

Contribution to Priority Schools Building Programme for Re-build of West Town Academy

Councillor John Holdich, Leader of the Council and Cabinet Member for Education, Skills and University

September 2015

Cabinet portfolio holder:	Councillor John Holdich, Leader of the Council and Cabinet Member for Education, Skills and University
Responsible Director:	John Harrison, Executive Director, Resources
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/06JAN15/07
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 is recommended:

1. To approve the funding of up to £1,980,000 to the Education Funding Agency as contribution to the rebuild of West Town Academy and approve the overall cost of the scheme; and;
2. Authorise the Head of Legal Services to enter into any associated legal documentation in relation to this project, including termination of the West Town Academy's current short term lease and granting of a new long term lease of the site.

1. SUMMARY OF MAIN ISSUES

- 1.1 This report seeks the Cabinet Member's approval for the payment of up to £1,980,000 to the Education Funding Agency as supplementary funding for the rebuild.
- 1.2 Approval is also required for termination of the existing lease and granting of a new lease agreement

2. PURPOSE OF THIS REPORT

- 2.1 This decision is proposed in accordance with the delegations the Cabinet Member for Education, Skills and University exercising delegated authority under paragraph 3.4.8 (a) of Part 3 of the constitution in accordance with the terms of his portfolio at paragraph (h).

3. TIMESCALE

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

- 4.1 West Town Academy is currently located on Williamson Avenue. The current capacity is 315, with an admission number of 45. It is on a small site with insufficient hard play space and uses a detached playing field at Angus Court about 350 metres away.
- 4.2 In 2011 the government initiated the Priority Schools Building Programme. Local Authorities were invited to bid for schools with significant condition defects to be rebuilt by the Education Funding Agency (EFA). Peterborough submitted bids for four schools, two of which were successful, St John's Church School and West Town Community Primary School. On 1 June 2014 West Town converted to academy status as part of the Cambridge Meridian Academies Trust.
- 4.3 West Town Academy is to be rebuilt as three form entry, with a capacity of 630 and an admission number of 90. This will both help to address the shortage of places in the area, including accommodating children from the new housing development on the former hospital site and allow more efficient class organisation.
- 4.4 The project is managed by the EFA who are contracting with Kier Construction to provide the design and build of the school. The Council's role is to provide the site and the funding as set out in this report.
- 4.5 Because of the limited size of the existing school site and the need to expand the school's capacity a new site had to be procured. The demolition of the former District Hospital site offered the opportunity to relocate and expand the school. The outline planning consent (14/00536/OUT) for the development approved the siting of the new school on the corner of Thorpe Road and Midland Road and the incorporation of the Memorial Hospital Wing into the new building. The acquisition of this land was authorised by the decision notice OCT14/CMDN/94 in October 2014. Full planning consent for the school (15/00692/FUL) was granted on 28 July 2015.
- 4.6 The Priority Schools Building Programme does not cover abnormal costs arising from the particular site the school is built on, these are the responsibility of the local authority. The initial estimate of abnormal costs was under £1,600,000 but findings from soil investigations and requirements as part of achieving planning consent mean this figure is now higher. The breakdown of the required contribution is as follows:
- Enhanced foundation and substructure design - £388,114 –soil investigations show that piles will need to be bored through a fractured limestone layer to a lower layer; this is a more expensive process than the piling initially proposed and also more time consuming which will lead to additional preliminary costs.
 - Increased scope of surface water drainage works - £26,875 – the Education Funding Agency's costs include a conventional drainage solution, the scheme approved by the Peterborough SUDs (sustainable urban drainage) team includes underground attenuation through cellular storage and permeable paving to the car park area – this is the most cost efficient solution in the limited space available.
 - Works to the Memorial Hospital building - £905,163 – the original scheme agreed in the outline planning consent retained the former Memorial Hospital, subsequent investigations showed that retention of the façade and reconstruction of the building behind it would be required to mitigate the risk of disproportionate collapse which had to be addressed under building regulations as a consequence of the change of use; consent has been granted for this change to the scheme but includes conditions from planning to ensure the reconstructed building is appropriate.
 - Mechanical ventilation - £201,161 – the new school will be on the corner of Thorpe Road and Midland Road, acoustic surveys have demonstrated that noise levels from the roads and railway are too high for natural ventilation to be appropriate.

