

AGENDA ITEM: 13

Page nos. 46 - 54

Meeting	Cabinet Resources Committee
Date	28 June 2006
Subject	The rebuilding of East Barnet Secondary School on its existing Chestnut Grove site
Report of	Cabinet Member for Education & Lifelong Learning Leader of the Council and Cabinet Member for Resources
Summary	This report seeks approval to include in Council's Approved Capital Programme the proposed rebuilding of East Barnet Secondary School with extended community use on its existing Chestnut Grove Site, as part of the DfES "One School Pathfinders" programme. Approval is sought for appointment of Design Consultants from Work Area M of the Council's Framework Agreement on Consultancy Services. As part of linked development, it also seeks approval for the transfer to an appropriate governing body of the proposed Jewish Community Secondary School (JCoSS), a suitable interest in the existing school site at Westbrook Crescent (excluding the playing field) and similarly the transfer to the proposed C of E Academy a suitable interest in Hilton Avenue playing fields.
Officer Contributors	Keith Rowley, Head of Education Capital, Education Service.
Status (public or exempt)	Public
Wards affected	East Barnet
Enclosures	Appendix A – Draft Programme
For decision by	The Committee
Function of	Executive
Reason for urgency / exemption from call-in (if appropriate)	N/A

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1 RECOMMENDATIONS

- 1.1 That the project for the rebuilding of East Barnet Secondary School with community use of facilities be incorporated into the Council's Approved Capital Programme at an indicative cost of £28.4M.**
- 1.2 That the Committee notes that the new East Barnet Secondary School building design needs to be further developed to accurately predict the project costs can be contained within the DfES £28.4M allocation. Officers will report a more detailed budget breakdown and financial spend profile at project finalised design stage (anticipated in November 2006).**
- 1.3 That subject to the receipt of the grant from the DfES for the rebuilding of East Barnet School on the Chestnut Grove site, approval be given in principle to the transfer of an appropriate interest in part of the Westbrook Crescent site to an appropriate governing body of JCoSS, with the final terms of transfer to be approved by the Leader under delegated powers. The Council will retain ownership of the playing field for use by East Barnet School.**
- 1.4 That the Committee notes the establishment of an Academy on the site of the former Christ Church Secondary School and that subject to 1.3 above, an appropriate interest in the Hilton Avenue playing field be transferred to the Academy trust, with the final terms of transfer to be approved by the Leader under delegated powers.**
- 1.5 That approval is given to appoint Building Design Partnership, 16 Brewhouse Yard, Clerkenwell, London, EC1V 4LJ, as the design consultant for the rebuilding of East Barnet School and agreement to instruct to proceed with all necessary works for the design and procurement of this project. The contract value will be £1.06M, budgeted for within the DfES grant allocation.**

2. RELEVANT PREVIOUS DECISIONS

- 2.1 Cabinet Resources Committee Report dated 29th March 2005 – Report titled Proposed Department for Education and Skills Targeted Capital Fund bid for the establishment of a new Jewish Voluntary Aided Secondary School and the rebuild of East Barnet Secondary School.
- 2.2 Delegated Powers Report by Chief Education Officer in consultation with Cabinet Member for Education and Lifelong Learning dated 20 April 2006. titled, Appointment of professional consultants for the rebuilding of East Barnet Secondary School.

3. CORPORATE PRIORITIES AND POLICY CONSIDERATIONS

- 3.1 A first class Education Service is a key priority of the Corporate Plan. The complete rebuilding of East Barnet Secondary School will support the delivery

of this priority by delivering new premises purpose designed for a twenty first century curriculum.

3.2 Educational Benefits

- 3.2.1 Re-building the school on one site provides exciting new opportunities for improving the life chances of young people and extending the facilities available to the community as a whole. The proposals reflect the strategic opportunities identified by the council in its Sustainable Community Strategy for Barnet 2006-2016. A target in this strategy is to widen access for community use and learning.
- 3.2.2 The re-building of the school will contribute significantly to the borough's 14-19 strategy. Specifically, the new school will open up high quality learning pathways for engineering and construction, coming on stream in 2008. These developments will greatly expand the vocational opportunities available to young people in Barnet, from technology to catering. The school has already made significant progress in establishing positive partnerships with Middlesex University. However, to date these have been within the context of a poor and unsuitable learning environment. East Barnet School will become a centre of excellence in developing a high quality technology curriculum which can be shared across a number of schools.

