LONDON BOROUGH OF RICHMOND UPON THAMES

CABINET

Agenda Item No.

15

DATE: **30 MAY 2006**

REPORT OF: **CABINET MEMBER FOR CHILDREN'S SERVICES AND EDUCATION AND DEPUTY LEADER AND CABINET MEMBER FOR RESOURCES**

LEAD OFFICER: **INTERIM DIVISIONAL MANAGER, PLANNING AND RESOURCES**

SUBJECT: **BUILDING SCHOOLS FOR THE FUTURE ONE-SCHOOL PATHFINDER – TEDDINGTON SCHOOL**

WARDS: **TEDDINGTON**

KEY DECISION?: YES

IF YES, IN FORWARD PLAN?: YES

For general release

1. PURPOSE OF THE REPORT

1.1 The report provides an update since the last report to Cabinet on 24 April 2006, with regard to the capital grant from the DfES for the rebuilding of one secondary school under the Building Schools for the Future One-School Pathfinder initiative.

2. RECOMMENDATIONS

2.1 To review the latest position on the BSF One-School Pathfinder programme and to consider the financial implications of the grant allocated and anticipated cost of the project.

2.2 To delegate joint authority to the Deputy Leader and Cabinet Member for Resources and the Cabinet Member for Children's Services and Education to authorise appropriate funding options to be put forward to the DFES as part of the development of a final scheme proposal (noting that final approval to proceed will be reserved to full Cabinet).

2.3 To approve the waiving of section 3.3(a) (iii) of Contract Standing Orders and allow the direct appointment, on an interim basis, of Currie and Brown as project managers for the scheme subject to their fees being within the ceiling of feasibility/initial costs approved by prior Cabinet decisions and subject to such detailed terms as are considered appropriate by the Director of Finance and Corporate Services in liaison with the Head of Legal Services.

3. DETAIL

3.1 Following the second stage submission to the DfES on 31 March 2006, as reported to Cabinet on 24 April 2006, the Local Authority was invited to attend a Design Event set up specifically for the potential recipient Local Authorities of the One-School Pathfinder funding stream. The Richmond representatives included the Headteacher of Teddington School, the Construction Services Manager, the Building Development Officer and the Lead Secondary School Inspector.

3.2 The Design Event focused on key issues, not just important design elements and educational outcomes, but on procurement, programme and finance points to note in particular.

3.3 With regard to programme, the DfES acknowledged that there would be greater flexibility in the completion date than had previously been stated. The original deadline for the opening of the new school build was to have been September 2008. As reported to Cabinet on 24 April 2006, this Authority had already included as part of our submission that the completion date would not be achieved until December 2008. The DfES has expressed that an acceptable opening date for these projects would be within the period of September 2008 through to September 2009. This is clearly a shift to acknowledge concerns raised that the deadline first suggested was too tight. Even with the extension of time it is important to note that this is still an ambitious deadline.

3.4 Each of the 13 Local Authorities are at different stages in the process, particularly in terms of the options available on procurement. There is a separate report to this Cabinet on the proposed procurement route for Richmond Council. To have any hope of achieving the original deadline it has been essential that officers' continued to progress this project prior to receipt of notification of approval from the DfES due to be announced sometime in May.

3.5 With regard to finance, based on the DfES One-School Promise Calculator, the DfES acknowledged that a number of elements had not previously been accounted for. This included; a calculation for any proposed 6th form, a 300m^2 base area in addition to the per pupil calculation; an increase to address recent Building Regulation updates for acoustics, energy efficiency and fire safety; and finally an adjustment to the price index from that set at second quarter of 2006 to second quarter of 2007 to reflect the extended timetable.
In effect this moved the One-School Promise Calculator bottom line figure from approximately £24,000,000 up to £29,963,993. The original grant figure was muted at £23,000,000 although the Richmond submission indicated a cost of £27,000,000.

