

# Finance and Major Contracts Management Committee

# Monday, 20 May 2019 at 14:00

County Hall, West Bridgford, Nottingham, NG2 7QP

# **AGENDA**

1	Minutes of the last meeting held on 29 April 2019	3 - 4
2	Apologies for Absence	
3	Declarations of Interests by Members and Officers:- (see note below) (a) Disclosable Pecuniary Interests (b) Private Interests (pecuniary and non-pecuniary)	
4	CIPFA Financial Management Code	5 - 14
5	Better Care Fund Pooled Budget - Q4 2018-19 Reconciliation	15 - 18
6	Latest Estimated Cost Schools Building Improvement Programme 2018-19 and 2019-20	19 - 28
7	Latest Estimated Cost for new school, Watnall Road, Hucknall and replacement of Hawthorne Primary School, Bestwood	29 - 34
8	Work Programme	35 - 40

# **Notes**

(1) Councillors are advised to contact their Research Officer for details of any

Group Meetings which are planned for this meeting.

(2) Members of the public wishing to inspect "Background Papers" referred to in the reports on the agenda or Schedule 12A of the Local Government Act should contact:-

### Customer Services Centre 0300 500 80 80

- (3) Persons making a declaration of interest should have regard to the Code of Conduct and the Council's Procedure Rules. Those declaring must indicate the nature of their interest and the reasons for the declaration.
  - Councillors or Officers requiring clarification on whether to make a declaration of interest are invited to contact Peter Barker (Tel. 0115 977 4416) or a colleague in Democratic Services prior to the meeting.
- (4) Councillors are reminded that Committee and Sub-Committee papers, with the exception of those which contain Exempt or Confidential Information, may be recycled.
- (5) This agenda and its associated reports are available to view online via an online calendar <a href="http://www.nottinghamshire.gov.uk/dms/Meetings.aspx">http://www.nottinghamshire.gov.uk/dms/Meetings.aspx</a>



FINANCE AND MAJOR CONTRACTS MANAGEMENT COMMITTEE Meeting

29th April 2019 (commencing at 2.00pm) Date

#### Membership

Persons absent are marked with an 'A'

#### **COUNCILLORS**

Richard Jackson (Chair) Roger Jackson (Vice Chair) John Ogle (Vice Chair)

John Clarke Diana Meale Keith Girling Mike Pringle

Mike Quigley MBE A - Tom Hollis

Eric Kerry Alan Rhodes

# **OFFICERS IN ATTENDANCE**

Pete Barker **Democratic Services Officer** 

Commissioning Manager - Adult Social Care & Health Jane Cashmore

Michael Fowler Category Manager - ASCHPP Procurement

Nigel Stevenson Service Director - Finance, Infrastructure & Improvement

# 1. MINUTES OF THE LAST MEETING

The minutes of the last meeting held on 18<sup>th</sup> March 2019, having been circulated to all Members, were taken as read and were confirmed, and were signed by the Chair.

# 2. APOLOGIES FOR ABSENCE

No apologies for absence were received.

### 3. DECLARATIONS OF INTEREST

No declarations of interest were made.

### 4. FINANCIAL MONITORING REPORT: PERIOD 11 2018/19

**RESOLVED: 2019/021** 

That no further actions are required as a direct result of the contents of the report.

# 5. RISK AND INSURANCE UPDATE

**RESOLVED: 2019/022** 

That further update reports be brought to Committee on a six-monthly basis.

# 6. <u>PROCESS FOR ACCESSING FUNDING HELD BY THE D2N2 LEP FOR HS2</u> DEVELOPMENTS AT TOTON

**RESOLVED: 2019/023** 

That the process for the award of contracts in relation to HS2 on behalf of the D2N2 LEP, in relation to elements of the work for which NCC have been authorised to lead by the Toton Delivery Board or other authorised bodies holding such funding, be approved.

# 7. PROGRESS REPORT ON PUBLIC HEALTH COMMISSIONING AND PROCUREMENT

**RESOLVED: 2019/024** 

That a report on progress be brought to the September meeting of the Committee.

# 8. <u>UPDATE ON THE IMPLEMENTATION OF THE NEW HOME BASED CARE AND SUPPORT SERVICES</u>

**RESOLVED: 2019/025** 

That no further actions are required as a direct result of the contents of the report.

### 9. CIPFA CONFERENCE

**RESOLVED: 2019/026** 

That 2 nights' hotel accommodation in Birmingham on 8<sup>th</sup> and 9<sup>th</sup> July 2019 be approved to allow attendance at the CIPFA annual conference by the Vice Chair of the Committee.

# 10. WORK PROGRAMME

**RESOLVED: 2019/027** 

That the Work Programme be updated in line with Committee's recommendations.

The meeting closed at 2.20pm



# Report to Finance & Major Contracts Management Committee

20 May 2019

Agenda Item: 4

# REPORT OF THE SERVICE DIRECTOR - FINANCE, INFRASTRUCTURE AND IMPROVEMENT

# CIPFA FINANCIAL MANAGEMENT CODE

# **Purpose of the Report**

 To update Members on the latest guidance on best practice in Financial Management from the Chartered Institute of Public Finance & Accountancy (CIPFA), and to provide an assessment of Nottinghamshire County Council's performance against the guidance.

# **Background**

- 2. Much of local government finance is governed by primary legislation, regulation and professional standards, however the general financial management of local government has up to now not been subject to a professional code.
- CIPFA are now proposing that a Financial Management Code (CIPFA FM Code) should be issued to support best practice and to ensure local authorities are able to demonstrate their financial sustainability.
- 4. A draft code has been developed and was circulated to local authorities in March 2019.
- 5. As part of the review of the draft code Nottinghamshire County Council (NCC) has undertaken a self-assessment against the standards proposed to ensure that the authority meets the expected level of financial control.

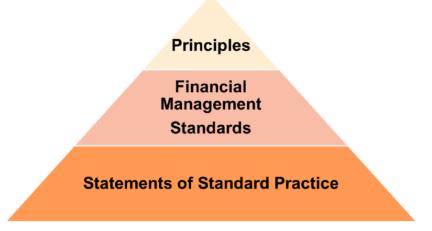
#### CIPFA FM Code

- 6. The code builds on the success of the CIPFA Prudential Code, which requires local authorities to demonstrate the long-term financial sustainability of their capital expenditure and associated borrowing. It is consistent with other CIPFA codes and is based on principles rather than prescription.
- 7. The code will be applicable from 1 April 2020 which means that, in order to ensure the 2020/21 budget has been prepared in compliance with the code, elements will need to be adopted earlier.
- 8. It should be noted that reference in the code to 'leadership team' covers both elected members and officers and will include key committees of the authority.
- 9. The key principles underlying the code are set வுt below

- Organisational leadership demonstrating a clear strategic direction based on a vision in which financial management is embedded into organisational culture
- Accountability based on medium term financial planning which drives the annual budget process supported by effective risk management, quality supporting data and whole life costs
- Financial management is undertaken with transparency at its core using consistent, meaningful and understandable data, reported frequently with evidence of periodic officer action and elected member decision making
- Adherence to professional Standards is promoted by the leadership team and is evidenced.
- Sources of assurance are recognised as an effective tool mainstreamed into financial management and includes political scrutiny and the results of both external audit, internal audit and inspection.
- The long-term sustainability of local services is at the heart of all financial management process and is evidenced by prudent use of public resources.

There is a clear hierarchy from Principles to Financial Management Standards to Statements of Standard Practice as shown in figure 1 below. All principles are required to be applied and the statements of standard practice set the minimum requirement to demonstrate adherence to the code.

Figure 1



### **Nottinghamshire County Council Performance**

- Appendix A sets out the current self- assessment of NCC processes and procedures against the 21 standards in the draft code. The assessment considers if NCC exceeds, meets or is working towards each standard.
- 11. Overall the assessment is that NCC meets 18 of the 21 standards, exceeds the requirements in 2 and is working towards 1.

- 12. The Working Towards assessment is against standard G relating to Long Term Financial Strategy. This is due to the current £34m shortfall in the Medium Term Financial Strategy (MTFS) and the uncertainty in central government funding for 2020/21 and beyond.
- 13. Overall it is felt that NCC can demonstrate good compliance with the draft CIPFA FM Code and will be in a strong position when the code is introduced for the 2020/21 financial year.

