

CABINET – 16 OCTOBER 2012

OXFORD SPIRES ACADEMY APPROVAL OF THE FINAL BUSINESS CASE AND DETAILED PROJECT APPROVAL

Report by Director for Environment, Economy & Customer Services

Introduction

1. The Oxford Spires Academy capital project is included within the Council's approved capital programme – a project to enhance and develop the academy buildings to help improve educational outcomes.
2. This report, in line with the council's Financial Procedure Rules on Capital, seeks to:
 - (a) provide members with the necessary information to allow a decision to commit the capital allocation of £8.058m
 - (b) support the use of Department for Education's capital grant funding of £7.808m; and the use of £0.250m corporate capital resources
 - (c) provide members with assurance, through a Final Business Case, of compliance with the Education Funding Agency (EFA) formally Partnerships for Schools (PfS) procurement guidelines

Exempt Information

3. Appendix C to the Full Business Case contains commercially sensitive information relating to the proposed works.
4. The public should therefore be excluded during consideration of Appendix C because its discussion in public would be likely to lead to the disclosure to members of the public present of information in the following category prescribed by Part I of Schedule 12A to the Local Government Act 1972 (as amended):
 3. Information relating to the financial or business affairs of any particular person (including the authority holding that information)

and since it is considered that, in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information, in that such disclosure would prejudice the commercial position of the parties involved.

Background

5. Oxford Spires Academy opened in the former Oxford Community School buildings in 2011. The Academy is sponsored by CfBT Education Trust as lead sponsor working in partnership with Oxford and Cherwell Valley College and Oxfordshire County Council and provides places for up to 1050 11-16 pupils with a sixth form roll of 250.
6. Capital funding totalling £8.058m (including furniture and ICT) is provided from the Department for Education (DfE) via the Education Funding Agency (EFA) formally Partnership for Schools (PfS) in the form of a ring-fenced grant of £7.808m and an additional £0.250m from corporate resources.

Current Position

7. The proposal is to provide one new block for science and ICT / business, 6th form and an assembly space which can be used for drama productions. The new block will incorporate the existing ICT building to avoid the need to mothball it. There will also be a number of alterations around the site:
 - The humanities classrooms to provide more appropriately sized teaching accommodation,
 - The art block to create toilet facilities and display/gallery area to the West end of the site;
 - The main entrance to create a level access from art all the way through to the new build accommodation;
 - Refurbishment/maintenance of the sports hall and changing facilities
 - Various other alterations around the site to create 'house' rooms/home bases, special educational needs (SEN) and English as a second language (EAL) areas, food room refurbishment etc.
 - The existing science block will be demolished when the new build accommodation is complete. (See Appendix G in the Final Business Case showing drawings of the proposals).
8. The process for procurement has utilised the PfS (now EFA) National Academies Framework 2 (NAF2) procedures which involved the submission of a feasibility study, followed by a two stage procurement process of Preliminary Invitation to Tender (PITT) and an Invitation to Tender (ITT). The PITT was undertaken in March 2012 with Kier and Willmott Dixon taken forward and the ITT process was concluded in June; Kier were successful in being awarded 'selected panel member' status following an evaluation process organised by the Councils advisors Hewitt Freeborn which included the Academy, the Sponsor (CfBT Education Trust) and the Council.
9. The proposed date for the completion of the new Academy buildings is September 2013

Consultation

10. A Service and Community Impact Assessment (SCIA) has been undertaken as set out in Appendix E to the Final Business Case.
11. Following initial County Council Councillor involvement when the Expression of Interest (EOI) was submitted, the Academy's Pupil Council, Governors and the Principal have been involved in the on-going discussions. The Principal has also discussed the needs and aspirations of different groups within the community at the East Oxford Young People Partnership (EOYPP group). Details of the public, pupil, staff and parent consultation is set out within the SCIA document.
12. The Cabinet Member for Education was originally briefed about the proposed solution and confirmed support for the investment subject to cabinet approval based on the results of detail design and tender process which has now taken place.
13. The planning application has been submitted to the City Council and the contract will not be let until consent is received and approval from the EFA is received.
14. Members may wish to note that there is no requirement for a statutory consultation for the proposals at this school.

Financial Implications

15. This project is part of the Council's approved capital programme with £8.058m budget. Proceeding to the next stage will confirm that the Council is committed to deliver this project. Included within the total project cost is £1.040m earmarked for ICT provision that will be transferred to the Academy to procure and delivery. The ICT budget provision is driven from the funding allocation model generated from the grant provider for ICT Hardware.
16. The procurement process has followed a prescribed procedure in accordance with EFA guidelines as previously set out. The formal appointment of Kier will utilise a standard EFA Design and Build form of Contract (fixed price) and the majority of the risk will pass to the contractor (with remaining risks managed by the County Council as outlined in paragraph 15 below).
17. It has also been agreed with the Academy Sponsors that with the exception of where remodelling works are undertaken no additional backlog maintenance works will be carried out. CfBT Education Trust will continue to make additional funding applications to the Department for Education (DfE) as they are entitled to do due to their Academy status.
18. Remaining risks to the County Council are:

- Our ability to contain any changes that the Academy wishes to make. If they do ask for any changes/additions, then it will have to be at the expense of other items within the scheme for this project. The ability to instruct a change is under OCC's direct control. This was the process that was undertaken at Oxford Academy where 4 separate organisations (the Academy, Mabel Prichard Special School, Library Services and Adult Learning) needed to be managed. The Oxford Academy project came out on budget with the majority of the contingency intact. N.B. as long as changes are managed the risk of overrun to the contract remains with the contractor.
 - Asbestos. The science block is due to be demolished at the end of the contract but a detailed survey cannot be undertaken until the building is vacated by the pupils toward the end of the contract. Sufficient financial and time contingencies have been allowed for to cover this risk.
19. Other details of the financial implications are covered within the Final Business Case at Annex 1. (Appendix C to this business case contains commercially sensitive information and is exempt from the public report.)

RECOMMENDATION

20. **The Cabinet is RECOMMENDED to:**
- (a) Approve the Final Business Case**
 - (b) Authorise that the contract be let and the development agreement be entered into subject to EFA approval and agreement on funding drawdown**
 - (c) Approve the 'passport' of ICT funding to the Academy Trust in accordance with EFA processes**

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Background papers: OCC Capital Programme
September 2012