3.6 An additional opportunity was also put forward by the DfES. This gave Local Authorities an option to make a further submission for demonstration school status for; sustainability or for innovation in science. Again tight time constraints were set, requesting a submission for 2,000 words by the end of April. This deadline was subsequently extended by one week. This Authority submitted a bid for sustainable school demonstration status, a copy of which can be e-mailed to those interested on request. The BSF requirement is that any school on this programme should achieve the BREEAM rating of "Very Good" with the sustainable school demonstration status expected to achieve the BREEAM rating of "Excellent". Up to three Authorities only will be approved for each category and a successful submission may bring additional capital funding as a result.

3.7 On 10 May 2006, the DfES confirmed in writing to all Local Authorities the funding envelope and any follow-up questions or queries for each submission. This letter is attached for information but confirms funding up to £30,000,000 subject to LSC approval

for a sixth form. The DfES also confirmed that the outcome of the demonstration status submission for sustainable school will not be made known until the end of May 2006.

3.8 At this stage, subject to any clarification required referred to in 3.7, it is anticipated that agreement to proceed will be forthcoming but this may include specific constraints, including a limit on the grant available. See Section 5 Financial implications.

3.9 The permanent overall project management arrangements for the scheme will need to follow a formal procurement exercise and this will inevitably take some to conclude if we are to be confident of the quality and value for money provided by the firm/individuals to be appointed. In the interim it is proposed that we use the services of Currie and Brown in this capacity, who are the firm who have provided the Council with support and advice on the applications to the DfES up to this point. This interim appointment will be within the ceiling of feasibility/initial costs approved by prior Cabinet decisions and will be subject to such detailed terms as are considered appropriate by the Director of Finance and Corporate Services in liaison with the Head of Legal Services. It will require Cabinet`s approval to the waiving of Contract Standing Orders per section 3.3(a) (iii) of the Orders.

4. CONSULTATION

4.1 Details of extensive consultation undertaken to date has been reported in previous Cabinet reports of 5 December 2005 and 16 January 2006.

5 FINANCIAL IMPLICATIONS

5.1.1 The report identifies that the funding envelope is up to £30,000,000 subject to agreement by the Learning and Skills Council for the sixth form proposal.

5.1.2 The current capital programme makes no allowance for funding any shortfall in the project cost beyond the DfES grant. Any additional funding requirement would have significant implications for the Council's financial strategy.

5.1.3 It is recommended that the Cabinet Members for Resources and Children's Services and Education be authorised to approve funding options put forward by officers. Any final proposal would be subject to approval of full Cabinet.

6. POLICY IMPLICATIONS/CONSIDERATIONS

6.1 The Building Schools for the Future One-School Pathfinder is an opportunity to provide a modern secondary school which will support the aims of the Council's vision for excellence and provide a superb resource for students, staff and the community. If final DfES agreement to proceed is received, this capital grant will also support the Council aims outlined in the Community Plan in providing sufficient high quality school places. It will also contribute significantly to the achievement of a wide range of targets for Education and Children's Services within the 'Every Child Matters' framework.

7. RISK ASSESSMENT

A risk schedule has been produced and is available via the Assistant Direct of Environment (contact details below) should anyone wish to see the detail.

8. EQUALITY IMPACT/CONSIDERATIONS

The Building Schools for the Future One-School Pathfinder is an opportunity to provide a modern secondary school which will support the raising of standards and high quality education with improved accessibility for the whole community.

9. LEGAL IMPLICATIONS

There are no direct legal implications arising specifically out of this report.

10. BACKGROUND DOCUMENTS:

Sustainable school demonstration status submission to the DfES 5 May 2006
Cabinet Report 24 April 2006
Second stage submission to the DfES 31 March 2006
Rationale submission to the DfES 18 January 2006
Cabinet Report 16 January 2006
Cabinet Report 5 December 2006
Education & Culture Overview & Scrutiny Report 1 December 2005

11. CONTACTS

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