

**From:** David Cockburn, Corporate Director, Business Strategy and Support

**To:** Mr Cooke, Cabinet Member for Corporate and Democratic Services

**Decision No:** 12/1902

**Subject:** Kent Academies, Batch 2 Procurement – Dover Christ Church Academy

**Classification:** Unrestricted

**Electoral Division:** Dover West

**Summary:** This report seeks approval of the affordability position, the submission of the Final Business Case and approval to award the contract to Willmott Dixon Construction (WDC) and to enter into all necessary contracts/agreements with and in relation to Dover Christ Church Academy, Melbourne Avenue, Dover build project.

**Recommendation(s):** The Cabinet Member for Corporate and Democratic Services is asked to consider and endorse, or make recommendations to the Cabinet Member for Corporate and Democratic Services, on the proposed decision to:

1. Agree the Final Business Case for the Dover Christ Church Academy can be submitted to the EFA and the DfE for final departmental approval by EFA, DfE and the Treasury.
2. Authorise the Director of Property and Infrastructure Support to agree final contractual terms provided that no affordability gap occurs
3. Authorise the Director of Property and Infrastructure Support in consultation with the Director of Governance and Law to enter into any necessary contracts/ agreements on behalf of the County Council, following approval to final contractual terms as set out in (para. 6.1.2) above in relation to Dover Christ Church Academy and the Future Schools Agreement
4. Authorise the Director of Property and Infrastructure Support to be the nominated Authority Representative within the relevant agreements and to enter into variations as envisaged under the contracts.

The proposed Record of Decision is attached at Appendix A.

## 1. Introduction

- 1.1 This report requests the Cabinet Member for Corporate and Democratic Services to consider and endorse the progression of the Dover Christ Church Academy project and the entering into the Design and Build contract with the Preferred Bidder for Batch 2 Academies Programme. Dover Christ Church Academy is the sixth and the final project with this programme.
- 1.2 The earlier schemes were:
  - The Skinners Kent Academy, Tunbridge Wells, (Sample Scheme)
  - Wilmington Academy, Dartford
  - Knole Academy, Sevenoaks
  - St Augustine Academy, Maidstone
  - The John Wallis Academy, Ashford.
- 1.3 The Batch 2 Programme was procured by KCC using the Partnership for Schools (now Education Funding Agency) National Framework. Following the Preliminary Invitation to Tender (PITT) round of competition, two finalists were invited to participate to the final Invitation to Tender (ITT) round of competition, by designing the Sample Scheme up to RIBA stage C. In October 2010, WDC were selected as the Preferred Bidder for Stage 2, as the Selected Panel Member.
- 1.4 Appointing WDC as Preferred Bidder for the Batch enables KCC to invite WDC to develop designs for each of the remaining Batch 2 schemes, without the need to host another competitive procurement. To govern this process, a Future Schools Agreement has been entered into by KCC and WDC. Under the terms of the Future Schools Agreement these remaining schemes are termed as Future School Schemes (also referred to as follow-on or non-sample schemes). The Future Schools Agreement sets out the process for issuing WDC with a Future Schools Notice, which invites them to participate in the scheme.
- 1.5 The contractual structure provides KCC with the flexibility to bring subsequent schemes forward if we choose without an obligation to do so. Each Batch 2 Academy's design process, and contract negotiation are independent; although it is expected that KCC should receive improvements to each scheme as each scheme proceeds in terms of both economy of scale and value.
- 1.6 WDC is required to develop each scheme in accordance with the PfS Design and Build Contract (Lump Sum Option), the contract which will be entered into by WDC and KCC at Contract Award.
- 1.7 The Future School Notice, inviting WDC to participate in the Dover Christ Church Academy scheme was issued to WDC in March 2013. WDC in consultation with the Academy and KCC have developed the designs from RIBA stage C to RIBA Stage E, and was submitted for planning consideration on 26<sup>th</sup> September 2013.

1.8 The Dover Christ Church scheme has also reached the milestones of producing a draft Final Business Case (ready for submission to EFA), WDC is due to submit Contractor's Proposals in December 2013, at which point the affordability position will be clear. The last remaining critical item which must be achieved prior to Contract Award is the expiry of the Judicial Review risk period, which will occur 6 weeks following the receipt of successful planning approval.

## **2. Financial Implications**

2.1 The Dover Christ Church Scheme is funded by grant from the Education Funding Agency for the full capital sum. An Approval Grant Funding Letter is issued once all the contract terms have been agreed and the final business case has been approved by the Department for Education.

2.2 The sponsors and leadership team at the Academy have been fully involved in the design development and have accepted significant design changes to bring the scheme within budget.

2.3 Whilst WDC have costed the scheme throughout the design process, they are yet to carry out the final cost analysis to ensure the scheme is affordable. This will be carried out before the contract is signed, and the Academy accepts that further value engineering may be required to reach full affordability. The council will not enter into the contract until the scheme is deliverable within the funding allowance.