- Enhanced finishes to new build - £56,657 – the new school is in a prominent position on one of the main routes into the city and also forms part of a new high profile development, planning has required design enhancements to the south (Thorpe Road) elevation.
- Vertical bar railings - £23,512 – Priority Schools Building Programme schemes are costed as rebuilds on existing school sites so fencing does not need to be changed. The new site has no suitable fencing currently and because of its location, planning has required aesthetically appropriate railings rather than basic school security fencing.
- Artificial grass and imported top soil - £95,586 – the former use as a hospital and subsequent demolition works mean that the soil on site is not sufficiently free of contaminants to be used by the school without imported top soil and provision of artificial grass. The Council's tree officer has required use of artificial grass around the protected trees on site to mitigate the contamination without disturbance to the roots.
- Removal of soil from site - £267,995 – the soil that will need to be removed from site as part of the construction process is classified as non-hazardous contaminated material, the Priority Schools Building Programme funds only the removal of inert soil which is significantly less expensive to dispose of. The additional cost counts as an abnormal to be funded by the Council.

4.7 These costs total £1,965,063, authority to fund up to £1,980,000 is sought to ensure there is a small contingency. A Section 151 officer letter, dated 11 December 2014, was sent to the Education Funding Agency agreeing a capital contribution of £603,010 and a subsequent letter on 25 March 2015 agreeing to ring-fence a further £1,060,000 for additional costs, based on the initial estimate of a maximum of £1,600,000 for abnormals. Subsequent costing information now shows that an additional commitment will be required to ensure that this project can start on site in October 2015.

4.8 In addition to this contribution and the land purchase and associated costs in 2014-15, the Council is contracting with DSM Demolition Limited for site levelling at a cost of £16,980.97 and £897 has been spent on securing the site, which is the Council's responsibility until it is handed over to the contractor. The total cost of the scheme to the Council will therefore be no more than £2,369,341, of which £1,997,897 is 2015-16 spend. The capital programme for 2015-16 has £2,000,000 allocated for the West Town rebuild.

4.9 Under the S106 agreement for the hospital site development there is a contribution of £230,000 for highway works which must be co-ordinated with the delivery of the new school.

4.10 When West Town converted to academy status in 2014 a short term lease of five years was granted, rather than the usual 125 years in anticipation of the academy moving to the new building. A new lease needs to be agreed, effective to 2139.

5. CONSULTATION

5.1 A public consultation process about the rebuild and expansion of the new school was undertaken by the EFA.

6. ANTICIPATED OUTCOMES

6.1 The anticipated outcome is that Council will pay the supplementary funding to the EFA and that when the building is complete the lease will be entered into.

7. REASONS FOR RECOMMENDATIONS & ANY RELEVANT BACKGROUND INFORMATION

7.1 The Priority Schools Building Programme will deliver a new expanded school for pupils in the West Town area. Without funding for the abnormal costs this will not be possible.

8. ALTERNATIVE OPTIONS CONSIDERED

- 8.1 Refuse to provide the supplementary funding. The outcome of this would be a cancellation of the project leading to West Town Academy continuing to occupy a building in poor condition which the Council would have to repair under the conditions of the short term lease.

9. IMPLICATIONS

- 9.1 Property – The short term lease will be terminated and replaced by a lease on the new site that will last until 2139.
- 9.2 Finance – The Council will benefit from 315 additional pupils being able to go to their local school, with a possible reduction in transport costs. The cost to the capital programme is a maximum of £2,369,242, £3,760 for each place created, £7,521 for each new place. If the new school had been built by the Council alone it would have cost more than £8,000,000.
- 9.3 Education – before conversion to academy status the school was placed in special measures. It is now improving and recent Key Stage 2 test results show a 25% attainment increase over the past two years.
- 9.4 Legal – The Council is providing the funding 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.

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

- Planning and Environmental Protection Committee 22 July 2014 – 14/00536/OUT Former Site Of, Peterborough District Hospital, Thorpe Road, Peterborough
- Peterborough District Hospital Site OCT14/CMDN/94
- Planning and Environmental Protection Committee 28 July 2015 – 15/00692/FUL Memorial Wing, Peterborough District Hospital, Thorpe Road, Peterborough