

By: Grahame Ward, Director – Capital Programme & Infrastructure Group

To: Sarah Hohler, Cabinet Member for Education, Learning & Skills

Date: February 2011

Subject: KENT ACADEMIES BATCH 1 – Spires Academy

Summary: To provide an up-date on the progress of the Kent Batch 1 Academy programme and to note the following key project milestones and the KCC's intention to:

- (i) Submit the Final Business Case for Spires Academy
 - (ii) Proceed to Financial Close and Contract Award on the Spires Academy
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Background

1. (1) In December 2008, Carillion plc was appointed to deliver the five Academies within the first batch of Kent Academies to be delivered through the Partnerships for Schools (PfS) National Framework.

(2) Under the Batched Contract, Carillion could be appointed to deliver each of the five Academies without having to run a competition each time. Each Academy is let under an independent Design and Build contract. Delegated Approval was granted (Decision No: 08-01195) to the Director of Resources, Families and Education and the Director of Law and Governance to negotiate all necessary contracts and enter into contracts as required in respect of the following schools:

- New Line Learning (formerly Oldborough Manor and Senacre)
- Cornwallis
- Longfield (formerly Axtane Chase)
- Marsh (formerly Southlands)
- Spires (formerly The Montgomery)

Progress Report

2. (1) The progress on the first four academies is summarised below:

Academy	Contract award date	Status (weeks)	Summary	Handover due date	Project completion
New Line Learning	December 2008	B3	100% new build. Buildings handed over. On going snagging and defects. Currently demolishing original buildings	August 2010	July 2011
Cornwallis	July 2009	B3	100% new build. Construction ongoing	June 2011	April 2012
Longfield	October 2009	B2	100% new build. Construction ongoing	June 2011	June 2011
Marsh	June 2010	B1	Construction ongoing	December 2011	August 2012

OP = On programme

B = Behind Programme

A = Ahead of Programme

Spires Academy

Building Contractor	Carillion
Architect	Jestico and Whites
Capital Value (incl ICT hardware and VAT for ICT hardware)	£ 14.2 million
Capital Grant	£ 12.7 million
Contribution from KCC	£ 1.5 million *
Contract Award Date	First Quarter 2011
Planned Construction Completion date	Autumn/ Winter 2012

* See note below about conditions of this contribution

3. (1) Kent County Council (KCC) submitted an Expression of Interest (Eoi) to transform Montgomery School into an Academy in 2006. The Eoi was approved by the DCSF in March 2006. The Funding Agreement between the Department for Children, Schools and Families (DCSF) and the Academy Trust was signed in May 2007. Montgomery School closed in July 2007 and the new Spires Academy opened in September 2007.

(2) The proposed scope of the project is to pursue a 100% new build construction solution for Spires Academy. This will involve disposing of the site of the predecessor school, Montgomery School, re-investing the capital receipt of that site into the overall capital envelope for the project, and building an entirely new facility for Spires Academy on an adjacent sports field.

(3) Detailed planning consent for the new design was obtained in February 2011 and Carillion are working towards satisfying the pre-commencement planning conditions.

(4) Carillion are in the process of submitting the final Contractors Proposals which form part of the Design and Build contract (the Design and Build contract is entered into by the Authority and Carillion). These have been reviewed and challenged where appropriate by Gleeds, who are appointed as the Authority's technical advisors, and have been approved by the Authority.

(5) The terms of the Development Agreement, which is entered into by the Authority and the Academy Trust, and include a long lease of the Academy site to the Academy Trust, is nearing final completion. The details of the long lease have been discussed and are being approved under by the Property Group as part of the property protocol.

(6) Legal Advice on both the Design and Build contract and the Development Agreement has been provided by Nabarro.

(7) The Final Business Case will be submitted to Partnerships for Schools during February 2011 and is currently undergoing their review process. Formal approval from PfS is expected in time for the planned contract signature which is targeted for the 11th March 2011.

(8) Subject to final approval from PfS, Grahame Ward and Geoff Wild, under their delegated powers are authorised to proceed to the signing of the contracts.

(9) The Academy is responsible for procuring their own ICT solution.

Resource Implications

4. Spires Academy is 100% new build funded mainly by grant from PfS. The total contribution required by KCC towards the construction of Spires Academy is £1.5m. This is to be funded from the net proceeds from the sale of the site of the current Academy buildings.

Recommendation

6. The Cabinet Member for Education, Learning and Skills is asked to agree in accordance with Decision No 08-01195 (a): TO
- (i) submit the Final Business Case and subject to its approval by the Department for Education and Partnership For Schools proceed to financial close and with the Contractor to deliver the Spires Academy
 - (ii) AUTHORISE the Director, Children, Families & Education, Capital Programme and Infrastructure, The Head of Private Finance Initiative /Public Private Partnership in consultation with the Director of Law and Governance to enter into any necessary contracts/ agreements on behalf of the County Council
 - (iii) AUTHORISE the Head of Private Finance Initiative /Public Private Partnership to be the nominated Authority Representative within the relevant agreements and to enter into variations as envisaged under the contracts.

Background documents

Decision – 08-01195 – Kent batched Academies Programme: Selection of Preferred Bidder

Decision – 08-01195 (a) – Kent batched Academies Programme: Selection of Preferred Bidder

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