# **Statutory and Policy Implications**

14. This report has been compiled after consideration of implications in respect of crime and disorder, data protection and information governance, finance, human resources, human rights, the NHS Constitution (public health services), the public sector equality duty, safeguarding of children and adults at risk, service users, smarter working, sustainability and the environment where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

### **RECOMMENDATION/S**

That Members

- Review and comment on the self-assessment against the draft standards in the CIPFA FM Code.
- 2) Identify any additional information they require.

# NIGEL STEVENSON SERVICE DIRECTOR – FINANCE, INFRASTRUCTURE AND IMPROVEMENT

For any enquiries about this report please contact: Keith Palframan, Group Manager – Financial Services

#### **Constitutional Comments (SSR 10/5/2019)**

The recommendations fall within the scope of matters which may be determined by the Finance and Major Contracts Management Committee.

#### Financial Comments (GB 10/5/2019)

There are no direct financial implications arising from the contents of the report.

### **Background Papers and Published Documents**

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

CIPFA Financial Management Code - Draft

Electoral Division(s) and Member(s) Affected Page 7 of 40

	CIPFA FM Code – Self Assessment		APPENDIX A
FM Ref.	Statement of Standard Practice	Assessment of NCC performance	Evidence to support assessment
	Section 1 The Responsibilities of the Chief Finance Officer and Leadership Team		
A	The leadership team demonstrates that the services provided by the authority provide value for money.	Meets	Delivering value for money (vfm) services is a key element of the overarching council plan 'Your Nottinghamshire, Your Future'. This states:-  As a Council, our duty is to provide a diverse range of services, to protect and shape the environment in which we live, and to create the right conditions for a strong local economy. We must also make sure that all of these aims are delivered in a way that provides the best possible value for our taxpayers.  Good progress is being made with transformation and change projects and NCC has received an unqualified vfm opinion from External Audit.
В	The authority complies with the CIPFA Statement on the Role of the Chief Finance Officer in Local Government	Meets	The S151 Officer is the Service Director Finance Infrastructure & Improvement, reporting directly to the Chief Executive. The S151 officer is a member of the Corporate Leadership Team (CLT) meeting which considers all material business decisions. The S151 Officer is actively involved in, and able to bring influence to bear on, all material business decisions to ensure immediate and longer term implications, opportunities and risks are fully considered, and align with the organisation's financial strategy. The S151 Officer has access to and provides comments on all reports in advance of Committee report publication in accordance with the Council's constitution. The S151 Officer is a qualified accountant (CPFA) with over 30 years of post-qualification experience and partakes in the Cipfa CPD scheme.
	Section 2 Governance and Financial Management Style		
С	The leadership team demonstrates in its actions and behaviours responsibility for governance and internal control.	age 9 of 40 Meets	The S151 and CLT all demonstrate their adherence to the 'Seven Principles of Public Life'.

D	The authority applies the CIPFA/SOLACE Delivering Good Governance in Local Government: Framework (2016)	Meets	The NCC Local Code of Corporate Governance sets out the governance framework for the authority. This confirms that NCC has adopted the CIPFA / SOLACE framework.
E	The Financial Management Style of the authority supports financial sustainability	Meets	The Council's constitution clearly sets out the responsibility for financial management across the Council. The Council's Planning & Performance Framework sets out the process for aligning the Council's Plan, Departmental Strategies and Performance with that of the Council's Budget and monitoring regime. The Finance & Major Contracts Management Committee has clear responsibility for the management of the Council's finances and financial performance. The Improvement & Change Committee's responsibilities include the management of the Council's performance and transformation programmes (including savings programmes).  The Council's Medium Term Financial Strategy sets out the Council's plans and the financial challenges faced by the Council.
	Section 3 Long to Medium Term Financial Management		
F	The authority has carried out a credible and transparent Financial Resilience Assessment	Meets	The Council does benchmark all its services and is reviewing the output from the Cipfa Resilience Index work. A successful LGR Peer Review of the Council's Finances was undertaken in 2018/19 and no issues were identified in its long-term planning processes or finances. A risk assessment of the Council's financial risk and reserve strategy is undertaken and set out in the Council's Budget Report.
G	The authority has a Long Term Financial Strategy for financial sustainability.	Working Towards Page 10 of 40	An external assessment was undertaken of the Council's reserves strategy in 2016/17. The Council has a variety of plans, including the annual Budget, the MTFS and a capital strategy.  The MTFS identifies a shortfall in funding over the MTFS of £34m. Work is ongoing to identify savings options and the use of reserves to enable more longer term sustainable transformation to be achieved.

Н	The authority has a capital strategy aligned to its long term financial strategy	Meets	The Authority has a capital strategy that sets out a framework for the management of capital finance over the medium to long term and is based around the strategic ambition for the future of the Council.
I	The authority complies with the CIPFA Prudential Code for Capital Finance in Local Authorities	Meets	The Authority takes capital and investment decisions in line with service objectives and properly takes account of stewardship, value for money, prudence, sustainability and affordability.
J	The authority has a rolling multi-year Medium Term Financial Plan	Exceeds	The Authority has a Medium Term Financial Plan which forms an integral part of the Council's corporate planning processes. The MTFP provides a comprehensive review of the Council's overall financial position for the current year and an overview of the position for the following three years, on a rolling basis. This is a live strategy and updated and reported to CLT/Members as changes and risks emerge.
K	The authority has sustainable service plans that are consistent with its long term financial strategy and the medium term financial plan	Meets	The authority has four detailed departmental strategies which have been designed to ensure the Council offers the best possible services whilst making the most efficient use of the Council's resources. They outline the priorities and programmes of activity that will be pursued in the coming year to achieve delivery of the overall Council Plan.
	Section 4 The Annual Budget		
L	The authority complies with its statutory obligations in respect		The annual budget report which sets out the proposed
_	of the budget setting process.	Meets	budget for the coming year is a key document for the Authority and flows consistently and clearly from the MTFP. It also demonstrates compliance with the Prudential Code.
М	The budget report includes an assessment of its consistency with the current medium term financial plan and long term financial strategy.	Meets	To ensure consistency, the budget report includes document tracking which shows how the previous reported financial plan has been revised to arrive at the current plan. This informs elected Members and senior management of the realism of the plans. The reasons for any changes can be challenged and lessons learned can be identified.
N	The budget report includes a statement by the Chief Finance Officer on the robustness of the estimates and a statement of the adequacy of the proposed financial reserves.	Meets age 11 of 40	The annual budget report includes a detailed statement by the Service Director – Finance Infrastructure & Improvement. See 2019/20 Budget Report to Full Council on 28

			February 2019, page 19.
	Section 5 Stakeholder Engagement and Business Plans		
0	The authority has engaged with key stakeholders in developing its long term financial strategy, medium term financial plan and annual budget.	Meets	The Council consults with all appropriate stakeholders in developing changes to its MTFS and annual budget.
P	The authority uses a documented option appraisal methodology to demonstrate the VFM of its decisions	Meets	The Council's Planning & Performance Framework sets out the Council's approach to transformation and change. All savings options are managed/documented using Prince 2 principles. All reports to Committee set out why the decision is required, the options considered, consultations undertaken and all aspects of governance and financial assessments applied to the decision. Savings options complete outline and full business cases and reviewed/approved by CLT and the Administration prior to consultation and requirements for decision reports. Where relevant Equality Impact Assessments are undertaken and reported.
Q	The authority applies the principles contained in the CIPFA Service Reporting Code of Practice and utilises appropriate costing techniques in the development of business cases.	Meets	The Council's financial accounts demonstrate adherence to the principles contained in the CIPFA Service Reporting Code of Practice.
	Section 6 Monitoring Financial Performance		
R	The leadership team takes action using reports enabling it to identify and correct emerging risks to its budget strategy and financial sustainability.	Exceeds	Departmental and Corporate leadership teams receive monthly reports setting out budget, spend to date and forecast, along with a detailed commentary based on comments and observations from individual budget managers and the advice of the relevant finance team. Variances are highlighted and commented on and action is taken to address any areas of overspending.
S	The leadership team monitors the elements of its balance sheet which pose a significant risk to its financial sustainability.	Meets age 12 of 40	The key elements of the balance sheet are reported to the corporate leadership team on a regular basis. The General Fund Balance and planned utilisation is reported to the Corporate Leadership Team on a monthly basis. The usable reserves are reported to CLT on a regular

			basis and the management accounts set out a detailed level of balance sheet information.
	Section 7 External Financial Reporting		
T	The Chief Finance Officer has personal responsibility for ensuring that the statutory accounts provided to the local authority comply with the Code of Practice on Local Authority Accounting in the United Kingdom.	Meets	The Service Director – Finance Infrastructure & Improvement has personal responsibility as set out in the standard and certifies the annual statement of accounts accordingly.
U	The presentation of the final outturn figures and variations from budget allow the leadership team to make strategic financial decisions.	Meets	As well as the statutory accounts and an annual management accounts report, a detailed analysis of variations from budget, assessing if these are temporary or permanent, is prepared each year and presented to CLT for them to review and take decisions. This information is reviewed and assessment of implications upon the MTFS is undertaken.

