

From: Patrick Leeson, Corporate Director for Education and Young People's Services

To: Cabinet Member for Education and Health Reform

Subject: **Decision number: 16/00085 Special School Programme – Additional Costs for Portal House Special School, Dover**

Classification: **Unrestricted**

Past Pathway of Paper: Education and Young People's Services Cabinet Committee - 14 March 2014

Future Pathway of Paper: Cabinet Member decision

Electoral Division: Dover North

Summary: This report sets out the reasons behind the request to increase the Education and Young People's Services Capital Budget allocation to the redevelopment and expansion of Portal House Special School, Dover from the agreed £9m to £10.39m

Recommendations:

The Cabinet Member for Education and Health Reform is asked to:

Increase the funding allocated from the Education and Young People's Services Capital Budget for the redevelopment and expansion Portal House Special School, Dover from the agreed £9m to £10.39m.

1. Introduction

1.1 Portal House - A public consultation on the expansion and rebuild of Portal House School took place between 22 September and 17 October 2014. The Cabinet Member for Education and Health Reform agreed to the proposal, and the Record of Decision was signed on 19 December 2014. Following this a Public Notice was issued.

2. Cost Pressures

2.1 Following the Cabinet Member's decision a building scheme was developed, and a planning application made. This was met with strong opposition and consequently was withdrawn. The significant redesign work resulted in a budget pressure. On 17 May 2015 the Cabinet Member signed a new Record of Decision agreeing to an increase of £0.5m from the Education and Young People's Services Capital Budget allocating £9m to the project. This included £408,953 of Targeted Basic Need (TBN) funding to support the expansion of the school from 60 to 80 places, with places due to be delivered by 1 September 2015.

2.2 The revised scheme took account of the views received to the original application and was submitted for planning approval. It involves retaining and refurbishing the historic Portal House building, removing and replacing later extensions, and replacing the temporary classrooms. The revised scheme gained planning approval in February 2016.

- 2.3 Enabling works are currently underway onsite and a contract sum has been negotiated with the contractor. Subject to approvals/agreements it is considered that commencement of the main scheme on site would be in late summer/early autumn 2016.
- 2.4 Unfortunately the protracted negotiations with local stakeholders to secure an acceptable design have resulted in delays to the project, and together with the design changes, have increased financial pressure on the project budget.

Reasons for Capital Pressures:

- Construction inflation
- Additional design and site survey costs, caused by heritage and District Council objections.
- Increased cost of the scheme resulting from a partial refurbishment and new build proposal. Required to mitigate Planning concerns.
- Increased costs associated with phasing requirements to enable construction on the live school site.

Savings have been considered through rationalising the construction approach. This included temporarily decanting the school to enable works to be undertaken in a single phase on site, saving time and reducing cost. It was recognised that this would have increased revenue costs associated with transportation in the order of £100,000 during the construction period. Unfortunately further investigations have shown that this approach is not practical in terms of the disruption to the education of the vulnerable pupils receiving education at this school.

- 2.5 The project can now only continue as a phased construction approach. As such a capital pressure of £1.39m remains.

Key impacts of failing to progress:

- The school would be left in a position in which it would not be able to provide the increased pupil numbers required within the Kent Commissioning Plan for Education. It would also result in children travelling long distances to be educated outside of their community.
- Large areas of the existing school are currently unusable for education purposes placing the continued use of the facility and the service it provides at risk. The school cannot function long term in its current position, having decanted into half of the site to allow enabling works, such as asbestos removal and demolition of parts of the building, to proceed.
- It can reasonably be expected that the TBN funding of £408,953 may be refundable to the EFA.

3. Financial Implications

- 3.1 Capital – The project has commenced in the form of the enabling works. Progress has to be made to complete the rebuild and expansion. The capital pressure is £1.39m, requiring a revised budget allocation of £10.39m.

4. Conclusions

- 4.1 The issues identified in Section 2 above have led to the increased capital costs. In order to deliver the planned expansion a further £1.39m will need to be allocated from the Basic Need fund.

5. Recommendation

Recommendation: The Cabinet Member for Education and Health Reform is asked to:

Increase the funding allocated from the Education and Young People's Services Capital Budget for the redevelopment and expansion Portal House Special School, Dover from the agreed £9m to £10.39m.

6. Background Documents

- 6.1 Vision and Priorities for Improvement

http://www.kelsi.org.uk/_data/assets/pdf_file/0004/29074/EYPS-Vision-and-Priorities-for-Improvement.pdf

- 6.2 Commissioning Plan for Education Provision in Kent 2015-19

<http://www.kent.gov.uk/about-the-council/strategies-and-policies/education-skills-and-employment-policies/education-provision>

- 6.3 Consultation Document and Equalities Impact Assessment.

<http://consultations.kent.gov.uk/consult.ti/PortalHouse/consultationHome>

- 6.4 Report to Education Cabinet Committee 14 March 2015

<http://consultations.kent.gov.uk/consult.ti/PortalHouse/consultationHome>

- 6.5 Capital Funding Approval Report to Education and Young People's Services Cabinet Committee 8 July 2015

<https://democracy.kent.gov.uk/documents/s53784/Item%20B2%20-%20Capital%20Funding%20Approval%20Tracked%20changes.pdf>

7. Contact details

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