



## EXECUTIVE DECISION NOTICE

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| <b>SERVICE AREA:</b>   | <b>PLACE DIRECTORATE</b><br>Development, Growth and Investment  |
| <b>SUBJECT MATTER:</b>   | <b>BUDGET ADJUSTMENTS TO THE APPROVED EDUCATION CAPITAL PROGRAMME 2016/17</b>   |
| <b>DECISION:</b>   | <p><b>It is determined that:</b></p> <p>1.the following transfers of funds from the unallocated Basic Need Funding stream within the education capital programme 2016/17 be approved:</p> <p style="padding-left: 40px;">a. £40,491.29 to the Milton St John’s C of E Primary School additional bulge class scheme.</p> <p style="padding-left: 40px;">b. £169,896.49 to the Livingstone Primary School extension and heating schemes; and</p> <p>2. the Council’s Strategic Planning and Capital Monitoring Panel are made aware of these latest developments regarding the Council’s capital programme at the next available opportunity.</p> |
| <b>DECISION TAKER(S):</b>  | Councillor Lynn Travis  |
| <b>DESIGNATION OF DECISION TAKER(S):</b>                         | Executive Member for Lifelong Learning  |
| <b>DATE OF DECISION:</b>   | 20th July 2016  |
| <b>REASON FOR DECISION:</b>                                      | To enable commencement of urgent building projects for the provision of additional school places at Milton St John’s CE Primary School and Livingstone Primary School over the 2016 school summer holidays.   |
| <b>ALTERNATIVE OPTIONS REJECTED (if any):</b>                    | Not to approve the transfers. This option was rejected as it would result in a failure to provide sufficient school places from the September 2016/17 entries at the two schools.   |
| <b>CONSULTEES:</b>   | The respective school governing bodies and head teachers.   |
| <b>FINANCIAL IMPLICATIONS: (Authorised by Borough Treasurer)</b> | <p>The report requests approval for the allocation of £210,388 for the schemes at Milton St John’s C of E Primary School and Livingstone Primary School. The proposed schemes are to be financed from the unallocated 2016/17 Basic Need funding within the Council’s existing Capital Programme as an approved funding stream.</p> <p>It should be noted that the current 2016/17 unallocated Basic Need funding stream balance is £2,956,132. This will reduce to £2,745,744 if the proposed schemes totalling £210,388 are approved.</p>   |
| <b>LEGAL IMPLICATIONS: (Authorised by Borough Solicitor)</b>     | <p>The Executive Member has the delegated authority to take decisions where necessary in relation to the schools capital programme.</p> <p>Given that her role is also to lead, monitor and have oversight of</p>   |



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|  | <p>the same she will no doubt be concerned to ensure that value for money is maintained through the procured building projects which necessitated the internal transfer of monies to allow the urgent works to be carried out in time for the start of the school year, in the case of Milton St John's C of E Primary School in September 2016, and in the case of Livingston Primary School in September 2017.</p> <p>The Executive Member should also satisfy herself that by agreeing to the transfer of these monies there are no procurement risks to the Council.</p> <p>The Council's Strategic Planning and Capital Monitoring Panel should be made aware of these latest developments regarding the Council's capital programme at the next available opportunity.</p> |
| <b>CONFLICT OF INTEREST:</b>                                 | None   |
| <b>DISPENSATION GRANTED BY STANDARDS COMMITTEE ATTACHED:</b> | Not Applicable   |
| <b>REFERENCE DOCUMENTS:</b>                                  | <p>The background papers relating to this report can be inspected by contacting the report writer, Ade Alao, Head of Investment and Development by:</p> <p> Telephone: 0161 342 2795</p> <p> E-mail: <a href="mailto:ade.alao@tameside.gov.uk">ade.alao@tameside.gov.uk</a></p>   |

Signed..... Dated.....