# **Basis of Assessment**

The assessment has been undertaken on the basis that NCC <u>Exceeds</u>, <u>Meets</u>, or is <u>Working Towards</u> compliance with the relevant standard, and provides evidence to support this view.



# Report to Finance and Major Contracts Management Committee

20 May 2019

Agenda Item: 5

# REPORT OF THE CORPORATE DIRECTOR, ADULT SOCIAL CARE, HEALTH AND PUBLIC PROTECTION, NOTTINGHAMSHIRE COUNTY.

# BETTER CARE FUND POOLED BUDGET - Q4 2018/19 RECONCILIATION.

# **Purpose of the Report**

- 1. This report sets out progress in 2018/19 against the Nottinghamshire Better Care Fund (BCF) financial plan. The Finance and Major Contracts Management Committee are invited to:
  - Consider and comment on the findings of the reconciliation of the BCF Pooled Fund for Q4 2018/19.

#### Information

- 2. Nottinghamshire County Council and the six Nottinghamshire Clinical Commissioning Groups (CCGs) contributing to the pooled fund undertook a reconciliation exercise of Quarter 4 2018/19 income and expenditure.
- 3. Tables 1 and 2 show the difference between funding available and spend to month 12.

Table 1: Quarter 4 2018/19						
Contributing partner	Nottinghamshire Clinical Commissioning Groups (CCGs)	Nottinghamshire County Council	Total			
Funding within the pooled budget	£52,516,100	£28,031,808	£80,547,908			
Payments received from pooled budget to NCC	£32,129,147	£48,418,761	£80,547,908			
Total spend to period 12	£32,129,147	£48,467,758	£80,596,905			
Under/(over) spend to period 12	£0	£48,997	-£48,997			

4. The Nottinghamshire County Council allocation is shown in Table 2. This table shows the difference between planned spend and actual spend to month 12. The Improved Better Care Fund and Care Act Implementation funding for 2018/19 has been spent in full.

5. Within the Disabled Facilities Grant allocation, the Handy Person Adaptation Service (HPAS) has overspent showing in Table 2. This overspend has been met by the main Adult Social Care Department budget. Underspends from 2017/18 were returned to district councils upon their request.

Table 2: Quarter 4 2018/19 Nottinghamshire County Council				
£'000s	Planned Spend	Spend	Variance	
Protecting Social Care	£17,057,413	£17,057,413	£0	
Support for Carers	£1,268,544	£1,268,544	£0	
Care Act Implementation	£2,060,996	£2,060,996	£0	
Improved Better Care Fund	£21,590,371	£21,590,371	£0	
Disabled Facilities Grant (District and Borough Councils)	£6,441,437	£6,490,434	-£48,997	

# **Other Options Considered**

6. A BCF pooled fund is a national requirement, another partner organization could become the Host Organisation.

#### Reason/s for Recommendation/s

7. To ensure appropriate governance is in place to oversee the delivery of the pooled fund as the Host Organisation.

# **Statutory and Policy Implications**

8. This report has been compiled after consideration of implications in respect of crime and disorder, data protection and information governance, finance, human resources, human rights, the NHS Constitution (public health services), the public sector equality duty, safeguarding of children and adults at risk, service users, smarter working, sustainability and the environment and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

### **Financial Implications**

9. The financial implications are detailed in the Nottinghamshire BCF plan. The pooled budget amounts to a minimum of £80.5m in 2018/19. Progress against the plan will be reported to the Health and Wellbeing Board on an ongoing basis as part of the Better Care Fund reporting process.

# **RECOMMENDATION/S**

#### That the Committee:

Consider and comment on the findings of the reconciliation of the BCF Pooled Fund for Q4
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#### 2018/19.

# Melanie Brooks, Corporate Director, Adult Social Care, Health and Public Protection, Nottinghamshire County Council

For any enquiries about this report please contact: Paul Brandreth, BCF Programme Coordinator T: 0115 977 3856 E: paul.brandreth@nottscc.gov.uk

# **Constitutional Comments (KK 07/05/2019)**

10. The proposal in this report is within the remit of the Finance and Major Contracts Management Committee.

# Financial Comments (OC 02/05/2019)

11. The financial implications are contained within the body of the report. They are summarized in the tables below.

Q4 Pooled Budget 2018/19 £'000s	Planned Spend	Actual Spend	Variance
Nottinghamshire Clinical Commissioning Groups	£32,129,147	£32,129,147	
Protecting Social Care	£17,057,413	£17,057,413	£0
Carers	£1,268,544	£1,268,544	£0
Care Act Implementation	£2,060,996	£2,060,996	£0
Improved Better Care Fund	£21,590,371	£21,590,371	£0
Disabled Facilities Grant (District and Borough Councils)	£6,441,437	£6,490,434	-£48,997
Total	£80,547,909	£80,596,905	-£48,997

# **Background Papers and Published Documents**

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

- Terms of Reference for BCF Steering Group and Finance, Planning and Performance sub-group.
- Better Care Fund Pooled Budget March 2015
- Section 75 Pooled Fund Agreement 2015/16 variation
- Section 75 Pooled Fund Agreement 2016/17
- Section 75 Pooled Fund Agreement 2017/18
- Section 75 Pooled Fund Agreement 2018/19

# Electoral Division(s) and Member(s) Affected

All



# Report to Finance and Major Contracts Management Committee

20 May 2019

Agenda Item: 6

# REPORT OF THE SERVICE DIRECTOR, PLACE AND COMMUNITIES

# LATEST ESTIMATED COST: SCHOOLS BUILDING IMPROVEMENT PROGRAMME 2018/19 and 2019/20

# **Purpose of the Report**

1. To seek approval from Committee for the Latest Estimated Costs of the 2018/19 and 2019/20 Schools Building Improvement Programmes (SBIP)

#### Information

# **Schools Building Improvement Programme (SBIP)**

- 2. The SBIP forms part of the Schools Capital Programme and is funded by School Condition Grant allocations received from the Department for Education (DfE). This grant is awarded annually and should be used to improve and maintain the condition of the school estate.
- 3. In 2016 the Council devised a programme consisting of distinct work streams to deliver the SBIP programme. The programme focuses on Health & Safety and maintenance issues which are most likely to result in a school closure. The projects to be included in the 2018/19 and 2019/20 programmes were approved at Children's and Young Peoples Committee in November 2018 and February 2019 respectively.

# 2018-19 Programme

- 4. The County Council has received a 2018/19 School Condition Grant allocation from the DfE of £5.2m.
- 5. From within the overall allocation, £0.5m has been set aside to fund the Schools Access Initiative programme. This programme is identified as a separate line in the capital programme and provides for adaptions to mainstream schools to ensure access to education for those pupils under the Equality Act 2010.
- 6. From the remaining £4.7m of the allocation, 32 projects have been commissioned to ARC Partnership. The estimated costs contained within this report are compiled following the feasibility and design stages of the projects. A full list of the projects can be seen in **Appendix A.**

- 7. At the previous Committee, Arc provided a supplemental paper at Appendix A which clarified the detail contained within that Report, and identified the following:
  - NCC figures were high level and did not show the detailed picture on how the costs had changed from initial budget through to projected Final Account.
  - Following individual feasibilities of the individual projects it became evident that the whole programme would not be achieved within budget. In response Arc and NCC revisited individual projects to value engineer/ reduce scope of works whilst still mitigating/managing all inherent risks associated with the works. As a result, the value engineering / reduction exercise delivered £707,260 on the works element therefore enabling more projects to proceed.
  - ➤ In the majority of cases, the Arc fee remained the same as the original fee which was based on the agreed fee matrix. The fee remained the same as the original designs had been completed, and Arc did not charge for any redesign / rescoping.