## **3. Bold Steps for Kent and Policy Framework**

3.1 State how the proposed decision links with the Bold Steps for Kent

- To help the Kent economy grow – this scheme has two main elements to help the Kent economy grow. Firstly, this scheme will create employment during the construction phase of works. This will not only affect the local employment within Dover district, but will have an effect across Kent as labour will be sourced throughout the county. Secondly, there is encouragement within the supply chain to engage apprentices, together with learning opportunities and work experience for the students at the Academy.
- To put the citizen in control – this scheme once completed will offer an improved educational facility for the local residents in Dover. The current accommodation is in poor condition, and does not offer a wide range of facilities, in comparison to other Dover schools. Once completed there will be more choice for parents.
- To tackle disadvantage – the Academy is in a deprived area of Dover, and struggles to attract new students as the facilities are in poor condition. Once this scheme is completed there will be improved facilities throughout the Academy. The academic and vocational subjects on offer will have new equipment, furniture and ICT hardware to ensure students have modern facilities expected in today's new schools. In addition the sporting facilities will be enhanced.

#### **4. The Report - Dover Christ Church Academy Scheme**

- 4.1 The Dover Christ Church Academy transferred from Archers Court School in May 2010, with a lead sponsor of Canterbury Christchurch University and additional sponsors Dover Grammar School for Boys, Dover Grammar School for Girls and Kent County Council.
- 4.2 The Dover Christ Church Academy has an expected roll of 950 students including 6<sup>th</sup> form. This gives a PAN of 150 students per year group, plus 200 6<sup>th</sup> form. Currently the Academy accepted 110 students for year 7.
- 4.3 The Dover Christ Church Academy manages the Aspen 2 unit serving a wide range of profound, severe and complex (PSC) educational needs. The Aspen 2 unit is fully integrated within the new Academy accommodation, and the specific needs of the unit have been allowed for within the design.
- 4.4 The Academy had a desire to remove all of the old 1950s buildings and replace with new accommodation. This was reviewed by the EFA, but was refused in February 2013. A further feasibility study was undertaken to adapt and remodel the existing building. This design was more favourably received by the EFA and the feasibility report was accepted by the EFA in March 2013.
- 4.5 The design offers a complete remodel and refurbishment of the existing 1950s building, which is designed as a long rectangular building, with 2 small rectangular wings at each end. A new building will be constructed in the centre of the school, as an infill to the two rectangular wings. The existing wings will be re-clad to complement the new build, and will offer a seamless façade to the building. In addition, the sports hall will be enlarged to provide a 4-court hall, plus fitness suite, dance space, changing rooms and staff offices.
- 4.6 The new building will be over 2 storeys and will house science; hair and beauty; catering and a large hall and drama space. The existing accommodation will be remodelled to co-locate curricula areas such as technology; art and design; maths and English. The total area of new build will be 2000 sq mtrs, plus 2500 sq mtrs of refurbishment.
- 4.7 Consultation evenings have been held to share the designs with local residents, parents and interested parties. The feedback received was positive, with a general agreement that the Academy needed investment.
- 4.8 Consultation with Kent Highways has taken place, and no significant works are proposed to the entrance and exit of the Academy. Likewise consultation with Sport England should not cause any negative response, as the playing fields remain untouched.
- 4.9 The Academy has an ambition to refurbish the existing All Weather Pitch. This is currently unaffordable from the construction budget. The Academy is now looking for alternative external funding options to realize this ambition.
- 4.10 The programme of works is planned to begin in Spring 2014, with the new building and sports hall completed by Spring 2015. There is a large amount

of demolition works to be completed, scattered across the whole site which makes the final phase of works complicated and challenging.

4.11 Further information about the project is set out in Appendix B to the report which is exempt in accordance with paragraph 3 of Schedule 12A of the Local Government Act 1972.

## **5. Conclusions**

5.1 The Dover Christ Church Academy has been designed to maximise the reduced budget available. All consideration has been given to the risks associated with this scheme, and mitigation is in place to address these risks. The affordability of this scheme will be managed prior to Financial Close.

5.2 There is great pressure being applied to WDC to complete the remainder of the pre-contract work, including the planning process without further delay. WDC is committed to completing this contract and starting on site as soon as possible.

5.3 The Academy team are aware of the financial limitations associated with the redevelopment of the site. There is commitment to bring this contract to financial close without further delays.

## **6. Recommendations**

### **6.1 Recommendations:**

The Cabinet Member for Corporate and Democratic Services is asked to consider and endorse, or make recommendations to the Cabinet Member for Corporate and Democratic Services on the proposed decision to:

1. AGREE that the Final Business Case for the Dover Christ Church Academy can be submitted to the EFA and the DfE for final departmental approval by EFA, DfE and the Treasury.

2. AUTHORISE the Director of Property and Infrastructure to agree final contractual terms, provided that no affordability gap occurs

3. AUTHORISE the Director of Property and Infrastructure Support in consultation with the Director of Governance and Law to enter into any necessary contracts/ agreements on behalf of the County Council, following approval to final contractual terms as set out in (para. 6.1.2) above in relation to Dover Christ Church Academy and the Future Schools Agreement.

4. AUTHORISE the Director of Property and Infrastructure Support to be the nominated Authority Representative within the relevant agreements and to enter into variations as envisaged under the contracts.

## **7. Background Documents**

There are no background documents.

## **8. Contact details**

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