

Award of Contract for the construction of a new school building and the refurbishment and remodelling of existing buildings to accommodate the expansion of Fulbridge Academy
Cabinet Member for Education, Skills and University
October 2013
Deadline date: October 2013

Cabinet portfolio holders:	<i>Cllr Holdich, Cabinet Member for Education, Skills and University</i>
Responsible Director:	<i>Sue Westcott, Executive Director Children’s Services</i>
Is this a Key Decision?	YES If yes has it been included on the Forward Plan : Yes Unique Key decision Reference from Forward Plan : KEY/25JUL13/02
Is this decision eligible for call-in?	YES
Does this Public report have any annex that contains exempt information?	NO

R E C O M M E N D A T I O N S

The Cabinet Member, in consultation with the Cabinet Member for Resources and the Executive Director - Children’s Services ; Executive Director – Strategic Resources and the Head of Legal Services, is requested to :

1. Authorise the construction of a new school building on a separate Council owned site (currently leased to Belvedere Bowls Club) and the refurbishment and remodelling of existing school buildings to accommodate the expansion of Fulbridge Academy up to the value of the budget sum of £3.5m. This sum shall also include funding for Information and Communications Technology (ICT), all site surveys, project management and technical advisers fees, costs associated with the access rights across adjacent land owned by Accent Nene and the relocation of Belvedere Bowls Club; and
2. Authorise the Executive Director of Children Services to vary the design and build lump sum option contract with Carillion Construction Ltd to include the construction of a new school building and the refurbishment and remodelling of existing buildings to accommodate the expansion of Fulbridge Academy.

SUMMARY OF MAIN ISSUES

- 1.1 This report seeks the Cabinet Member’s approval to the recommendations to enable Fulbridge Academy to be expanded to 4 forms of entry (120 pupils per year group). In order to accommodate the expansion, the school will operate from two sites. The current school site will accommodate reception, year 1, year 2, year 3 and year 4 children. The new site (currently occupied by Belvedere Bowls Club) is in close proximity to Fulbridge Academy and will cater for children in year groups 5 and 6. The new site is planned to

open to students in January 2015 but Key Stage One will expand to 4 Forms of Entry from September 2014.

- 1.2 The new build block will comprise of eight classrooms, a hall and administration and meeting rooms. Catering and dining provision for the year 5 and year 6 children will continue to be provided in the main school building.
- 1.3 Refurbishment of the existing site would include formation of a new classroom in a recess area between two classrooms, with remodelling within those classrooms to provide light and ventilation. The existing hall would also be extended in order to accommodate the increase in pupils on the main site.

2. PURPOSE OF THIS REPORT

- 2.1 The purpose of this report is to provide background information and seek the Cabinet Member's approval in relation to the recommendations.
 - 2.2 This decision is proposed in accordance with the delegations for the Cabinet Member for Education, Skills and University exercising delegated authority under paragraph 3.3.8 (a) of Part 3 of the constitution in accordance with the terms of his portfolio at paragraph 3.7(b).
3. **TIMESCALE** *(If this is not a Major Policy item, answer **NO** and delete second line of boxes).*

Is this a Major Policy Item/Statutory Plan?	NO	If Yes, date for relevant Cabinet Meeting	
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4. DETAILS OF DECISION REQUIRED

- 4.1 This decision is further to the approval by the Chief Executive in consultation with the Executive Director - Children's Services, Executive Director – Strategic Resources, Solicitor to the Council, the Cabinet Member for Resources and the Cabinet Member for Education, Skills and University, on 17 July 2012 to appoint Carillion Construction Ltd under a design and build lump sum option contract to build the City of Peterborough Academy.
- 4.2 The design and build lump sum option contract which the Council entered into with Carillion Construction Ltd, as agreed with Partnerships for Schools, the Department for Education and the Education Funding Agency allowed for the City of Peterborough Academy to be the "sample" school, with schools in the Council's Primary Capital Programme as "non sample" schools. The Council in its procurement for a contractor to build the City of Peterborough Academy therefore also procured a contractor to design and build such further schools. The contract would be the standard form of Design and Build contract for use with the Partnerships for Schools National Framework. The Partnerships for Schools Contractors Framework was procured under the Restricted Procedure of the Public Contracts Regulations 2006.
- 4.3 The process for adding additional schools to the Council's contract with Carillion involves Carillion submitting Contractor's Proposals (akin to a bid) in response to a specification issued by the Council. The Project Team responsible for the evaluation of Carillion's Contractor's Proposals comprises representatives of Fulbridge Academy, Children Services and external specialist technical advisors.
- 4.4 Once the Project Team are satisfied with the Contractor's proposals a Value for Money report will be sent to the Executive Director of Children Services to approve the variation to Carillion's contract for the construction of the new school building, refurbishment and remodelling to the existing buildings at Fulbridge Academy.
- 4.5 A budget of £3.5m has been set for the works. These funds are allocated against the Children's Services Capital Programme within the Medium Term Financial Strategy (MTFS) (2013/14 – 2016/17). £1,908,197 has been provided as a grant to the Council towards the

capital cost of the scheme by the Education Funding Agency as part of their Targeted Basic Need Programme 2013-2015. Subject to meeting certain qualifying criteria it is proposed that Planning Obligation Implementation Scheme (POIS) funds held by the Council are committed to the project.