The new format of reporting is followed in this report and gives the projections of outturn costs in relation to budget.

# 2019-20 Programme

- 8. The County Council has received a 2019/20 School Condition Grant allocation from the DfE of £5.0m.
- 9. In addition, the programme will be supplemented by an additional £2m of previous underspend from the 2016/17, 2017/18 and 2018/19 SBIP programmes.
- 10. This gives a total programme funding of £7m which will be spread across some 48 projects. The current position of the allocation of proposed schemes is identified in **Appendix B.**

# **Latest Estimated Costs**

- 11. The latest estimated costs are below. Please note that professional fees include all feasibility costs including site surveys and associated statutory fees, as well as Arc Partnership Fees.
- 12. The Professions Involved in these projects are:-
  - Architect
  - Mechanical Engineer
  - Electrical Engineer
  - Quantity Surveyor
  - Structural Engineer
  - CDM Co-ordinator
  - Project Manager

13. The latest estimated cost and cash flow, set out below;

# SBIP Programme 2018/2019 Latest Estimated Cost

		(Outturn Prices)
		£
Building Works		3,919,994
Professional fees (including feasibility costs)		670,614
	Total	4,590,608

Anticipated cash flow

7 thitioipatoa oaon now				
	2018/19	2019/20	2020/21	Total
	£	£	£	£
Building Works				
_	961,068	2,763,825	195,101	3,919,994
Professional fees (including				
feasibility costs)	496,188	139,996	34,430	670,614
Totals				
	1,457,256	2,903,821	229,531	4,590,608

# SBIP Programme 2019/2020

# **Latest Estimated Cost**

	(Outturn Prices)
	£
Building Works	
-	5,984,884
Professional fees (including	
feasibility costs)	1,015,116
Tota	al 7,000,000

Anticipated cash flow

	2018/19	2019/20	2020/21	Total
	£	£	£	£
Building Works				
	2,428	4,763,565	1,190,891	5,956,884
Professional fees (including				
feasibility costs)	118,251	834,493	90,372	1,043,116
Totals				
	120,679	5,598,058	1,281,263	7,000,000

# **Capital Budget Implications**

14. This LEC represents a saving of £109,392 against the £4.7m allocation allocated in 2018/19. This funding is already accounted for within the £2M underspend allocated to the 2019/20 SBIP Programme.

# **Revenue Budget Implications**

15. Any additional premises and human resources costs arising from these proposals will be met from the individual school's budget.

# **Other Options Considered**

- 16. None, the Council has a statutory duty to provide safe and compliant school places. Reason/s for Recommendation/s
- 17. Local authorities have a statutory duty to ensure sufficient school places are available for every child in the local area that needs one.

# **Statutory and Policy Implications**

18. This report has been compiled after consideration of implications in respect of crime and disorder, data protection and information governance, finance, human resources, human rights, the NHS Constitution (public health services), the public sector equality duty, safeguarding of children and adults at risk, service users, smarter working, sustainability and the environment and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

# **Financial Implications**

19. These are set out in the report.

# Implications for Sustainability and the Environment

20. Environmental and Sustainability requirements will be incorporated into the detailed design process for each of the individual Projects.

#### RECOMMENDATION/S

It is recommended that:

Committee comments upon the contents of the report and approves the Latest Estimated Costs for the 2018/19 and 2019/20 Schools Building Improvement Programmes.

**Derek Higton Service Director, Place and Communities** 

#### For any enquiries about this report please contact:

Phil Berrill on Tel: 0115 977 4641

# **Constitutional Comments (KK 25/04/19)**

21. The proposal in this report is within the remit of the Finance and Major Contracts Management Committee.

# Financial Comments (GB 26/4/19)

22. The School Building Improvement Programme is incorporated in the approved capital programme and progress will continue to be monitored through the monthly capital forecasting process.

# **Background Papers**

- Latest Estimated Cost Schools Building Improvement Programme 2018-19 report to Finance and Major Contracts Management Committee 11 February 2019
- Schools Building Improvement Programme report to Children and Young Peoples Committee 11 February 2019
- Schools Capital Programme progress report report to Children and Young People's Committee on 19 November 2018.

