees for their services in connection with the scheme.

As a result of the above, the estimated total cost of the scheme, including the Children's Centre and other associated work, has now increased by £1,250,000 from the original estimate and over the 3-year life of the scheme

It is proposed that these additional costs be addressed in the following way:

- an approach has been made to the DfES to attempt to secure additional funding, the outcome of this approach is not yet known. A request has been made that they cover the additional building costs at 15% i.e. £450k. We think it unlikely they will agree to this full amount but it is readily justifiable. We are unlikely to obtain a response before the end of term;
- additional funding from the Children's Centres programme of approximately £200,000 will be utilised in recognition of the fact that the true cost of the Children's Centres aspects of the programme are not covered by the original contribution. We have recently received notification of additional funding for Children's Centres from the DfES and this proposal will form part of a subsequent paper on Children's Centres Capital;
- some funding would be found from the annual allocation made to the Council by the DfES to improve the suitability and condition of school buildings, although obviously the pressure on this funding is significant;
- the Council carries an annual capital contingency to cover variations to schemes, recognising that schemes evolve over time for a variety of reasons. However, the value of the capital contingency for 2005/06 is £250k of which less than £100k is unallocated. The remainder can be allocated in principle to this scheme. In order to manage the risk of the Council being requested to contribute more than this, it is possible to seek to identify other sources via the contingency route from a combination of phasing the scheme over 2005/06 and 2006/07, underspends from other schemes, and above-target capital receipts. It is recommended that this be capped at £400k. If these sources prove insufficient then the only other route is the deprioritisation of other schemes already approved in the programme, and/or slippage, the latter resulting in reduced funding for other schemes. It is recommended that the Executive Director (CFO) be delegated responsibility for the identification of contingency funds from the above sources to a maximum of £400k, in consultation with the relevant Cabinet Portfolio holder. Any funding above this will need to be the subject of a further report to Cabinet, and a possible variation to the capital programme;
- some re-phasing of schools' revenue funding will be utilised to ensure the new and the old school can address removal and other associated expenses.

- the closure of the three existing schools provides an opportunity to realise capital receipts. As these sites have not, as yet, been declared surplus to educational use we understand no assumptions have been made, as yet, regarding possible capital receipts.

These estimated costs have been prepared by the quantity surveyors appointed as consultants for the scheme and take account of recent tender analysis for similar schemes. The timescale for the detailed development of the scheme and tender preparation is very tight, hence the use of approximate bills of quantities. In the event that the lowest tender exceeds these figures, sufficient savings will be found to bring the scheme back within the new budget and any further overrun would be contained within budgets already available to education.

The tendering process is scheduled for May 2005; tender analysis will be undertaken early in June following the return of tenders at the end of May. It will be necessary for a tender to be accepted immediately in order to enable work to start on site in July. The planning application will be considered by the Development Control Committee on 7 June 2005 and a great crested newt licence is being sought from Defra. Cabinet is asked to grant delegated powers to the Executive Director of Lifelong Learning and Community to facilitate this.

Following the submission of an outline planning application in autumn 2004, a detailed planning application has now been submitted and will be considered by the Development Control Committee on 7 June 2005. Early consultation with Sport England, a statutory consultee, has allowed progress to be made and it is understood that outstanding issues have been resolved although written confirmation is awaited.

Citizen impact

The scheme will provide a school with a 21st century learning environment in an inclusive setting for the local community in south Willenhall. This will significantly improve standards within the area, helping children and their families to a better quality of life. The incorporation of a Children's Centre within the programme will improve access to a broad range of services for local residents.

Community safety

Safety issues were carefully considered by the architect during the design stage and the new school will provide a safe learning environment for pupils. Road safety issues were identified by parents during the consultation period prior to the approval of the associated statutory proposals. A transport assessment has been produced as part of the planning application and these issues will be addressed through the planning process and by the Governors of the new school with the support of the Council's Road Safety staff. The estimated cost of the scheme includes provision of £50,000 for traffic calming and other road safety measures which are expected to be required.

The derelict building on the site will be demolished as soon as possible following the required fauna surveys in the spring and the removal of asbestos.

Environmental impact

The scheme to provide the new school building uses sustainable resources wherever possible and the design incorporates features to reduce the impact on the environment. These include geothermal heating and rainwater recycling. Although there is a capital cost associated with such features, there will be annual revenue savings over the lifetime of the building.

Performance and risk management issues

Cabinet may be aware that it became necessary for the scheme to be outsourced by the Building and Design Unit in January 2005. This has necessarily had some impact on the timescale for the delivery of the scheme, however, the architect appointed to the scheme is confident that the building will be completed in July 2006 ready for the opening of the new school in September 2006.

Equality implications

The scheme will provide a school with a 21st century learning environment in an inclusive setting for the local community in south Willenhall.

Consultation

The scheme architect and other building professionals appointed to deliver the scheme, planning officers and the Finance Department have been consulted in the preparation of this report.

Vision 2008

The opening of a new primary school in a state of the art building will contribute to the delivery of Walsall's vision for 2008 – Section 4 Make Our Schools Great by providing a significantly improved learning environment for pupils in the south Willenhall part of the Borough.

Background papers

Cabinet Report, 8 September 2004: New Primary School in South Willenhall

Cabinet Report, 20 October 2004: Developing Children's Centres

Contact officer

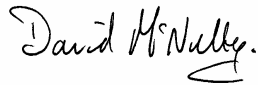
Susan Lupton

Strategic Leader: School Organisation, Admissions, Capital and Asset Management

Tel 01922 686231

susan.lupton@we.serco.com

Signed:



Executive Director: David McNulty

Date: 6.5.05

Signed:



Managing Director, Education Walsall

Date: 6.5.05

Signed:



Portfolio Holder: Councillor E.F. Hughes

Date: 6.5.05