- 4.6 The expanded Fulbridge Academy is required to be open by January 2015 so as to accommodate its expansion to 4 forms of entry (120 pupils). The new site will open in January 2015 but Key Stage One will expand to 4 Forms of Entry from September 2014.
- 4.7 The planning application for the school was submitted on 19 August 2013 and is scheduled to be heard at Planning Committee on 5 November 2013.
- 4.8 The batched arrangements under the design and build lump sum option contract expire on 31 December 2014. This means any variations to the design and build lump sum option contract with Carillion Construction Ltd has to be in place by this date.
- 4.9 In order to keep to the overall programme timescale, careful consideration has been given to the decisions that will be required to ensure probity in the process. The following milestones and dates should be noted:
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| - Submission of planning application | 19 August 2013 |
| - Contractors Proposals submitted | 30 September 2013 |
| - Planning Committee | 5 November 2013 |
| - Financial and Commercial close | 22 November 2013 |
| - Start on site | 13 January 2014 |
| - Complete works on existing school site | 01 September 2014 |
| - Complete works on new year 5 and year 6 building | 14 November 2014 |
| - New building open to students | 6 January 2015 |
- 4.10 The Belvedere Bowls Club site adjoins rear gardens on three sides and a supported housing scheme on the other and is accessed via a long service road from Lincoln Road through the PSL Parkway Club and Doctors car park. This access is unsuitable for servicing the new school building or for any other acceptable form of development rendering the site effectively "land locked". Closing off this access road will also reduce ongoing anti-social behaviour improving the area for local residents. In order to provide an acceptable means of access for staff and emergency / delivery vehicles to the site of the proposed new school buildings, an entrance is proposed to be provided through the neighbouring land of Accent Nene off Eaglesthorpe. Amicable discussions have been ongoing with Accent Nene Limited throughout 2013 and they have formally confirmed their agreement to grant access rights to the school across their land in return for fair and reasonable compensation arrangements that mitigate the impact of the proposed access road.
- 4.11 Belvedere Bowls Club has six years remaining of their lease with the Council. It is proposed that Belvedere Bowls Club surrender their lease and relocate to Peterborough Town Sports Club at Bretton Gate where a new bowls green will be laid to replace the two greens at present. A planning application for the new bowls green is due to be submitted by the end of September 2013 and is anticipated to be determined under delegated powers by the end of October 2013. The essential cost of replacement greens is factored into the project budget.
- 4.12 Agreements with Accent Nene and Belvedere Bowls Club will be authorised by officers under delegated powers under the constitution.

5. CONSULTATION

- 5.1 The headteacher and representatives of the Fulbridge Academy Governing Body have been fully involved in the development of the specification and design for the new school site.

- 5.2 A presentation of the scheme was given to the full governing body of Fulbridge Academy on 15 July 2013 and they gave formal approval to the emerging design of the scheme.
- 5.3 A public exhibition was held on 22nd July 2013 at the existing school where the designs for the new school site were on display for the public, parents, students and staff. The exhibition was well attended and the proposals very positively received. The Cabinet Member for Education, Skills and University, the ward councillors and other members of local community via the Neighbourhoods Manager were invited to the exhibition.
- 5.4 Amicable discussions have been ongoing with Accent Nene Limited throughout 2013 in order to secure an access into the new school site and are expected to be concluded by the end of September 2013. The proposed scheme was presented to residents of the sheltered housing scheme on 4 September 2013. The proposals were positively received including specifically the proposals for the car parking and landscaping changes to their site. The Council has satisfactorily responded to residents' minor concerns as well as wider and reasonable site specific requirements confirmed by Accent Nene.
- 5.5 Following consultation, Belvedere Bowls Club have confirmed their willingness to relocate to Peterborough Town Sports Club, subject to the Council meeting the costs of a single replacement bowling green and clubhouse which is beyond their resources. The management committee of Peterborough Town Sports Club has formally agreed to the relocation proposal and accordingly have resolved to incorporate the members of Belvedere Bowls Club into their existing constitution at the appropriate time.
- 5.6 As a statutory consultee Sport England were informed at an early stage of the proposed relocation and formally consulted through the planning application for the new school building. As anticipated, Sport England confirmed that their approval is conditional upon the provision of at least one replacement bowling green as otherwise the new school building proposal would result in an unacceptable loss of provision.
- 5.7 Key stakeholder departments within the Council are fully briefed on the proposals. These include Planning Department, Strategic Finance and Legal Services.