# Electoral Division(s) and Member(s) Affected

> All

APPENDIX A : SBIP Programme 2018/19	NCC Repor	rted Outturn Costs	s (Feb 2019)				Arc Reporting  Original Project LEC  Revised design and forecast outturn cost  LEC / Forecast Comparison												
	oritopol						Original Project	ct LEC				Revised de	sign and forecas	st outturn cost	Total	LEC	/ Forecast Com	parison	
Project	Works	Total Fees (includes full Feasibility costs)	Total	Feasibility works cost	Feasibility Arc fees cost	Feasibility Total	Original LEC Works		Total Original LEC	Original Arc fee percentage	Feasibility Total	Actual Works	Arc fee as original design	Forecast outturn cost	Total of forecast outturn cost + Feasibility total	Original LEC works	Revised works cost	Projected Changes (+/-)	reason for savings
01039 - Carr Hill Pri - Boiler and pipe work	474,437	48,666	523,103	-	518	518		48,148	522,585	10.57%	518	474,437	48,148	522,585	523,103	474,437	474,437.00	C	
01501 - Carnarvon Pri - Boiler replacement 01301 - John Clifford Pri - Renew Pipework/heating system	170,050 315,145	18,712 34,855	188,762 350,000	<del>                                     </del>	738	/38	170,050 315,145	17,974 34,855	188,024 350,000	10.57% 11.06%	738	170,050 315,145	17,975 34,855	188,025 345,000	188,762 345,000	170,050 315,145	170,050.00 315,145.00	0	
01189 - Lovers Lane Pri - Consolidated Works (previously Boiler and Pipework)	360,166	42,968	403,134	-	3,134	3,134		42,968	403,134	11.06%	3,134	360,166	39,834	390,000	393,134	360,166	360,166.00	0	
01465 - Priory Jun - Repiping of school. 01541 - West Bridgford Jnr - Boiler and pipework	315,145	34,855 38,790	350,000 381,488	-	2.568	2.568	315,145 342,690	34,855 36,222	350,000 378,912	11.06%	2,568	315,145 342,690	34,855	345,000 378,912	345,000 381,480	315,145 342,690	315,145.00 342,690.00	0	
01521 - Willow Brook Pri - Boiler and Pipework and Heating Cabinets	342,698 246,969	28,031	275,000		2,300	-	246,969	28,031	275,000	10.57% 11.35%	-	219,550	36,222 25,534	245,084	245,084	246,969	219,550.00	-27,419	Reduced scope of works due to redesign including building works, electrical, mechanical and mitigation of risk.
01200 - Lake View Pri - Drainage	93,000	12,707	105,707			-	93,000	12,707	105,707	13.06%	-	140,000	17,560	157,560	157,560	93,000	140,000.00	47,000	Additional works added & additional funding approved
01249 - Abbey Hill Pri - SBIP 17/18 Heating Cabinets - CON	223,750	45,250	269,000	1,388	6,614	8,001	336,790	37,249	374,039	11.06%	8,001	223,750	37,249	260,999	269,000	336,790	223,750.00	-113,040	mechanical and mitigation of risk.
01235 - Annesley Pri - SBIP 17/18 Heating Cabinets 01339 - Banks Road Inf - SBIP 17/18 Heating Cabinets	36,819 19,158	16,920 13,308	53,739 32,466	5,930 6,070	2,919 2,664	8,849 8,734	84,790 57,990	8,074 4,573	92,864 62,563	13.06% 13.06%	8,849 8,734	36,819 19,158	8,071 4,574	44,890 23,732	53,739 32,466	84,790 57,990	36,819.00 19,158.00		Reduced scope of works due to redesign and mitigation of risk.
01340 - Bispham Drive Jnr - SBIP 17/18 Heating Cabinets	13,441	13,641	27,082	5,922		8,037	65,880	5,604	71,484	13.06%	8,037	13,441	5,604	19,045	27,082	65,880	13,441.00		Reduced scope of works due to redesign and mitigation of risk.  Reduced scope of works due to redesign and mitigation of risk.
01879 - Bracken Hill School - SBIP 17/18 Heating Cabinets - CON	270,124	44,876	315,000	3,185	11,815	15,000	270,124	29,876	300,000	11.06%	15,000	270,124	29,876	298,900	313,900	270,124	270,124.00	С	
01512 - Brookside Pri - SBIP 17/18 Heating Cabinets 01143 - Chuter Ede Pri - SBIP 17/18 Heating Cabinet	11,000 31,000		17,811 44,281	2,075 5,720		6,012 6,975		311 6.304	2,691 77,564	13.06% 13.06%	6,012 6,975	5,389 31,000	311 6,306	5,700 37,306	11,712 44,281	2,380 71,260	5,389.17 31,000.00		Increase due to additional works  Reduced scope of works due to redesign and mitigation of risk.
01077 - Crescent Pri - Heating Cabinet Works [SBIP] 2017/18 - CON	89,631	14,121	103,752	523	2,080	2,602	101,490	11,519	113,009	11.35%	2,602	60,778	11,519	72,296	74,899	101,490	60,777.60	-40,712	Reduced scope of works due to redesign and mingation or isk.  Reduced scope of works due to redesign including reduced peliminaries and building works elements
01270 - Dalestorth Pri - SBIP 17/18 Heating Cabinets - CON	63,040	16,063	79,103	798	2,316	3,113	114,090	12,949	127,039	11.35%	3,113	63,040	12,950	75,990	79,103	114,090	63,040.00	-51,050	Reduced scope of works due to redesign including reduced peliminaries and building works, electrical, mechanical and mitigation of risk
01241 - Edgewood Pri - SBIP 17/18 Heating Cabinets - CON	17,630	9,032	26,662	523	3,284	3,806	40,010	5,225	45,235	13.06%	3,806	17,630	5,226	22,856	26,662	40,010	17,630.00	-22,380	mitigation of risk
01312 - Eskdale Jnr - SBIP 17/18 Heating Cabinets	19,404	14,488	33,892	6,138	1,893	8,031	72,410	6,457	78,867	13.06%	8,031	19,404	6,457	25,861	33,892	72,410	19,404.00	-53,006	Reduced scope of works due to redesign including non removal of existing redundant services, reduced fan convector works and radiators, thermal insulation, electrical servicesand mitigation of risk.
01134 - Intake Farm Pri - SBIP 17/18 Heating Cabinets - CON	47,868	21,608	69,476	3,833	1,959	5,792	139,350	15,816	155,166	11.35%	5,792	47,868	15,816	63,684	69,476	139,350	47,868.00	-91,482	Reduced programme time, reduced boiler repairs, reduced heater cabinet works and mitigation of risk
01159 - John Blow Pri - SBIP 17/18 Heating Cabinets - CON	21,882	11,082	32,964	523	1,782	2,304	67,210	8,778	75,988	13.06%	2,304	21,882	8,778	30,660	32,964	67,210	21,882.00	-45,328	Reduced scope of works due to redesign including peliminaries and building works, electrical, mechanical and mitigation of risk
01145 - John Hunt Pri - SBIP 17/18 Heating Cabinets - CON	191,320	26,556	217,876	1,090	3,101	4,191	168,460	19,120	187,580	11.35%	4,191	192,150	33,304	225,455	229,645	168,460	192,150.48	23,690	Increase due to additional works
01103 - John T Rice Inf - SBIP 17/18 Heating Cabinets - CON	31,711	6,758	38,469	2,000	3,000	5,000	31,510	4,115	35,625	13.06%	5,000	31,711	1,758	33,469	38,469	31,510	31,711.00	201	Increase due to additional works
01142 - Manners Sutton Pri - SBIP 17/18 Heating Cabinets	10,218	10,261	20,479	5,808	2,217	8,026	40,090	2,236	42,326	13.06%	8,026	10,218	2,235	12,453	20,479	40,090	10,218.00	-29,872	Reduced scope of works due to redesign including reduced thermal insulation, reduced testing and commissioning, reduced programme and contractors prelims and mitigation of risk.
01195 - Maun Inf - SBIP 17/18 Heating Cabinets - CON	150,714	25,106	175,820	5,000	3,000	8,000	150,710	17,106	167,816	11.35%	8,000	112,880	17,106	129,986	137,986	150,710	112,880.00	-37,830	Reduced scope of works due to redesign including building works, electrical, mechanical and mitigation of risk.
01177 - Muskham Pri - SBIP 17/18 Heating Cabinets	28,756	14,457	43,213	5,804	2,211	8,015	72,300	6,442	78,742	13.06%	8,015	28,756	6,442	35,198	43,213	72,300	28,756.00	-43,544	Reduced scope of works due to redesign including non removal of existing redundant services, reduced fan convector works and radiators, thermal insulation, electrical services, reduced testing and commissioning, reduced programme and contractors prelims and mitigation of risk.
01108 - Netherfield Inf - SBIP 17/18 Heating Cabinets - CON	196,328	27,282	223,610	2,000	3,000	5,000	196,320	22,282	218,602	11.35%	5,000	256,198	26,705	282,902	287,902	196,320	256,197.54	59,878	From the detailed design, further planning with contractors, market prices from contractor the construction project costs have increased from the FEAS. project. New ceilings, pipework and lighting is involved in this project.
01527 - Radcliffe-on-Trent Inf - SBIP 17/18 Heating Cabinet	21,400	13,077	34,477	5,922	1,988	7,910	62,530	5,166	67,696	13.06%	7,910	21,400	5,167	26,567	34,477	62,530	21,400.00	-41,130	Reduced scope of works due to redesign including reduced fan convector works, reduced programme and contractors prelims and mitigation of risk
01466 - Stanhope Pri - SBIP 17/18 Heating Cabinets - CON	6,407	4,045	10,452	523	2,741	3,263	38,070	4,972	43,042	13.06%	3,263	1,672	4,398	6,070	9,333	38,070	1,672.39	-36,398	Reduced scope of works due to redesign including reduced peliminaries and building works, electrical, mechanical and mitigation of risk
01147 - Wynndale Pri - SBIP 18-19 Heating Cabinets - CON	8,253	4,352	12,605	323	2,951	3,274	8,250	1,077	9,327	13.06%	3,274	374	971	1,345	4,619	8,250	373.89	-7,876	Reduced scope of works due to redesign including reduced peliminaries and building works, electrical, mechanical and mitigation of risk
02910 - Heatherley Pri - Roofing works	66,336	8,664	75,000	1		-	66,336	8,664	75,000	13.06%	-	66,336	8,664	75,000	75,000	66,336	66,336.00	C	and behaving works, electrical, internatifical and initigation of fish
01189 - LoversLanePri - Pitched roof	47,507	8,678	56,185	495	1,979	2,474	47,507	6,204	53,711	13.06%	2,474	47,507	6,204	53,711	56,185	47,507	47,507.00	0	
Schemes yet to be identified															5,000	,	,,,,,		
Allocation for additional Funding Introduced since February 2019																			
Totals	3,941,307		4.590.608	71,591	L	149,367		505,880	5,129,339		149,367	3,936,668	520,673	4,457,341	4,590,608	4,623,459	3,936,668	-686,791	

