

Report to: Cabinet

PART A

Expansion of North Chadderton School.

Portfolio Holder: Cllr Shaid Mushtaq (Cabinet Member of Education and Skills)

Officer Contact:

Emma Barton, Director of Economy

Richard Lynch, Director of Education, Skills and Early Years

Report Author: Andrew Hall, Principal Regeneration Officer
Ext. 3456

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Reason for Decision

Cabinet approval is required to allocate Basic Needs Funding previously identified to facilitate a one form entry (1FE) expansion at North Chadderton School. This will enable a new - 3 storey, six classroom science block, sports changing and teaching pavilion, library classroom, parking and hard play extension- all of which are necessary to the scheme.

Recommendations

That Cabinet approves the recommendations set out in Part B of the report.

North Chadderton School 1 FE Expansion

1 Background

- 1.1 North Chadderton School is located in the North Chadderton ward of Oldham and is part of the Oak Trust. As part of the Basic Needs Programme of Work, Cabinet gave its approval in April 2018 for the 1 FE expansion through the basic needs fund, based on a £3.4m cost estimate.
- 1.2 It has previously been reported to CIPB July 2020 that the previous design and build ITT exercise concluded without an appointment as the submissions did not meet with the Council's procurement requirements. CIPB was also informed that the tender bid was significantly above the original cost estimate previously approved and the current pandemic has exacerbated the delay and potential costs of the proposed scheme. Furthermore, the Council's cost advisors have confirmed that the cost of building materials are running well above inflation and this trend is expected to continue over the next 18 months.
- 1.3 The proposed works has since been retendered in accordance with the Council's procurement rules through a 2 Stage Design and Build procurement strategy. A professional team was appointed to complete the new tender package and Kier were also appointed under a Pre-Construction Services Agreement. It was agreed at CIPB that confirmation of the additional requirement for Basic Need Funds would be reported to Cabinet on completion.

2 Current Position

- 2.2 Subject to Cabinet approval of the recommendations in this report, Kier will be issued a contract award. This will be based on the final price which is due to be submitted on the 7th September. The final price will be reviewed and verified by the Council's consultant cost estimator.
- 2.3 There continues to be a pressing need for additional places in secondary schools within the borough. North Chadderton is one of the boroughs highest performing and over-subscribed schools. North Chadderton agreed a temporary increase in the school PAN from 240- 270 at the request of the LA in order to secure sufficient school places in the borough.
- 2.4 These are school places required by the Council under their statutory duty. The Oak Trust are a local independent academy who do not have the capacity for direct delivery of capital works of this scale and nature. The Oak Trust have written to the Council, confirming agreement to the works, access and acceptance of the proposed building works at practical completion.
- 2.5 It is intended that in managing the risk associated with this project, the Council will enter into a minor works contract with Kier to complete essential enabling works (site set up, early site works and playground replacement) at October half term 2021, having the benefit of previous funding approval and delegated authority to contract

at Cabinet (April 2018). The main contract award is due to be issued early November 2021.

3 Options/Alternatives

- 3.1 Option One: Approve the cost for a 1 FE expansion to North Chadderton School.
- 3.2 Option two: Do not approve the cost of expansion by 1 FE for North Chadderton School. This would not fulfill the Local Authority's a statutory obligation to provide the necessary additional places in East Oldham by 2020.

The cost of this expansion is set out in Part B of this report

4 Preferred Option

- 4.1 It is recommended that the cost is approved to facilitate the necessary expansion to North Chadderton School.

5 Consultation

- 5.1 The expansion of North Chadderton School has been agreed through the Education Provision Group and a statutory consultation process, prior to approval from Cabinet in April 2018. Consultation was also undertaken as part of the statutory planning process.

6 Financial Implications

Capital

As set out in Part B of this report

(James Postle)

Revenue

- 6.4.1 The revenue funding of the new school including expansion will have to be met from the Dedicated Schools Grant (DSG).
- 6.4.2 The proposal is for a 1 FE expansion at North Chadderton school, meaning an increase of 30 pupils into each year group on a phased basis. The LA will not receive any additional funding in the DSG for the estimated increase of pupils in 2021/22 as the DSG settlement is based on the October census from 2020 and will not be re-determined. The cost of the increase in PAN will therefore have to be met from the LA's Growth fund. Growth funding is within local authorities' schools block NFF allocations. For 2021 to 2022, growth funding has been allocated to local authorities using a formulaic method based on lagged growth data

6.4.3 If the allocation of growth funding to schools becomes unaffordable it will be essential to review the method by which growth funding is allocated to schools within the available resources and if necessary, increase the 'top slice' on the overall schools' block or review the allocation criteria for individual schools.

