

Divisions Affected – Bicester West

CABINET

24 JANUARY 2023

CAPITAL PROGRAMME UPDATE – VARIATION TO A PROJECT

Report by Director of Finance

RECOMMENDATION

1. **The Cabinet is RECOMMENDED to** approve the budget increase of £2.911m towards the capital project for St Edburg’s CE Primary School, Bicester.

Executive Summary

2. This report supplements the quarterly capital programme update and monitoring report for 2022/23. This is a change request, seeking Cabinet support to a variation to the budget requirement and timetabling for the St Edburg’s Primary school expansion project.

Introduction

3. The Capital Programme sets out how the Council will use Capital expenditure to deliver the Council’s priorities as set out in the Strategic Plan 2022-25. The Capital Programme is updated quarterly and fully refreshed annually as part of the Budget and Business Planning Process to ensure that it remains aligned to the latest priorities, reflects the latest cost projections and profile for delivery, and incorporates the current funding position.
4. On occasion, time critical variations to the Capital programme are recommended to Cabinet. This report sets out a change request to a school expansion project, St Edburgs, in Bicester. This project is part of the agreed Pupil Place Plan (including new schools and expansion).

Project background

5. The St Edburg’s CE Primary School is a Voluntary Aided (VA) School. This project is part of the pupil place plan and was included in the Council’s Capital Programme in 2020. This project will provide new facilities for Nursery, Reception and Key Stage 1 at an additional “satellite” site for the School. This expansion from 2FE to 3FE across two sites is driven by the impact of additional housing within the school’s catchment area and insufficient early

years provision.

6. St Edburg's School is managed by the Oxford Diocesan Board of Education (ODBE). The project is being self-delivered by ODBE utilising S106 'developer funding' secured by the Council and provided by OCC through a Funding Agreement.

Updated budget requirement

7. An increase in budget by £2.911m from £10.345m to £13.256m is required to allow the ODBE to award a construction contract for the expansion via a Funding Agreement with OCC.
8. Whilst the budget initially identified within the Capital Programme has increased, the amount of s106 funding received has also increased from £10.345m to £10.906m. The funding gap of £2.350m will be met from the Growth Portfolio Contingency which is managed by the service to meet their service requirements, and this has been authorised by the education service.
9. The project has been tendered through a Framework. Both the tender report and tender cost plan have been reviewed and verified by OCC's in-house Cost Manager and a full business case has been supported by the Property Capital Programme Board and the Council's Strategic Capital Programme Board.
10. The cost increases relate to a number of pressures, including site plan delays, inflation increases, DfE specification changes and site abnormal items not identified at the initial business case stage. It should be noted there is no change to design, scope or quality.

Updated timetable schedule

11. The delivery programme has slipped, and the project will now not be completed for September 2023 as required. Anticipated completion of the works advised by ODBE is now April 2024.
12. Mitigation measures (at no cost to the project) have been put in place by ODBE and the School, with the additional pupils being housed within existing accommodation on the school site until works are completed. Pupils will not be relocated into the new accommodation on the 'satellite' site until September 2024.
13. The delivery programme for any adaptation/alteration of the existing school site will be undertaken and funded by ODBE once works on the new site are completed.

Risk Management

14. This risks associated with this project are being managed within the capital governance process. The project will be delivered by Oxford Diocesan Board of

Education (ODBE) under the terms of a Funding Agreement with the Council. The project is part of the Growth Portfolio and will follow the Council's capital governance framework. The project is included within the Capital Programme and will follow the governance process for funding approvals and technical reviews, where necessary.

15. While day to day responsibility for the project will rest with ODBE, the OCC Project Manager will work within a framework to report any out of tolerance working and key risks through the project life of design and delivery

Financial Implications

16. The paragraphs above set out the planned investment and available funding for the ten-year Capital programme including the risks associated with the delivery of the project.

Comments checked by:
Lorna Baxter, Director of Finance

Staff Implications

17. There are no staffing implications arising directly from this report.

Legal Implications

18. In year changes to the capital programme must be approved by Cabinet in accordance with Financial Regulation and in particular paragraph 5.2.2(IV) permitting Cabinet to agree resource inclusion into the capital programme via a periodic Capital Report to Cabinet, based on the recommendation of the Strategic Capital Board (chaired by the section 151 officer).

Comments checked by: Paul Grant
Head of Legal

Equality & Inclusion Implications

19. There are no equality and inclusion implications arising directly from this report

Sustainability Implications

20. There are no sustainability implications relating to this report.

Consultations

21. A formal consultation was carried out by the County Council between 15 June and 13 July 2020. The consultation invited comments on two options: a separate new 1 form entry primary school, or the expansion of St Edburg's CE School from 2 form entry to 3 form entry, through the mechanism of splitting it across two sites.
22. Following the informal consultation, a full statutory proposal was published in September 2020.

LORNA BAXTER
Director of Finance

Contact Officers: Belinda Dimmock-Smith Capital Programme Manager
belinda.dimmocksmith@oxfordshire.gov.uk
Liz Clutterbrook – Head of Major Projects
liz.clutterbrook@oxfordshire.gov.uk
Kevin Griffin – Service Manager, Education
kevin.griffin@oxfordshire.gov.uk

January 2023