

**Report No: 35/2021
PUBLIC REPORT**

CABINET

16th February 2021

SCHOOLS' CAPITAL PROGRAMME

Report of the Director of Children's Services (Interim)

Strategic Aim:	Delivering sustainable development	
Key Decision: Yes	Forward Plan Reference: FP/250920	
Exempt Information	No	
Cabinet Member(s) Responsible:	Mr D Wilby, Portfolio Holder for Lifelong Learning, Early Years, SEND, Inclusion, Safeguarding Children & Young People	
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Ward Councillors		

DECISION RECOMMENDATIONS

That Cabinet:

1. Approves the initiation of the Schools' Capital Programme Project and the related documentation comprising Project Initiation Document (PID), Programme and Project Board Terms of Reference as attached at Appendices C, D and E
2. Notes the contents of the of the Risk & Issues Log and associated Programme Timetable as attached at Appendix B
3. Notes the budget available to support the projects, paragraph 7.1
4. Recommends to Council the approval of the Schools' Capital Programme and related documentation up to a maximum value of £5.5m
5. Authorises the Interim Director for Children's Services to commence the Schools' Capital Programme and associated structures to enable the local authority to meet its statutory obligation to provide sufficient secondary schools places within Rutland.
6. Delegates authority to the Interim Director for Children's Services and Portfolio Holder for Lifelong Learning, Early Years, SEND, Inclusion, Safeguarding Children & Young People to enter into the funding agreement.

1 PURPOSE OF THE REPORT

- 1.1 To brief Cabinet on the Schools' Capital Programme and agree project initiation to enable the local authority to meet its statutory obligation to provide sufficient secondary schools places within Rutland. This will be achieved by expanding Catmose College, Oakham to deliver additional places through the development of an 8 Form Entry Secondary School.
- 1.2 To gain Cabinet approval to recommend to Council the approval of the Schools' Capital Programme project initiation up to a maximum value of £5.5m.

2 BACKGROUND AND MAIN CONSIDERATIONS

- 2.1 Under the Education Act 1996 Section 14 the Local Authority has statutory functions in respect of provision of primary and secondary schools. These include:

- *A local authority shall secure that sufficient schools for providing primary education and secondary education are available for their area.*
- *A local authority in England shall exercise their functions under this section with a view to*

- (a) securing diversity in the provision of schools, and*
- (b) increasing opportunities for parental choice.*

The law requires the Local Authority to admit pupils irrespective of the Local Authority in which they live which means that preference cannot be made for Rutland residents, with admission to schools reflecting their own admission arrangements and oversubscription criteria.

- 2.2 There is significant pressure at secondary level both now and in the future. Cabinet approved the undertaking of a two-stage feasibility study for school expansion across all the secondary provision in Rutland in February 2020. RCC commissioned NPS Groupⁱ (NPS) to complete this study and the work was comprised of two stages:
- Stage 1 study examining possibilities for expansion at the three Rutland Secondary school sites
 - Stage 2 study scoping options for the preferred Secondary site
- 2.3 Cabinet received the Stage 1 study (report 93/2020) on 31 July 2020 and approved the need to progress to the Stage Two Feasibility Study for school expansion at the preferred site of Catmose College, Oakham.
- 2.4 The Stage Two Feasibility Study has been completed, which identified Catmose College as the favoured site because of the current conditions of the existing modern new-build school and this would consolidate the investment that has already been made in recent extensions on the site, with fewer potential planning constraints than at the other two secondary school sites.
- 2.5 The site is centrally located within the County which is reflected in most admissions for this school being from Rutland families and would therefore more readily address Rutland's pupil place sufficiency need.

- 2.6 The Stage 2 feasibility study identified two options for expansion at Catmose College, both utilising the area currently occupied by Brightways as well as a new build extension (**Appendix A**).
- 2.7 Relocating Brightways from the Catmose College site frees space and is the only realistic option to provide the required expansion within the capital envelope available. The Brightways facility will be relocated to another site within the Council's existing portfolio. Funding for this move will be drawn from the overall capital schools programme funds and form part of the project.
- 2.8 The Catmose project enables the Brightways service to modernise and gives the service the ability to increase bespoke and personalised support packages. This will increase access to exciting and engaging day opportunities for service users with a focus on early access to support and maximising independence and health and wellbeing away from the current building's constraints.
- 2.9 Expansion is required by September 2022. Whilst it is possible for the Brightways area to be ready by this date, the new build will not be completed until 2023. However, this will still allow the College to expand to 8 form entry in September 2022 for Year 7 as required.
- 2.10 The overall capital available is £5.5m; this consists of a combination of basic needs funding and schools' capital maintenance monies. The programme will be managed using RCC project management control methodologies to ensure that it comes in on budget, in scope and on time.