**Councillor Lynn Travis - Executive Member for Lifelong Learning**

## EXECUTIVE DECISION REPORT

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| <b>SERVICE AREA:</b>  | <b>PLACE DIRECTORATE</b><br>Development, Growth and Investment  |
| <b>SUBJECT MATTER:</b>  | <b>BUDGET ADJUSTMENTS TO THE APPROVED EDUCATION CAPITAL PROGRAMME 2016/17</b>   |
| <b>DATE OF DECISION:</b>  | 20 <sup>th</sup> July 2016  |
| <b>DECISION TAKER</b>   | Councillor Lynn Travis - Executive Member for Lifelong Learning   |
| <b>REPORTING OFFICER:</b>   | Damien Bourke – Assistant Executive Director (Development, Growth and Investment)   |
| <b>REPORT SUMMARY:</b>  | This report seeks approval for proposed budget adjustments to the approved education capital programme 2016/17 in respect of schemes for the provision of additional school places at Milton St John's CE Primary School and Livingstone Primary School.  |
| <b>RECOMMENDATIONS:</b>   | <p><b>It is determined that:</b></p> <p>1.the following transfers of funds from the unallocated Basic Need Funding stream within the education capital programme 2016/17 be approved:</p> <p style="padding-left: 40px;">a. £40,491.29 to the Milton St John's C of E Primary School additional bulge class scheme.</p> <p style="padding-left: 40px;">b. £169,896.49 to the Livingstone Primary School extension and heating schemes; and</p> <p>2. the Council's Strategic Planning and Capital Monitoring Panel are made aware of these latest developments regarding the Council's capital programme at the next available opportunity.</p> |
| <b>JUSTIFICATION FOR DECISION:</b>                                  | To enable commencement of urgent building projects for the provision of additional school places at Milton St John's CE Primary School and Livingstone Primary School over the 2016 school summer holidays.   |
| <b>ALTERNATIVE OPTIONS REJECTED (if any):</b>                       | Not to approve the virements. This option was rejected as it would result in a failure to provide sufficient school places from the September 2016/17 entries at the schools.   |
| <b>CONSULTEES:</b>  | The respective school governing bodies and head teachers.   |
| <b>FINANCIAL IMPLICATIONS:</b><br>(Authorised by Borough Treasurer) | <p>The report requests approval for the allocation of £210,388 for the schemes at Milton St John's C of E Primary School and Livingstone Primary School. The proposed schemes are to be financed from the unallocated 2016/17 Basic Need funding within the Council's existing Capital Programme as an approved funding stream.</p> <p>It should be noted that the current 2016/17 unallocated Basic Need funding stream balance is £2,956,132. This will reduce to</p>   |

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|  | £2,745,744 if the proposed schemes totalling £210,388 are approved.  |
| <b>LEGAL IMPLICATIONS:</b><br><b>(Authorised by Borough Solicitor)</b> | <p>The Executive Member has the delegated authority to take decisions where necessary in relation to the schools capital programme.</p> <p>Given that her role is also to lead, monitor and have oversight of the same she will no doubt be concerned to ensure that value for money is maintained through the procured building projects which necessitated the internal transfer of monies to allow the urgent works to be carried out in time for the start of the school years, in the case of Milton St John's C of E Primary School in September 2016, and in the case of Livingston Primary School in September 2017.</p> <p>The Executive Member should also satisfy herself that by agreeing to the transfer of these monies there are no procurement risks to the Council.</p> <p>Strategic Planning and Capital Monitoring Panel should be made aware of these latest developments regarding the Council's capital programme at the next available opportunity.</p> |
| <b>RISK MANAGEMENT:</b>  | Risks are considered within the main body of the report.   |
| <b>LINKS TO COMMUNITY PLAN:</b>  | Learning Tameside  |
| <b>REFERENCE DOCUMENTS:</b>  | <p>The background papers relating to this report can be inspected by contacting the report writer, Ade Alao, Head of Investment and Development by:</p> <p> Telephone: 0161 342 2795</p> <p> E-mail: <a href="mailto:ade.alao@tameside.gov.uk">ade.alao@tameside.gov.uk</a></p>  |

