

17/46
DECISION
TO BE
MADE



Havering
LONDON BOROUGH

Notice of KEY Executive Decision

Subject Heading:	Retrospective approval for the demolition of redundant school buildings at Broadford Primary School
Cabinet Member:	Councillor Robert Benham, Lead Member for Children & Learning
CMT Lead:	Tim Aldridge, Director Children's Services
Report Author and contact details:	Andy Skeggs Head of Technical Services Andy.skeggs@onesource.co.uk 01708 433600
Policy context:	The Council bid successfully for grant from the Government to demolish school buildings that were beyond economic repair.
Financial summary:	All costs will be met by the Education Funding Agency and are estimated to be £950,000
Reason decision is Key	Expenditure or saving (including anticipated income) of £500,000 or more.
Date notice given of intended decision:	Not applicable 13/3/17
Relevant OSC:	Children and Learning
Is it an urgent decision?	Yes NO
Is this decision exempt from being called-in?	No

The subject matter of this report deals with the following Council Objectives

Havering will be clean and its environment will be cared for
People will be safe, in their homes and in the community
Residents will be proud to live in Havering

[X]
☐
[X]

Part A – Report seeking decision

DETAIL OF THE DECISION REQUESTED AND RECOMMENDED ACTION

Retrospective authorisation
of the issue of instructions to demolish the life expired school buildings. This is required to enable the Council to reclaim the costs of demolition from the Education Funding Agency.

AUTHORITY UNDER WHICH DECISION IS MADE

Authority for member of CMT under Section 3 of the Constitution as follows

Contract powers

(b) To award all contracts with a total contract value of between £164,176 and £5,000,000.

STATEMENT OF THE REASONS FOR THE DECISION

A new school building was constructed in 2011 to replace the existing accommodation that was then declared surplus to requirements although the school continued to have beneficial use.

Shortly after completion, it became evident that roles were rising unexpectedly and a further review was undertaken to determine the suitability of bringing these buildings back in to use. Whereas it may have been economic to refurbish in the short term, the forecast indicated a long term requirement. The School and Governors were vehemently proposed to retaining these buildings and cited increased maintenance costs and perception of under investment in one of the most deprived areas of the Borough. In addition, it was noted that the cost of maintaining these redundant buildings was increasing exponentially year on year. It was therefore agreed that the buildings should be demolished.

Councils were invited by the Government in 2013 to submit further bids as part of the Priority Schools Building Programme. The Council were successful in securing funding for the demolition of the life expired surplus buildings at Broadford Primary School.

The contract has been funded in year from existing Asbestos Management budgets(A1810, A2275, A2276) that have significantly overspent. This grant will bring these budgets back in to credit and enable other essential works to be carried out.

Key Executive Decision

In July 2014, a Non-Key Executive Decision was approved by the Head of Learning & Achievement to enable the Council to successfully bid for funding from the EFA under the Government's PSPB initiative. The PSPB1 was delivered by the Education Funding Agency independently of L.E.A.s, however phase 2 allowed for local delivery of accepted schemes.

It was agreed that this be delivered by the Council as

1. The E.F.A. could not guarantee delivery of the scheme until 2021 and this would have compromised the Council's need to expand the school by 1FE by 2017.
2. The Council has a corporate contract in place for the removal of asbestos that formed a significant proportion of the demolition and as such, the Council could maintain closer control of these sensitive works.

A memorandum of understanding (MOU) was agreed between the EFA and LB Havering in November 2015 which outlined the roles and responsibilities of the respective organisations, ensuring the scheme is delivered in the most efficient and practical manner.

Normally, funding would be forthcoming prior to works commencement but as this was a pilot project, the more sensitive and visible works were scheduled, and carried out over the 2016 summer holiday period. Thereby minimising the risk of public concern and ensuring the work was completed before the new expansion build commences in April 2017. All works have now been successfully completed and costs met by the Council pending completion of the grant negotiations.