3 KEY RISKS

- 3.1 As per the Council's agreed project management framework, this project was analysed against the risk matrix and it was deemed a Very High-Risk project.
- 3.2 A risk, action and issues log has already been established to manage emerging risks/issues swiftly and ensure mitigation is in place (**Appendix B**). This identifies the three key risks as being costs, delivery of additional places and the timeline for delivery:

RISK	MITIGATION
Costs overrun - there is a risk that the site chosen to progress applies to RCC for additional funding (over that Granted) to manage any overspend.	<p>The Grant Covenant will set out the limits of the funding. This will not fully mitigate the risk of the situation arising but will clearly set out that no additional funds are available.</p> <p>Funding will be released in phases and only once each phase is satisfactorily completed.</p> <p>Legal agreement will cover this.</p>
The school site must be capable of delivering additional numbers within the agreed budget.	Provision specification is in development and commitment to use the space to be built to deliver the provision to form part of the legal governance agreement.

Risk that the programme is either delayed or negatively impacted.	Project board to be established to ensure that expectations are clearly defined and delivered. Stage 2 report includes a Gantt chart which clearly shows completion of internal works in time to allow for 2022 intake and external works in time for 2023. This will allow us to have full 8FE as planned.
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3.3 The risks and issues log is overseen by the Schools' Capital Programme Board and was updated at the programme board meeting on 13 January 2020.

4 PROJECT MANAGEMENT

4.1 This project requires a full governance structure, a dedicated Programme Manager and approval by Council.

4.2 A programme initiation document has been completed which outlines the full governance structure, project requirements, inter dependencies and budget constraints – **Appendix C**.

4.3 **Schools' Capital Programme Board (Appendix D)** has been established to manage and oversee the overall project objectives and ensure there is proper financial control. The programme board includes the Leader, Portfolio Holder and is chaired by the project sponsor (Interim Director of Children's Services). The Board has agreed all project documentation and will report into the Strategic Management Team and to members through Cabinet and Scrutiny. This board will release the budget to pay for each stage e.g. to pay for upfront costs, after the design phase, and after each milestone in the construction contract. A key responsibility of the Board is to oversee the identified risks and issues and ensure the right level of mitigation is in place.

4.4 As per the agreed governance process, the programme board will report to Cabinet at each major milestone stage for agreement to proceed to the next phase. It is envisaged that these will include tender stage, design and build stages. Cabinet will not be approving the detail of any design or build, but rather confirming they are satisfied that each phase has met its stated objectives within budget, with manageable risks so that it can move to the next phase.

4.5 **Catmose College (Campus) Project Board (Appendix E)** - the existing Catmose Campus Board will also be the Project Team for the school expansion. This ensures the right level of decision making and will report to the Rutland County Council Schools' Capital Programme Board as required (through updates and exception reporting and presentation of risk and issues logs and management of the change control process). This project team will effectively allocate and manage resources for the project including determining how to contract alongside the design and build. The project team will monitor the budget position and take responsibility for ensuring the Project remains in scope, on time and in budget.

4.6 RCC Property and Finance representatives and the Programme Manager will be members of the Project Team, alongside the relevant portfolio holders.

4.7 These governance arrangements will be underpinned by a legal agreement that

defines the deliverables to the trust and the budget to complete.

- 4.8 **RCC Brightways Project Board** – internal RCC project board to oversee relocation, consultation and costs. This will be a sub-group of the Schools' Capital Programme Board due to interdependency.

5 CONSULTATION

- 5.1 The Portfolio Holder and Interim Director have met with each of the respective head teachers who have all confirmed they are generally content with the conclusion of the feasibility studies.
- 5.2 NPS also undertook consultation with Catmose College, Casterton College and Uppingham Community College as part of Phase 1 of the Feasibility Study.
- 5.3 Catmose College Trustees Board have approved in outline the Terms of Reference for the project at their meeting on 8 October 2020.
- 5.4 Consultation has taken place with the current users of Brightways services. The outcome of this consultation was positive and the new day opportunities service is being co-designed to ensure it reflects the needs and aspirations of this group of adults.

6 ALTERNATIVE OPTIONS

- 6.1 There are no other alternative options that are available within the cost envelope which would enable expansion of secondary places in Rutland Schools as confirmed by the Stage 1 feasibility study.