4. RISK MANAGEMENT ISSUES

- 4.1 The DfES grant allocation is dependant the council's decision to transfer an interest in land for use by the governing bodies of JCoSS and the C of E Academy (part of the East Barnet Secondary School upper site and part of the Hilton Avenue playing field respectively). If the council decides not to transfer the land then the DfES would not provide the allocation and the rebuilding of East Barnet Secondary School would not proceed.
- 4.2 The budget of £28.4M for this project is derived from a DfES formulaic calculation based on proposed pupil numbers and gross floor area of the new school building. An allowance is included in the formula for anticipated cost inflation for the life of the project and for project contingencies (see section 5.4). Evidence from similar projects elsewhere indicate that this is an adequate sum to build a secondary school. The building will be procured with this sum as the total budget, including 17% set aside as contingency to meet unforeseen costs (see also section 5.5).
- 4.3 In any large capital project of this type there is always a risk that, as the scheme is developed into an actual project and procured, increases in cost could occur. This situation will be monitored very closely, including a review of the specification, to achieve best value for money and fitness for purpose within the allocated budget (see section 5.5). Officers will report to Members before proceeding, if the building procurement costs significantly exceed the allocated budget and the increases cannot be contained within alterations to the building specification.

- 4.4 The DfES allocation does not take into account future market forces within the construction industry, which may increase the building procurement costs (i.e. a significant number of building contractors committed to the London 2012 Olympic games development result in the construction industry unable to undertake the school rebuild project, or scarcity of building materials result in increases to procurement costs). Officers will instruct the appointed lead consultant to undertake construction industry market testing to better understand this risk and will report to members any major budget implications.
- 4.5 The project will be managed using the council's preferred Prince 2 methodology. A risk register has been created and will be managed to mitigate risk at each stage of the project development.

5. FINANCIAL, STAFFING, ICT AND PROPERTY IMPLICATIONS

- 5.1 The proposal involves a capital grant of £28.4M from the DfES to the council under the Targeted Capital Fund. There is no requirement for partnership funding from the council. There are no direct staffing or ICT implications arising from this proposal.
- 5.2 The proposal is to consolidate and fully rebuild East Barnet School on its Chestnut Grove site, currently the lower school. The capital cost of the rebuild would be fully funded by the DfES to a maximum of approximately £28.4M. This is calculated by the DfES using a formula based on the number of pupils expected to be enrolled at the school on completion of the new premises and building floor area. In the case of East Barnet School this is projected to be 1350 pupils, including 300 at post-16. Indicative benchmarking from other similar projects suggests that this represents an adequate budget.
- 5.3 This funding allocation is, however, conditional on part of the current upper school site at Westbrook Crescent being transferred to JCoSS. The DfES proposes that this would be subject to agreement to return this site to the council in the event of the closure or relocation of JCoSS. The third school in the DfES proposal is the establishment of a new Church of England Academy on the former Christ Church C. of E. secondary school site. The school's buildings and land on which they are located, are owned by the London Diocese Board for Schools. Currently the school has access to the council owned Hilton Avenue playing field and the DfES will require an appropriate interest in the playing field to be transferred to the Academy.
- 5.4 The DfES payment of the grant will be on the same basis as a Target Capital Fund bid, i.e. 25% year 1, 50% year 2 and 25% year 3. Table 1 sets out the anticipated grant payment to Barnet and the projected expenditure profile of the project. The grant includes a level of contingency, allowance for site and abnormal costs (such as temporary classrooms) at approximately 17% of the total project cost.

TABLE 1

Grant receipt profits				
	2006/2007	2007/2008	2008/2009	Total
	7.1M	14.2 M	7.1 M	28.4 M
Projected expenditure profile				
Fees	£ 1.08 M	£ 0.54 M	£ 0.18 M	£ 1.80 M
Works		£ 15.96 M	£ 10.64 M	£ 26.60 M
Total	£ 1.08 M	£ 16.50 M	£ 10.82 M	£ 28.40 M

Table 1 demonstrates that the timing of the DfES funding allocation matches the project expenditure profile, without the need to commit council funds.