## 1. BACKGROUND

- 1.1 The Council's powers to provide and maintain educational facilities are set out in the Education Act 1996. The Council also has a statutory duty under Section 14 of the Education Act 1996, to secure sufficient and suitable places for pupils in its area in primary and secondary schools across the borough.
- 1.2 The Education Capital Programme for 2016/17 was considered and approved by Executive Cabinet at its meeting on 24 March 2016. The approved programme included the following schemes:
- **Milton St John's (Bulge Class)** - £60,000 scheme budget for an additional bulge class to enable the school to increase its admission number from 30 to 60 for the September 2016 entry.
  - **Milton St John's (Drainage)** - £5,000 scheme budget to repair and re-route damaged drain.
  - **Livingstone (Extension)** - £400,000 scheme budget for a two classroom extension to enable the school to increase its admission number from 20 to 30.
  - **Livingstone (Heating)** - £192,000 scheme budget to replace heat emitters and pipework.
- 1.3 The scheme budget approved for these schemes were pre-tender estimates. Following detailed survey, design, full competitive tender exercise and further value engineering the final costs for delivering the schemes have now been established as follows:
- **Milton St John's (Bulge Class)** - £105,491.29
  - **Milton St John's (Drainage)** – included in the Bulge Class scheme
  - **Livingstone (Extension)** - £568,768.87
  - **Livingstone (Heating)** - £193,127.62
- 1.4 Additional funding is therefore required for the scheme as below:
- **Milton St John's (Bulge Class)** - £40,491.29
  - **Milton St John's (Drainage)** – included in the Bulge Class scheme
  - **Livingstone (Extension)** - £168,768.87
  - **Livingstone (Heating)** - £1,127.62
- 1.5 The additional costs for the Milton St John's schemes are due to a number of reasons. Firstly, the original estimate did not include works in the Early Years building which surveys and further consultation with the school have been found to be essential. Secondly, a small amount of asbestos removal is required which was not originally foreseen as the asbestos surveys had not been completed. The scheme also now includes three additional computer whiteboards and associated wiring. Finally, the cost for forming new entrances has increased beyond assumptions at pre-tender stage due to a need to provide level disabled access and difficult structural requirements.
- 1.6 The increase in costs for the Livingstone extension scheme has arisen because what appeared to be a straightforward two classroom extension at pre-tender stage has become considerably problematic. Extensive ground condition surveys revealed that considerable piling will be required. Further investigation has also identified a need to divert parts of a United Utilities sewer which was previously unforeseen. Connecting the extension to the main school and providing step-free disabled requires significant earth removal and rebuilding the existing retaining walls surrounding the playground. The proximity of adjacent residential properties has also required taking out adjacent structures insurance to mitigate the risk of compensation claims against the Council.
- 1.7 The final cost of the Livingstone Heating scheme increases slightly from the pre-tender estimate but it has been determined to be prudent and better value to include the heating scheme with the extension scheme in one contract.

- 1.8 This report therefore seeks approval for proposed budget adjustments to the approved education capital programme 2016/17 in respect of schemes for the provision of additional school places at Milton St John's CE Primary School and Livingstone Primary School.

## **2. PROPOSED TRANSFER OF FUNDS**

- 2.1 The proposed transfer of funds for which approval is being sought are:

- **Milton St John's (Bulge Class and Drainage)** - £40,491.29
- **Livingstone (Extension and Heating)** - £169,896.49

- 2.2 Funding for the virements is proposed from the unallocated basic need grant funding available in the education capital programme 2016/17. Basic need grant funding is provided to local authorities to help them fulfil their duty to make sure there are enough school places for children in their local area.

## **3. RISK**

- 3.1 For Milton St John's, additional pupils join the school from September 2016. If the works to form the bulge class are not completed, there is a risk that the Council may be in breach of its obligations to provide sufficient school places.
- 3.2 The additional school places at Livingstone are not required till September 2017. However, the nature and extent of the building works requires a start in summer 2016 to carry out the major earthworks. Delay with carrying out these works would cause significant disruption to the school and risk significant delay to the scheme programme.
- 3.3 There is a slight risk, because of the piling and major earthworks required, that neighbouring properties may be affected. This risk has been mitigated by taking out additional insurances should such an eventuality arise.
- 3.4 All planning approvals and Section 77 consent has been obtained where required. The tendering process has been completed and final costs are now known. Any further cost increases would fall on the contractor.
- 3.5 Overall, there is a significant reputational risk for the Council in not providing sufficient school places as well as the effects on local pupils and their families if there is a delay with progressing the schemes.

## **4. CONCLUSION**

- 4.1 This report has presented proposals for budget adjustments to the approved education capital programme 2016/17 in respect of schemes for the provision of additional school places at Milton St John's CE Primary School and Livingstone Primary School.
- 4.2 Approval of the proposed virements will enable the commencement of urgent building projects for the provision of additional school places at Milton St John's CE Primary School and Livingstone Primary School over the 2016 school summer holidays.

## **5. RECOMMENDATION**

- 5.1 As set out at the beginning of the report.