7 FINANCIAL IMPLICATIONS

- 7.1 The overall education capital funding available is £5.5m; this consists of a combination of Basic Needs Funding and other Schools' Capital monies.
- 7.2 The Basic Needs Funding is ring-fenced and must be spent on increasing places within Rutland schools. Pre 2012/13 Schools capital funding was received to improving school property.
- 7.3 This project would utilise all the Basic Needs Funding that the Council is holding, but currently, there are no other demands on school places that require funding.
- 7.4 Any capital relocation/adaptation costs of moving Brightways from the Catmose Campus because of this capital programme will be met from education capital funding. The Council has previously used Basic Need Funding as part of the Children's Centre relocation to provide additional places at Catmose.
- 7.5 Payment of monies shall be subject to the Schools' Capital Programme Board approving all requests for the drawdown of instalments and will require a cost schedule from the Trust about how much and when it is required.

8 LEGAL AND GOVERNANCE CONSIDERATIONS

- 8.1 The Schools' Capital Programme has been set up in line with the Council's agreed project management framework as detailed above.

- 8.2 A legal agreement between RCC and Catmose College Academy Trust will be enacted which defines the deliverables to the trust and sets out the total funding available to achieve the project aims. This includes; procurement and tendering costs, project management capacity, construction on site (detailed in a contract of works) and fit out costs and which will include an industry standard contingency amount to cover set variations that are likely to occur over the life of the construction phase. The agreement is explicit that the amount of the monies available shall not be increased in the event of any overspend by the Recipient (Catmose College Academy Trust) in its delivery of the Project.
- 8.3 Project management methodologies will be employed to manage costs and any proposed variation to the Programme including a Risk, Issue and Dependency log and a detailed change control process overseen by the Programme Board will be employed where matters of Cost, Scope, Time or Quality fall outside the contingency sums allowed.
- 8.4 Contingency costs are built into the works contract and any additional contingency action arising will be immediately flagged in writing using the change control process which is explained at the start of the programme to all parties.
- 8.5 This agreement includes the expectation that Catmose College will enter a building contract with the procured contractor for the refurbishment works and the construction of the new classrooms and associated facilities to provide for increased capacity required. The general approach for projects of this kind is for that building contract to be on a design and build basis under which the contractor will carry out the bulk of the design for the works which it will then carry out.
- 8.6 Included in the legal agreement are the forms of collateral warranty which the building contractor will either need to provide or obtain. We are advised that the warranties which would be most appropriate for the Council would be those to be given to a funder as essentially the Council is acting as the funder of the overall project. A funder form of warranty will usually include so called "step in rights". This means if a contractor is in breach of its obligations under the Building Contract, the Council (as funder) can claim its loss directly from the contractor who caused that loss. This also allows RCC to step in if the Programme Board is concerned about the effective management of a contractor by Catmose.
- 8.7 The matter of the legal agreement has been sent to external solicitors. This provides many clauses regarding the proper use of the grant and appropriate conduct.
- 8.8 Senior Officers acting on professional legal advice will approve the final document. The project will not be fully initiated until the legal agreement is fully completed and signed by all parties.

9 DATA PROTECTION IMPLICATIONS

- 9.1 A Data Protection Impact Assessments (DPIA) has not been completed.

10 EQUALITY IMPACT ASSESSMENT

- 10.1 An equality impact assessment has been carried out and has been approved.

11 COMMUNITY SAFETY IMPLICATIONS

11.1 None identified.

12 HEALTH AND WELLBEING IMPLICATIONS

12.1 None identified.

13 ENVIRONMENTAL IMPLICATIONS

13.1 Key sustainability features have been considered as part of the Stage 2 feasibility study. However, the key measures to address sustainability and environmental impact will be incorporated at the design stage. These will form a key part of any planning application.

14 CONCLUSION AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS

14.1 It is recommended that Cabinet approves the initiation of the Schools' Capital Programme project and the related documentation, and also recommends to Council the approval of the Schools' Capital Programme project up to a maximum value of £5.5m.

14.2 It is further recommended that Cabinet authorises the Interim Director for Children's Services to commence the Schools' Capital Programme and associated structures in order to enable the local authority to meet its statutory obligation to provide sufficient secondary schools places within Rutland and delegates authority to the Interim Director for Children's Services and Portfolio Holder for Lifelong Learning, Early Years, SEND, Inclusion, Safeguarding Children & Young People to enter into the funding agreement.

15 BACKGROUND PAPERS

15.1 Cabinet Report 93/2020

16 APPENDICES

16.1 Appendix A – Stage 2 Feasibility Study

16.2 Appendix B– Risks and Issues Log

16.3 Appendix C – Project Initiation Document

16.4 Appendix D – Schools' Capital Programme Board Terms of Reference

16.5 Appendix E – Project Board Terms of Reference

A Large Print or Braille Version of this Report is available upon request – Contact 01572 722577.