APPENDIX B : SBIP Programme 2019/20	Eatin	mated Outturn Co	ete								Arc Repor	ting							
3	Estir	nated Outturn Co	SIS	P2	Feasibility Bu	dget		Origin	al LEC			Revised des	ign and forecas	st outturn cost		V	Works comparis	on	ī .
roject	Works	Total Fees (including full	Total	Feasibility	Feasibility Arc fees	Feasibility		_	Total Original	Original Arc fee	Feasibility	Actual Works	Arc fee as original	Forecast	Total of forecast outturn cost	Original LEC	Revised	projected	reason for savings
		Feasibility costs)		works cost	cost	Total	LEC Works	Fees	LEC	percentage	Total		design	outturn cost	+ Feasibility total	works	works cost	saving(-)	
kesley Primary and Nursery School	52,000	21,994	73,994	2,000	13,000	15,000	52,000	6,994	58,994	13.45%	15,000	52,000	6,994	,	,	52,000	52,000	C	ַס בּייַ
rdsall Primary	69,680	24,372	94,052	2,000	13,000		69,680	9,372	79,052	13.45%	15,000	69,680	9,372		94,052	69,680	69,680	C	)
erry Hill Primary and Nursery School	13,860	5,511	19,371	966	2,735		13,860	1,810	15,670	13.06%	3,701	13,860	1,810		19,371	13,860	13,860	C	J
edlands Primary and Nursery School	88,360	26,884	115,244	2,000	13,000	,	88,360	11,884	100,244	13.45%	15,000	88,360	11,884	100,244	,	88,360	88,360	C	)
r Edmund Hillary Primary and Nursery	75,520	25,157	100,677	2,000	13,000		75,520	10,157	85,677	13.45%	15,000	75,520	10,157		100,677	75,520	75,520	C	<u>)                                    </u>
nurch Vale Primary School	224,517	27,710	252,227	688	1,540				-		2,227	224,517	25,483	250,000	252,227	-	0	C	)
ettleworth Infant and Nursery	203,910	38,837	242,747	5,200	9,800		203,910	23,837	227,747	11.69%	15,000	203,910	23,837	227,747		203,910	203,910		)
ırmilo Primary	77,990	25,185	103,175	5,500	9,500		77,990	10,185	88,175	13.06%	15,000	77,990	10,185		103,175	77,990	77,990	C	<u>)                                    </u>
ake View Primary and Nursery School	13,020	8,700	21,720	2,000	5,000		13,020	1,700	14,720	13.06%	7,000	13,020	1,700		21,720	13,020	13,020	C	J
een Mills Primary School	2,901	3,070	5,971	655	2,036	2,691	2,901	379	3,280	13.06%	2,691	2,901	379	3,280	5,971	2,901	2,901	C	<u>)</u>
amcote Hills Primary School	20,229	5,333	25,562	523	2,169	2,692	20,229	2,641	22,870	13.06%	2,692	20,229	2,641	22,870	25,562	20,229	20,229	C	ט ו
oodthorpe Infant School	64,816	11,618	76,434	1,040	2,114		64,816	8,464	73,280	13.06%	3,154	64,816	8,464	73,280	76,434	64,816	64,816	C	υ <u></u>
oenix Infant and Nursery	69,791	11,357	81,148	1,588	2,051	3,638	69,791	7,719	77,510	11.06%	3,638	69,791	7,719	77,510	81,148	69,791	69,791	C	<u> </u>
adcliffe-on-Trent Junior School	44,072	8,726	52,798	-	1,399	1,399	4,780	624	5,404	13.06%	1,399	44,072	7,327	51,399	52,798	4,780	44,072	39,292	2
eckingham Primary School	186,290	61,777	248,067	27,000	13,000	40,000	186,290	21,777	208,067	11.69%	40,000	186,290	21,777	208,067	248,067	186,290	186,290	C	<u> </u>
inthorpe Primary School	88,145	17,855	106,000	1,000	5,000				·-		6,000	88,145	11,855	,	106,000	-	0	C	J
oppice Farm Primary School	88,145	14,855	103,000	2,000	1,000				-		3,000	88,145	11,855	100,000	103,000	-	0	C	<u>)</u>
errymount School, Sherbrook Road Site	88,145	14,855	103,000		1,000				-		3,000	88,145	11,855	100,000	103,000	-	0	C	) <u> </u>
errymount Special School	88,145	14,855	103,000	,	1,000				-		3,000	88,145	11,855	100,000	103,000	-	n	ſ	J
cksdale Primary and Nursery	88,145	14,855	103,000	2,000	1,000				_		3,000	88,145	11,855	100,000	103,000	_	0	r	<u>.                                    </u>
illiam Lilley Infant and Nursery	88,145	14,855	103,000	2,000	1,000						3,000	88,145	11,855	100,000	103,000	_	0		<u></u>
adsworth Fields Primary School	269,421	45,579	315,000		13,000	<del></del>			_		15,000	269,421	30,579	300,000		_	0		<u></u>
prmanton-on-Soar Primary	134,710	18,290	153,000		2,000				<u> </u>		3,000	134,710	15,290		153,000	_	0		0
armilo Primary	196.974	25,574	222,548	1,000	2,548						2,548	196,974	23,026	220,000	222,548	_	0		71
orthfield Primary	35,923	9,077	45,000	2,000	3,000				-		5,000	35,923	4,077		45,000	-	0		<u>/ </u>
<i>_</i>		4,857	35,939		•				-					,		-	0		7
illocks Primary and Nursery School	31,082	,			1,329				-		1,329	31,082	3,528	34,610	35,939	-	0		7
orest Town Primary and Nursery School	89,807	13,193	103,000		1,350				-		3,000	89,807	10,193		103,000	-	0	C	<u>/</u>
spham Drive Junior School	89,807	13,193	103,000	·	•				-		3,000	89,807	10,193	·		-	0		7
nby Cum Papplewick CofE Primary School	£89,807	£17,442	107,249		7,049				-		7,249	89,807	10,193		107,249	-	0		
hilwell School Grade II Listed Building	£628,648	£86,352	715,000		13,000				-		15,000	628,648	71,352	700,000		-	0	C	<u>)</u>
bbey Hill Primary and Nursery School	89,807	17,193	107,000		5,000				-		7,000	89,807	10,193			-	0	C	
tanhope Primary and Nursery School	89,807	17,193	107,000		5,000				-		7,000	89,807	10,193			-	0	C	<u> </u>
ngsway Primary School	89,807	17,193	107,000		5,000	<del></del>			-		7,000	89,807	10,193		107,000	-	0	C	<u>」</u>
aun Infant and Nursery School	89,807	17,193	107,000		5,000	+			-		7,000	89,807	10,193	·	107,000	-	0	C	<u>)</u>
oodthorpe Infant School	89,807	17,193	107,000		5,000				-		7,000	89,807	10,193		107,000	-	0		<u>)</u>
llocks Primary and Nursery School	89,807	17,193	107,000		5,000				-		7,000	89,807	10,193		107,000	-	0	C	<u>)</u>
orthfield Primary	89,807	17,193	107,000		5,000				-		7,000	89,807	10,193	,	,	-	0	C	ע אויי
ealdswood Infant & Nursery	34,630	6,889	41,519	-	2,366	1	,	4,523	39,153	13.06%	2,366	34,630	4,523	,	,	34,630	34,630	C	<u>)</u>
dy Bay Primary School	127,650	14,208	141,858	-	715		127,650	13,493	141,143	10.57%	715	127,650	13,493			127,650	127,650	C	) <u> </u>
nehale Infant School	136,250	15,140	151,390		738		136,250	14,402	150,652	10.57%	738	136,250	14,402	150,652	151,389	136,250	136,250	C	ט
pany Junior School	140,900	15,755	156,655		862			14,893	155,793	10.57%	862	140,900	14,893			140,900	140,900	C	<u> </u>
noulton Primary School	158,200	17,460	175,660		738		,	16,722	174,922	10.57%	738	158,200	16,722	,	,	158,200	158,200	C	υ <u></u>
nesley Primary and Nursery School	161,260	18,485	179,745	-	1,440	1,440	161,260	17,045	178,305	10.57%	1,440	161,260	17,045	178,305	179,745	161,260	161,260	C	<u> </u>
nks Road Infant and Nursery	162,850	17,951	180,801	-	738	738	162,850	17,213	180,063	10.57%	738	162,850	17,213	180,063	180,801	162,850	162,850		<u> </u>
Hallows C of E Primary	209,420	26,049	235,469	-	2,280	2,280	209,420	23,769	233,189	11.35%	2,280	209,420	23,769	233,189	235,469	209,420	209,420	C	<u> </u>
tton Bonington Primary School	314,211	21,386	335,597	10,750	3,653		· ·	·	-		14,403	314,211	6,983	321,194	·	-	0	C	J
tton Bonington Primary School	63,032	15,478	78,510		5,000				-		7,000	63,032	8,478			-	0	C	J
mbley Primary School	269,324	45,676	315,000		13,000				-		15,000	269,324	30,676		,	-	0	C	J
mbley Primary School	83,737	18,263	102,000	<u> </u>	5,000				-		7,000	83,737	11,263	·	102,000	-	0	ſ	J
ast Markham Primary School	134,300	30,700	165,000		13,000				_		15,000	134,300	15,700		165,000	_	n	r	J
	,	25,. 00	. 55,000	_,000	. 5,550	. 5,555					. 5,555	,	. 5,. 50	1.23,000	. 53,550		Ĭ		
et to be allocated			57,875	1											57,875				
	+			1															+
					-	•									i e				