- 5.5 The DfES capital grant is limited to £28.4M. Officers have evaluated the DfES grant against comparable London BSF wave 1 Authorities benchmarks and conclude that the grant is sufficient for the rebuilding of East Barnet School. Detailed project timescales and spend profile will be developed by the successful design consultant when appointed. Subject to unexpected unforeseen circumstances project costs will be contained within the DfES allocated grant, with regular project budget monitoring information reported to Members (initially at finalised design stage November 2006), through the usual capital monitoring process.
- 5.6 Officers will report to Members if the affordability of building procurement cannot be contained within the allocated budget.

6. LEGAL ISSUES

6.1 Disposal Issues

- 6.1.1 The land and buildings of East Barnet Community Secondary School are owned by the London Borough of Barnet. Under section 123 of the Local Government Act 1972, local authorities are given powers to dispose of land in any manner they wish, the only constraint being that the disposal must be for the best consideration reasonably obtainable, unless the Secretary of State consents to the disposal.
- 6.1.2 Under Schedule 3, Part 3, paragraph 12 of the School Standards and Framework Act, a local authority is able to dispose of land below market value without the Secretary of State's consent in case of a disposal to either:
- (a) the governing body of a foundation, voluntary aided or foundation special school, or
 - (b) to persons proposing to establish such a school.
- 6.1.3 In this instance the transfer of part of the Westbrook Crescent site to JCoSS and Hilton Avenue playing field would fall within the latter category.

6.2 **Playing Fields**

- 6.2.1 In accordance with Section 77 of the School Standards and Framework Act any Local Authority must obtain the Secretary of State's consent to dispose of school land where the land is being used, or has within the last 10 years been used, by the school as a playing field.

7. **CONSTITUTIONAL POWERS**

- 7.1 Constitution Part 3 – Responsibility for Functions – Section 3: Powers of the Executive

8. **BACKGROUND INFORMATION**

- 8.1 In March 2005 the council supported a Targeted Capital Fund bid to the DfES for the establishment of the proposed new JCoSS school in Barnet. The proposals were linked to DfES approval and funding of the consolidation and rebuilding of East Barnet Secondary School on its existing Chestnut Grove site, currently occupied by its lower school. This would then free that part of existing Westbrook Crescent site, currently occupied by its upper school, to provide a site for JCoSS.
- 8.2 Although this bid was initially rejected, in early February 2006, the DfES wrote to the Authority to invite its participation in their new "One-school pathfinder" programme which forms part of their larger Building Schools for the Future (BSF) initiative. The proposal is for the rebuilding of East Barnet School at a cost of £28.4M, to be fully grant funded by the DfES. This invitation is directly linked to the proposed establishment of JCoSS as part of another new programme "Parent-Promoted Pilot Schools" and to the establishment of a new Church of England Academy on the former Christ Church C. of E. Secondary School site. The DfES letter of invitation stresses that it considers the three projects to be single, related, package and that funding for the East Barnet Secondary School rebuild is conditional on Barnet transferring part of the Westbrook Crescent site to JCoSS and support for the proposed Academy including the transfer of an interest in the playing field.
- 8.3 The DfES have agreed that working towards an April 2009 opening date (see appendix A, indicative project programme).
- 8.4 **Westbrook Crescent site**
The Westbrook Crescent site of East Barnet School extends to some 18.1 acres/7.33 hectares approximately. It was acquired, along with the adjoining Livingstone School site, in various parcels between 1947 and 1953. It is known that at least part of the site is subject to covenants and restrictions and these are currently being investigated to ensure they do not fetter a transfer to JCoSS.
- 8.4.1 The site is designated as Metropolitan Open Land (MOL) in the council's Unitary Development Plan. Thus, whilst it may be possible for JCoSS to achieve a planning permission to build a new school with sports facilities, the

alternative uses for the site will currently be limited to uses compatible with its MOL status. However, it must be recognised that the planning status of the land can be changed over time.

- 8.4.2 The DfES has made it clear that in consideration for the grant for the building of the new East Barnet School on the Chestnut Grove site, it expects the council to transfer part of the Westbrook Crescent site to JCoSS at nil value. The DfES has, however, stated that if, at some time in the future, the site is not required for school use then it should revert to the council. Of course, any transfer of the Westbrook Crescent site to JCoSS cannot take place until the new East Barnet School is built and open. The Council will retain ownership of the playing fields for use by the East Barnet School.