Close liaison has been maintained with the E.F.A. throughout the process and the grant of £869,738 to cover the demolition costs plus £90,000 for project management has been approved in principle. It is now necessary to formalise Council approval processes for the issue of instructions to demolish life expired buildings in order to receive this grant.

The £90,000 comprises;

Health & Safety and Asbestos Removal	£40,000
Education Asset Management	£40,000
Technical Services	£10,000

OTHER OPTIONS CONSIDERED AND REJECTED

The option to refurbish the existing buildings was rejected on the basis of potential life expectancy (10 years as opposed to new build at 60 years) Given that the majority of the school had been recently rebuilt, a refurbishment of the system build aluminium framed/ clad building would not meet the aspirations of this outstanding (OFSTED) school in an area of deprivation within the Borough.

Key Executive Decision

It would not have been possible to deliver the new build for the proposed expansion within the required timescale had the scheme be left with the EFA to manage. The Council has a corporate contract for asbestos removal and this was the EFA's preferred route rather than tendering separately for this project. This option resulted in reduced fee costs and gave a greater assurance of quality than formal tendering procedures.

PRE-DECISION CONSULTATION

Detailed discussions have been held with the school, governors and members including the lead member at the time, Cllr. Steven Kelly.

NAME AND JOB TITLE OF STAFF MEMBER ADVISING THE DECISION-MAKER

Name: Andy Skeggs

Designation: Head of Technical Services

Signature: 

Date: 13th March 2017

Part B - Assessment of implications and risks

LEGAL IMPLICATIONS AND RISKS

The Council is a Local Authority within the meaning of Section 12 of the Education Act 1996 and has a general responsibility for education under Sections 13 and 14 of the Act. Such powers may be supplemented by other legislation notably the Council has a wide "general power of competence " under Section 1 of the Localism Act 2011 which gives the same power to act as that of an individual subject to other statutory provisions limiting or restricting its use.

The intended action detailed in this Report is compatible with the above legislation. Retrospective approval is being sought in relation to the Council 's successful bid for £950,000 funding under the Education Funding Agency (EFA) PSPB1 programme for the demolition of school buildings beyond economic repair.

This was the first phase of the programme and Phase 2 saw the delivery of acceptable local schemes.

As a means of guaranteeing delivery of the scheme within certain time scales approvals were not sought at the time and the Council commenced the works prior to obtaining funding from the EFA this ensured that the scheme was delivered.

Therefore retrospective approval is now being sought.

FINANCIAL IMPLICATIONS AND RISKS

Demolition cost	£869,738
Project Mgmt Costs	£90,000
Total Costs	£959,738

Funding:	
PSPB2 Grant	£959,738

Risks

Risks are that should the EFA feel that terms and conditions have not been adhered to they will not pay the grant. However, this is mitigated to a large extent as they have been closely involved with the project.

Sam Gable, Strategic Finance Business Partner.

HUMAN RESOURCES IMPLICATIONS AND RISKS (AND ACCOMMODATION IMPLICATIONS WHERE RELEVANT)

There are no human resource implications arising from this report.
Annessa Salmon, Schools HR Manager

EQUALITIES AND SOCIAL INCLUSION IMPLICATIONS AND RISKS

Key Executive Decision

There are no direct equality and diversity implications arising from this report.
Savi Bhamra- Corporate diversity advisor 31/01/17

BACKGROUND PAPERS

Grant letter from EFA dated 7th February 2017.

Key Executive Decision

Part C – Record of decision

I have made this executive decision in accordance with authority delegated to me by the Leader of the Council and in compliance with the requirements of the Constitution.

Decision

Proposal agreed

Delete as applicable

~~Proposal NOT agreed because~~

Details of decision maker

Signed

Name:

Head of

Services

Date:

Lodging this notice

The signed decision notice must be delivered to the proper officer, Andrew Beesley, Committee Administration & Interim Member Support Manager in the Town Hall.

For use by Committee Administration

This notice was lodged with me on _____

Signed _____