# Report to Finance & Major Contracts Management Committee

20 May 2019

Agenda Item: 7

# REPORT OF THE SERVICE DIRECTOR, PLACE AND COMMUNITIES

# LATEST ESTIMATED COST REPORT FOR THE NEW SCHOOL, WATNALL ROAD SITE, HUCKNALL AND THE REPLACEMENT OF HAWTHORNE PRIMARY SCHOOL BESTWOOD

# **Purpose of the Report**

 To seek approval for the Latest Estimated Cost (LEC) for the works to provide the new schools in Hucknall and Bestwood and to vary the capital programme to reflect the increased cost of the projects

# Information

#### **Bestwood Hawthorne**

- 2. The school replacement project is to provide a 210 place primary school with a 39 place Nursery with the ability to further expand to a 420 place primary at a future date. Construction commenced on site 28 August 2018 with an expected completion date of 30 August 2019.
- 3. Approval to proceed to construction phase was granted 20<sup>th</sup> December 2017 by Policy Committee based on the LEC at the time of £5,792,465.

### **Hucknall, Watnall Road Site**

- 4. The new school project is to provide a 210 place primary school with a 26 place Nursery with the ability to further expand to a 315 place primary at a future date. Construction commenced on site 15 October 2018 with an expected completion date of 30 August 2019.
- 5. Approval to proceed to construction phase was granted 16th July 2018 by Finance & Major Contracts Management Committee based on the LEC at the time of £3,731,049.

# **Capital Budget implications**

6. The Latest Estimated Costs are below. Please note that professional fees include all feasibility costs including site surveys and associated statutory fees, as well as Arc Partnership fees.

- 7. The Professional Services provided by Arc Partnership within these projects are: -
  - Architectural
  - Mechanical
  - Electrical
  - Quantity Surveying
  - Structural
  - CDM
  - Project Management
- 8. The project now incorporates the mothballing of the existing Hawthorne School upon vacation. It is estimated that the cost of this will be £50,000 which will be met by NCC estate management budgets.

# 9. <u>Latest Estimated Cost – Bestwood Hawthorne School</u>

	Outturn Prices
Building Works	£5,591,248
Professional Fees (including Viability and	£556,670
Feasibility Costs)	
Furniture and Equipment	£100,000
Mothballing of existing Hawthorne School	£50,000
Total	£6,297,918

Anticipated Cash flow				
	2017/18	2018/19	2019/20	Total
	£	£	£	£
Building Works	33,370	2,620,659	2,937,219	5,591,248
Professional Fees (including Viability and Feasibility Costs)	296,155	130,514	130,001	556,670
Furniture and Equipment	0	0	100,000	100,000
Mothballing of existing Hawthorne School	0	0	50,000	50,000
	£329,525	£2,751,173	£3,217,220	£6,297,918

# 10. Latest Estimated Cost - Hucknall, Watnall Road Site

	Outturn Prices
Building Works	£3,557,117
Professional Fees (including Viability and	£372,099
Feasibility Costs)	
Furniture and Equipment	£300,000
Total	£4,229,216

Anticipated Cash flow				
	2017/18	2018/19	2019/20	Total
	£	£	£	£
Building Works	0	1,550,981	2,006,136	3,557,117
Professional Fees	24,998	234,769	112,332	372,099
Furniture and Equipment	0	0	300,000	300,000
	£24,998	£1,785,750	£2,418,468	£4,229,216

# **Changes to the Latest Estimated Costs**

11. Bestwood Hawthorne LEC increase of £505,453.

Comparison of Costs			
	Original	Current	Variance
	LEC	Forecast	
	£	£	£
Building Works (including changes to drainage)	5,161,948	5,591,248	429,300
Professional Fees (including Viability and Feasibility Costs)	501,217	556,670	55,453
Furniture and Equipment	129,300	100,000	(29,300)
Mothballing of existing Hawthorne School	0	50,000	50,000
Total	£5,792,465	£6,297,918	£505,453

- 12. The school site is located within a proposed housing development. Unfortunately, that development was showing no indication of progressing due to Green Belt issues. The design for the school could, therefore, not rely on any service infrastructure that the housing development would ultimately provide. It should be noted that the extent of the site slopes 9m. This requires that it be engineered into plateaus to accommodate the building and sports pitches, each of which must be adequately drained to mitigate surface water run-off. The LEC reported to committee 20 December 2017 allowed for an on-site soakaway solution for surface water drainage, the design for which was supported by early site investigation results.
- 13. Subsequent design development and further site investigation found the soakaway solution unviable and an alternative connection to the existing village infrastructure was investigated but refused by Severn Trent due to capacity issues in the immediate area.
- 14. The final design solution for the surface water follows negotiation with the housing developer, who has now commenced his infrastructure works, and involves an extensive surface water drainage network to the entire site which ultimately discharges to their system. This design is significantly more expensive than the original soakaway solution and has extended the contractor's programme by six weeks. This delay does not impact on the school's ability to open in September.
- 15. Arc Partnership is committed to continually challenging all contractual claims.

# 16. Hucknall, Watnall Road Site LEC increase of £498,167

Comparison of Costs			
	Original	Current	Variance
	LEC	Forecast	
	£	£	£
Building Works	3,407,117	3,557,117	150,000
Professional Fees (including Feasibility Costs)	323,932	372,099	48,167
Furniture and Equipment	0	300,000	300,000
Total	£3,731,049	£4,229,216	£498,167

- 17. It was noted in the LEC report to committee 16 July 2018 that a further Basic Need capital allocation would need to be set aside for Furniture and Equipment. This has now been assessed at a cost of £300,000.
- 18. The school was designed with a barrel roof to meet a planning requirement to reflect the historical context of the site. When the LEC was submitted this design was thought to be cost neutral to a standard design. Subsequent design development has identified significant detailed design implications in respect of service installations and internal wall configuration. Unfortunately, some of the detailed design issues have been identified through the construction process and have resulted in delay to the construction programme (Arc equate this to circa £100K of construction cost which they are not seeking to recover from the client).
- 19. The increase in Fee is only attributable to actual Viability and Feasibility costs, together with the standard matrix fee allowance for the additional FF&E (Arc Partnership are currently claiming no additional fee on the increase in building works costs). Arc Partnership is committed to continually challenging all contractual claims.

# **Capital Budgets**

- 20.£3.7M has been agreed for the new Hucknall School within the capital programme, this is forward funding for the Section 106 contributions which have yet to be received. S106 contribution of £3.5 million, plus indexation, expected to be at least £425K have been agreed for the Hucknall, Watnall road school. £5.8M Council Capital funding has been approved for the replacement Hawthorne Primary within the Capital Programme.
- 21. It is requested that the Bestwood Hawthorne capital budget is varied to reflect the increased cost of £0.505m, funded from Basic Need grant. It is also requested that the Watnall Road capital budget is varied to reflect the increased cost of £0.498m, funded by £0.194m S106 contributions and £0.304m Basic Need grant.

### **Revenue Budget implications**

22. Any additional premises and human resource costs arising from these proposals will be met from the individual school's budget.