6.4.4 Provision has already previously been approved for the increase in 30 pupils and is already included within the approved growth fund projections as detailed in the table below.

As set out in Part B of this report

(Liz Caygill)

8 Legal Services Comments

8.1 Deeds of Appointment have been drafted and issued to the professional team. A bespoke Pre-construction Service Agreement has been drafted with the assistance of the professional team who have provided the relevant schedules, this PCSA is akin to that of the JCT giving the Council similar protections, the Contractor will work in accordance with that agreement. The Pre-construction Service Agreement will conclude, when the contractor submits their offer for the Works, and if accepted that offer will form the basis of the Construction Contract Document for the delivery of the works. (Colin Brittain/Rebecca Boyle)

9 Educational Services Comments

8.2 North Chadderton agreed a temporary increase in the school PAN from 240- 270 at the request of the LA in order to secure sufficient school places in the borough. There is a pressing need for additional places in secondary schools within the borough. North Chadderton is one of the boroughs highest performing and over- subscribed schools. More places at North Chadderton School will help the borough improve its outcomes for pupils at KS4 improving the opportunities for those pupils (Andy Collinge).

9. Co-operative Agenda

9.1 Objective 1: A Productive Place where business and enterprise thrive.

9.2 Outcome: Ensuring the creation of sufficient quality school places and effective, inspiring learning environments. Ensuring that the Local Authority is adhering to their statutory duty of providing school places in the borough and ensuring a higher percentage of families can go to a school of their preference.

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- 9.3 Objective 3: A co-operative council delivering good value services to support a co-operative borough.
 - 9.4 Outcome: Deliver our statutory duties and services to a good standard and ensure they are value for money.

10 Human Resources Comments

- 10.1 There are no HR implications from a statutory perspective. Formation of new schools and expansion of existing provision will provide valuable employment opportunities in the borough. Any new provider will be encouraged to adhere to the principles outlined in the Oldham Academies Policy. (Andy Collinge)

11 Risk Assessments

- 11.1 The Council in managing this project will have to be aware of the potential risks (such as the VAT or Insurance implications) associated with managing a scheme whereby the Council is not the building owner but is contracting direct. It is important that going forward the contract monitoring utilizing the project risk register identifies and manages these risks.

(Mark Stenson)

12 IT Implications

- 12.1 Not applicable.

13 Property Implications

- 13.1 The proposed project is planned to deliver spaces in the most economic manner and represents an efficient utilization of the existing site.

14 Procurement Implications

- 14.1 The consultant team and works contractor have been compliantly procured and appointed with the necessary approvals obtained as part of a separate delegated report. The works contractor has been appointed under a pre-construction services agreement only at this stage in order to complete design and procure the necessary work packages to generate a contract sum – this sum will be presented to the Council over the summer of 2021 for review and approval by the Council in order that main works contract can be agreed. (Dan Cheetham, Procurement).

15 Environmental and Health & Safety Implications

15.1 The availability of sufficient high quality school places will reduce the likelihood that parents will have to travel beyond a reasonable walking distance in order to take their children to school and potentially reduce the number of car journeys.

15.2 Full compliance with the Construction (Design and Management) Regulations 2015 should be ensured throughout the project at both design and construction stages. The Council's contract procedural rules should help to ensure that suitably competent contractors are appointed and monitored throughout the project. (L.Smith).

16 Equality, community cohesion and crime implications

16.1 Admission authorities have a legal duty to comply with parental preference wherever possible. Consequently, Oldham's school place planning approach takes account of identified demand for places. In terms of equality, the proposal will positively increase the supply of school places in the borough and choice. (Andy Collinge)

16.2 Consideration should be given to crime reduction/prevention measures during any construction works and following completion, in order to reduce the potential for any adverse impact upon the community. (L.Kenny).

17 Equality Impact Assessment Completed?

17.1 Yes on 08.02.2018.

18 Key Decision

18.1 Yes

19 Key Decision Reference

19.1 ED-02-20

20 Background Papers

20.1 Education Provision Strategy 2016-2020

20.2 Cabinet Report, Secondary Education Provision – Proposal to expand North Chadderton School - April 2018