6. ANTICIPATED OUTCOMES

- 6.1 Subject to the evaluation of Carillion's Contractors Proposals by the Project Team, Carillion will design and construct the new block to Fulbridge Academy site under the Partnerships for Schools design and build contract.
- 6.2 A new vehicle entrance into the site of the proposed new building for Fulbridge Academy will be provided. Accent Nene Limited will provide access rights for the school across their land.
- 6.3 Belvedere Bowls Club will surrender their existing lease of the site and will relocate to Peterborough Town Sports Club where a new bowls green will be laid.

7. REASONS FOR RECOMMENDATIONS AND ANY RELEVANT BACKGROUND INFORMATION

- 7.1 The Local Authority has a statutory duty to provide school places. There are significant pressures on the PE1 area and the city as a whole. The decision to expand Fulbridge Academy was made by the Cabinet Member for Education, Skills and University following review of and approval to an expression of interest from Fulbridge Academy.
- 7.2 As a result of the above, Fulbridge Academy is expanding to four forms of entry. The proposed scheme will :
- Provide a new block for year 5 and year 6 children with 8 classrooms, hall, administration office and meeting rooms on a new site; and

- Refurbish existing site to include formation of a new classroom and expansion of existing hall.
- 7.3 The existing Fulbridge Academy site located on Keeton Road is very constrained, situated in the middle of a built up residential area and does not provide opportunities for expansion. The split site will enable the school to expand and continue to provide education as a well established and well respected school, judged as 'Outstanding' by OFSTED in March 2012.
- 7.4 The Belvedere Bowls Club site is the only asset held by the Council that can practically provide additional school place capacity for Fulbridge Academy. Moreover, it is only by way of fair and reasonable compensation arrangements with Belvedere Bowls Club and Accent Nene and their willingness to collaborate with the Council that the site can be made available to enable the entire project to materialise.
- 7.5 Taking into account the ideal location of the site relative to Fulbridge Academy, lack of alternative sites, lack of opportunity to expand the main school and limited alternative uses, officers consider that expenditure on compensation arrangements offers value for money to the Council and makes best use of the asset. The expenditure represents a relatively modest part of the overall budget yet without it the project would not proceed at a time when there has never been greater pressures on primary school places generally and specifically in the PE1 area.
- 7.6 The Council could possibly negotiate access rights with Accent Nene to enable a disposal of the bowls club site or sell the site to them, in both cases to provide more affordable/supported housing. Either would generate a capital receipt but would not allow the school expansion project to materialise. Taking into account the bowls club development constraints, anticipated neighbour objections to housing (expressed at the public consultations) and the probability of enhanced compensation to Accent Nene, officers consider that the resulting site value and lost opportunity are far outweighed by the school expansion proposal that will make the most effective long term use of the asset.

8. ALTERNATIVE OPTIONS CONSIDERED

The following options were considered and rejected:

- 8.1 **To do nothing.** This option was rejected due to the shortage of primary pupil places in PE1 and the Local Authority's statutory duty to provide sufficient school places.
- 8.2 **Select an alternative site.** Alternative sites within the PE1 area were considered but rejected by the Children's Services Capital Projects Board, as this site offers the most appropriately located and cost effective option.
- 8.3 **Sell the site.** The Council could generate a relatively modest capital receipt as described but this would prevent the school expansion project from proceeding and the opportunity to do so in the future would be permanently lost, along with the EFA funding contribution. This is not a viable alternative option.
- 8.4 **Tender separately for the works** ie, do not use the batched contract arrangement. If the batched contract arrangement with Carillion was not to be used this would mean that the Council would have to spend some 3 - 4 months procuring a contractor to build the new school. The batched arrangement obviates the need for such a procurement exercise and enables the Council to deliver the additional accommodation required for January 2015.

9. IMPLICATIONS

- 9.1 Financial – The implications of this Cabinet Member Decision Notice are set out in the main body of the report.
- 9.2 Legal - The Partnerships for Schools Contractors Framework was procured under the Restricted Procedure of the Public Contracts Regulations 2006 and the Council is

permitted to use the framework to call-off contracts instead of carrying out a separate tender exercise for the proposed works. The Council is entering into the agreement pursuant to its powers contained in section 2 of the Local Government Act 2000, section 14 of the Education Act 1886, section 22 of the Schools Standards and Framework Act 1998 and section 111 of the Local Government Act 1972 in order to enable investment in certain educational services and facilities. The rest of the legal implications are set out in the main body of the report.

- 9.3 Property – The site of the Belvedere Bowls Club is owned by the Council and leased to the Bowls Club. Once the school is built the land will be leased to the Fulbridge Academy in line with their current 125 year lease for their existing school site
- 9.4 Environmental - The specification for the works in the new build will include a sustainable approach to ensure that the building envelope exceeds current building regulations in terms of air quality, air tightness and energy efficiency. It will also incorporate renewable technologies to achieve the 10% improvement in Part L2A Buildings Regulations.

10. DECLARATIONS / CONFLICTS OF INTEREST & DISPENSATIONS GRANTED

None

11. BACKGROUND DOCUMENTS

Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985) and The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012

School Organisation Plan 2012-2017.