8.5 Church of England Academy

The third school in the DfES proposal is the establishment of a new Church of England Academy on the former Christ Church C. of E. Secondary School site. The school's buildings and land on which they stand are owned by the London Diocesan Board for Schools (LDBS). Currently the school has access to the council owned Hilton Avenue playing field and the DfES will require an appropriate interest in the playing fields to be transferred to the Academy. Further discussions between the council and the Academy are required to specify land and tenure.

- 8.5.1 Establishing an Academy is the remit of the Secretary of state. The council has a very limited role in the formal process. However, the intention would be that the new Academy would be part of the family of Barnet secondary schools as it would the LDBS. Officers are involved in early discussions with the LDBS.

8.6 Appointment of Design Consultants

Officers evaluated the project timescales and concluded that early engaging of a consultant service was fundamental to the successful delivery of the overall project (see Appendix A). On the basis that the first Cabinet Resources Committee meeting was on the 28 June 2006 and the project still needed to be added to the council's capital programme, officers sought permission to tender for a lead consultant design service. A DPR (see 2.2) detailed the reasons for tendering lead consultant for the project (within council standing orders).

- 8.6.1 Invitation to tender was sent to 11 companies under the Work Area M of the Council's Framework Agreement on Consultancy Services. Ten companies return expressions of interest. Representatives from East Barnet School and council officers short listed three companies for interview. The short list selection was on the basis of cost, approach, quality of documentation and a demonstrated understanding of the school's vision.

- 8.6.2 Design consultant interviews were held on the 5 June 2006. Prospective design consults were asked to provide a presentation on their anticipated approach to the East Barnet School rebuilding project and questions were asked by a panel representing the school and the local authority. Each of the

three design teams was ranked in relation to the quality of the approach to the project and understanding of the schools vision.

8.6.3 The panel selected Building Design Partnership, 16 Brewhouse Yard, Clerkenwell, London, EC1V 4LJ, as the design consultant for the rebuilding of East Barnet School. The contract value will be £1.06M, budgeted for within the DfES grant allocation.

8.7 **Next Steps**

- Appoint lead design consultants to begin detailed building design of East Barnet School.
- Seek agreement from the Leader for the conditions of transfer of part of Westbrook Crescent site to JCoSS (see sections 1.3 and 8.4).
- Negotiate the appropriate interest and tenure of Hilton Avenue playing field to be transferred to the proposed C of E Academy. Seek agreement of the Cabinet Resources Committee for the transfer of an appropriate part of Hilton Avenue playing field to the Academy.
- November 2006, East Barnet School rebuild project budget monitoring information to Members (initially at finalised design stage).
- December 2006 apply for planning permission for the new school buildings.
- September 2007, begin East Barnet School construction.
- April 2009, construction of East Barnet School complete.

9 **LIST OF BACKGROUND PAPERS**

9.1 DfES offer letter – Building Schools for the Future: One School Pathfinder, dated 6 February 2006.

Legal: PJ

Chief Finance Officer: CM

APPENDIX A

Rebuilding of East Barnet Secondary School

Draft Programme

Initial project times scale (to be revised and developed by lead consultant when appointed).

May 06	Add project to Council Approved Capital Programme Commence preparation of brief Info to DfES as requested in Overview document
June 06	Consultant selection (From work area M of our Frame Contract for consultancy services) Commence Option Appraisal/Feasibility Studies (RIBA St. A/B) Attend DfES Design Workshop event Commence site investigations
End July 06	Complete Option Appraisal/Feasibility Studies
August 06	Commence pre-approval design stage (RIBA St. C/D)
End Nov 06	Agree/sign-off scheme design
Dec 06	Submit Planning Application
End Feb 07	Finalise Output Specification (RIBA St. G) *
Mar 07	Assemble tender documentation
Apr 07	Tenders out (RIBA St. H) (OJEU process will apply)
Mid May 07	Tenders return Tender analysis
Jun 07	Planning Approval
Jul 07	Tender Approval/Appoint Contractor (Design + Build) Appoint Employer's Agent/Planning Supervisor (CDM)
Aug 07	Project planning/lead-in (RIBA St. J)
Sept 07	Commence construction – 18 months (RIBA St. K)
Feb 09	Construction complete (RIBA St. L/M)
Mar 09	Commissioning
Apr 09	School op