### **Other Options Considered**

23. None. Both schools are vital for providing school places in the respective local areas.

- 24. Hawthorne school serves a discreet community in which there are no other schools. The existing site cannot be further expanded. The existing buildings do not reflect the needs of the 21<sup>st</sup> century learning environment and the split site presents significant operational challenges for the school.
- 25. The Hucknall Planning area is one which has witnessed housing growth over the last five years. 420 additional school places have already been created in existing schools to meet the demand from population growth, funded through basic need and/or section 106 contributions. The building of a new school is now essential to meet the project demand from the new housing development on the Watnall road site.

#### Reason/s for Recommendation/s

26. Local Authorities have a statutory duty to ensure sufficient school places are available for every child in the local area that needs one

# **Statutory and Policy Implications**

27. This report has been compiled after consideration of implications in respect of crime and disorder, data protection and information governance finance, human resources, human rights, the NHS Constitution (public health services), the public sector equality duty, safeguarding of children and adults at risk, service users, smarter working, sustainability and the environment and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

# **Crime and Disorder Implications**

28. There are no direct crime and disorder implications within the report. Both sites incorporate Security boundaries, as a result risk of crime from theft or vandalism is minimised.

# **Financial Implications**

29. These are set out in the report

# **Public Sector Equality Duty implications**

30. In accordance with County Council Policy the design of the buildings will incorporate access and facilities for people with disabilities.

# Implications for Sustainability and the Environment

31. Environmental and sustainability requirements will be incorporated into the detailed design process of the buildings

### **RECOMMENDATION/S**

32. That members consider the Latest Estimated Cost for these Schools builds and approval be given to vary the capital programme to accommodate the cost increases identified.

### **Derek Higton**

# **Service Director, Place and Communities**

For any enquiries about this report please contact: Phil Berrill, Team Manager, Departmental Services Tel: 0115 9774641

# **Constitutional Comments (KK 24/05/19)**

33. The proposal in this report is within the remit of the Finance and Major Contracts Management Committee

# Financial Comments (GB 10/05/19)

34. The initial capital budgets for these projects are already approved in the Children and Young People's (CYP) Committee capital programme (£5.8m for the Bestwood School and £3.7m for the Watnall School). Also, within the approved CYP Committee capital programme is a 2019/20 School Places Programme budget which totals £19.0m. The increased costs identified in this report will be funded from the School Places Budget (£0.8m) and by an additional Section 106 contribution (£0.2m).

# **Background Papers and Published Documents**

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

- Update report on the replacement of Hawthorne Primary School, Bestwood Report to Policy Committee 20-12-2017 Published
- Latest Estimated Cost New School, Watnall Road Site, Hucknall Report to Finance and Major Contracts Management Committee 16-07-2018 - Published

#### Electoral Division(s) and Member(s) Affected

Wards: Newstead

**Hucknall West** 

Members: Councillor Chris Barnfather

Councillor Kevin Rostance



# Report to Finance and Major Contracts Management Committee

20 May 2019

Agenda Item: 8

# REPORT OF THE SERVICE DIRECTOR - CUSTOMERS, GOVERNANCE AND EMPLOYEES

### **WORK PROGRAMME**

# **Purpose of the Report**

1. To consider the Committee's work programme for 2019.

### Information

- 2. The County Council requires each committee to maintain a work programme. The work programme will assist the management of the committee's agenda, the scheduling of the committee's business and forward planning. The work programme will be updated and reviewed at each pre-agenda meeting and committee meeting. Any member of the committee is able to suggest items for possible inclusion.
- 3. The attached work programme has been drafted in consultation with the Chair and Vice-Chairs, and includes items which can be anticipated at the present time. Other items will be added to the programme as they are identified.
- 4. As part of the transparency introduced by the revised committee arrangements from 2012, committees are expected to review day to day operational decisions made by officers using their delegated powers. It is anticipated that the committee will wish to commission periodic reports on such decisions. The committee is therefore requested to identify activities on which it would like to receive reports for inclusion in the work programme.

# **Other Options Considered**

5. None.

## Reason/s for Recommendation/s

6. To assist the committee in preparing its work programme.

# **Statutory and Policy Implications**

7. This report has been compiled after consideration of implications in respect of crime and disorder, finance, human resources, human rights, the NHS Constitution (Public Health only), the public sector equality duty, safeguarding of children and vulnerable adults, service users, sustainability and the environment and ways of working and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required

#### **RECOMMENDATION/S**

1) That the Committee considers whether any amendments are required to the Work Programme.

Marjorie Toward
Customers, Governance and Employees

For any enquiries about this report please contact: Pete Barker, x74416

# **Constitutional Comments (HD)**

8. The Committee has authority to consider the matters set out in this report by virtue of its terms of reference.

# Financial Comments (NS)

9. There are no direct financial implications arising from the contents of this report. Any future reports to Committee on operational activities and officer working groups, will contain relevant financial information and comments.

# **Background Papers**

None.

Electoral Division(s) and Member(s) Affected

ΑII

# FINANCE & MAJOR CONTRACTS MANAGEMENT COMMITTEE - WORK PROGRAMME

Report Title	Brief summary of agenda item	Lead Officer	Report Author
17 June 2019			
Monthly Budget & Capital Monitoring Report 2019/20	Budget Capital Monitoring, Capital Receipts, Capital Variations	Nigel Stevenson	Glen Bicknell
Draft Management Accounts 2018/19	Outturn report.	Nigel Stevenson	Glen Bicknell
'Your Nottinghamshire Your Future' Departmental Strategy, Six Month Review of Progress (Oct – March 2019)	Progress report	Nigel Stevenson	Rob Disney / Matthew Garrard
Fair Price for Care Project (older adults)	Outcome of consultancy work and how this is going to inform the approach to the market.	Michael Fowler	Kaj Ghattora
Contract Management – A Framework Approach for NCC		Kaj Ghattora	Kaj Ghattora
Full Contracts List	Update on full list of major contracts	Kaj Ghattaora	Kaj Ghattaora
15 July 2019			
Monthly Budget & Capital Monitoring Report 2019/20	Budget Capital Monitoring, Capital Receipts, Capital Variations	Nigel Stevenson	Glen Bicknell
MyNotts Application	Update on MyNotts App procurement	Lorraine Dennis	Kaj Ghattaora
HS2 Procurement	Update on various commissions for HS2 procurement	Lorraine Dennis	Kaj Ghattaora
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# FINANCE & MAJOR CONTRACTS MANAGEMENT COMMITTEE - WORK PROGRAMME

16 September 2019			
Monthly Budget & Capital Monitoring Report 2019/20	Budget Capital Monitoring, Capital Receipts, Capital Variations	Nigel Stevenson	Glen Bicknell
BCF 6 Monthly Reconciliation		Joanna Cooper	Joanna Cooper
Staff Agency Contract	Update on Staff Agency re-procurement	Lorraine Dennis	Kaj Ghattaora
Public Health Competitive Dialogue	Outcome on the procurement for the public health competitive dialogue process	Michael Fowler	Kaj Ghattaora
Wide Area Network (WAN) Tender	Outcome / Update on the procurement of the WAN tender	Lorraine Dennis	Kaj Ghattaora
14 October 2019			
Monthly Budget & Capital Monitoring Report 2019/20	Budget Capital Monitoring, Capital Receipts, Capital Variations	Nigel Stevenson	Glen Bicknell
DN2 Partnership Children's Services Intervention Programme	6 Monthly Update	Lynn Brammer / Jon Hawketts	Kaj Ghattaora
18 November 2019			
Monthly Budget & Capital Monitoring Report 2019/20	Budget Capital Monitoring, Capital Receipts, Capital Variations	Nigel Stevenson	Glen Bicknell
Risk and Insurance	Update report	Nigel Stevenson	Rob Disney
DN2 SIB Update	Update on Social Impact Bond (Children's)	Lynn Brammer / Jon Hawketts	Kaj Ghattaora
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# FINANCE & MAJOR CONTRACTS MANAGEMENT COMMITTEE - WORK PROGRAMME

TO BE PLACED			
Commercial Development Unit	Report on progress.	Mark Knight	Nigel Stevenson
The provision of new schools and school places	Details of the Authority's approach	Derek Higton	Derek Higton
Gedling Access Road (GAR)	Report on progress	Neil Hodgson	Neil Hodgson