



Democratic Services

Location: Phase II
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**To: COUNCILLOR MARTIN GODDARD
CABINET MEMBER FOR FINANCE**

**COUNCILLOR JONATHAN BIANCO
CABINET MEMBER FOR PROPERTY AND
INFRASTRUCTURE**

c.c. All Members of Executive Scrutiny Committee
c.c. Perry Scott, Director of Infrastructure, Transport
and Building Services
c.c. Chairman of the Residents, Education &
Environmental Services Policy Overview Committee
c.c. Bobby Finch, Infrastructure, Building Services &
Transport
c.c. Conservative and Labour Group Offices
(inspection copy)

Date: 12 May 2021

Non-Key Decision request

Form D

CAPITAL RELEASE REPORT May 2021

DEPARTMENT: Resident Services

SERVICE AREA / PROGRAMME: School Condition Building Programme 2021/22
Latent Defect Remedial Works on Schools

RELEASE NO: 2

Dear Cabinet Member

Attached is a report requesting that a decision be made by you as an individual Cabinet Member. Democratic Services confirm that this is not a key decision, as such the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 notice period does not apply.

You should take a decision **on or after Thursday 20 May 2021** in order to meet Constitutional requirements about publication of decisions that are to be made. You may wish to discuss the report with the Corporate Director before it is made. Please indicate your decision on the duplicate memo supplied, and return it to me when you have made your decision. I will then arrange for the formal notice of decision to be published.

Anisha Teji
Democratic Services Officer

Title of Report: School Condition Building Programme 2021/22 Latent Defect Remedial Works on Schools
RELEASE NO: 2

Decision made:

Reasons for your decision: (e.g. as stated in report)

Alternatives considered and rejected: (e.g. as stated in report)

SignedDate.....

Cabinet Member for Finance / Cabinet Member for Property and Infrastructure

CAPITAL RELEASE REPORT May 2021

DEPARTMENT: Resident Services

SERVICE AREA / PROGRAMME: School Condition Building Programme 2021/22 Latent Defect Remedial Works on Schools

RELEASE NO: 2

Cabinet Members	Councillor Martin Goddard Councillor Jonathan Bianco
Cabinet Portfolios	Cabinet Member for Finance Cabinet Member for Property and Infrastructure
Officer Contact	Bobby Finch, Infrastructure, Building Services & Transport
Papers with report	Appendix A with capital release requests for approval

HEADLINES

Summary	To seek Cabinet Member approval for the release of capital funds.
Putting our Residents First	This report supports the Council objective of strong financial management.
Financial Cost	<p>This report seeks the release of £85k from the 2021/22 School Conditions Building Programme budget for the latent defect remedial works at 3 schools.</p> <p>The works will commence upon release of the funds and are due for completion by Oct 2021.</p>
Relevant Policy Overview Committee	Residents, Education & Environmental Services Policy Overview Committee
Ward(s) affected	Uxbridge North, West Drayton and Heathrow Villages

RECOMMENDATIONS

That the Cabinet Member for Finance and the Cabinet Member for Property and Infrastructure agree to the following capital release request of £85k from the School Conditions Building Programme 2021/22 budget for latent defect remedial works at Hermitage Primary School, Cherry Lane Primary School and West Drayton Academy (Appendix A).

Reasons for recommendation

Failure to address the latent defect issues within the school will lead to further damage to the schools' buildings if left unaddressed.

Alternative options considered

No alternative has been considered as these works are required to maintain the buildings.

Policy Overview Committee comments

None at this stage.

SUPPORTING INFORMATION

Background

Following an increase in the number of school places required in the Borough from 2010, a programme of primary school expansions started to ensure that there were sufficient places for all residents who wanted to send their child to a London Borough of Hillingdon maintained school. There have been four phases to date the largest of which was Phase 2 which took place between 2012 to 2015 and consisted of the expansion of 19 schools.

There were multiple contractors procured to carry out the expansion works across the 19 schools one of which was Lakehouse Contracts. Following the sale of Lakehouse Contracts to Mapps Group it was renamed Sureserve PLC which has subsequently gone into administration.

Sureserve PLC (Lakehouse) worked on the expansion at Cherry Lane School, West Drayton Academy and the rebuild and expansion of Hermitage Primary School. There have been several latent defects with the construction works identified, some of which, the contractor had committed to rectifying prior to going into administration.

Officers have carried out a thorough review of the works required which have been summarised below. As the Council is no longer able to get the defects rectified through the original contractor, these works are to be funded from the School Condition Building Programme budget.

Summary of latent defects

Cherry Lane Primary School

- Ventilation system louvers modification to stop water ingress

Hermitage Primary School

- Roof remedial works to prevent further leaks

- Additional firestopping
- Drainage works to prevent further ground movement

West Drayton Primary School

- Roof edge protection modification to unblock gullies and correct height:
- Remedial works to prevent dips in Multi-Use Games Area (MUGA) playing surface

Costs

This report seeks the release of £85k in capital funds from the School Condition Programme 2021/22 budget as shown in the table 1 below. The approval to appoint the contractors to carry out the outlined works, except for the roof works at Hermitage, will be via the Expenditure Approval Form process.

The roof works at the Hermitage will be more than £50k so will require a separate Cabinet Member Report once the works have been procured

Table 1: Cost Plan

School	Description	Estimate (£)	Seeking Release (£)
Cherry Lane Primary	Ventilation Louvers (works)	4,000	4,000
Hermitage	Roof	120,800	20,000
	Fire stopping (works)	16,600	16,600
	Drainage (works)	16,600	16,600
West Drayton	Roof edge protection (works)	4,000	4,000
	MUGA (works)	9,000	9,000
Internal Fees		15,500	6,320
Contingency		18,500	8,480
Total		205,000	85,000

Financial Implications

Schools Conditions Building Programme 2021/22 Budget £1,550k; Previously Released / Pending Release £33k; Capital Release Requested £85k – Appendix A

The 2021/22 capital programme approved by Cabinet and Council in February 2021 included a budget of £1,550k for the Schools Conditions Building Programme funded from a combination of School Conditions capital grant and agreed school contributions in line with Council's policy.

The report requests the capital release of £85k from the Schools Conditions Building Programme budget for remedial works at Cherry Lane, Hermitage and West Drayton schools. The cost plan for the schools is based on estimated costs of £205k in total including internal fees and contingency. A further release request will be submitted for the roof works at Hermitage school following completion of the tender process.

The schools contribution policy is deemed not applicable in this situation as the remedial works relate to latent defects arising from the previous expansions at these schools and these would normally be rectified by the contractor at no cost to the Council. However, in this case the contractor has gone into liquidation and this is no longer possible. A claim has been submitted to the liquidator to recover costs, however, it is very uncertain what will be able to be recovered.

The remaining £1,432k of the Schools Conditions Building Programme 2020/21 budget will be allocated to schools subject to the capital release process.

RESIDENT BENEFIT & CONSULTATION

The benefit or impact upon residents, service users and communities?

To provide the residents with school buildings that are safe and operational.

Consultation carried out or required

None required.

CORPORATE CONSIDERATIONS

Corporate Finance

Corporate finance concurs with the financial implications in this report, noting that the proposed works will be funded from the School Conditions grant, with no impact on Council resources.

Legal

The Borough Solicitor confirms that the Council is responsible for carrying out this function pursuant to Section 16 of the Education Act 1996.

Thus, there are no legal impediments to the capital release being authorised, although any contract that is entered into must comply with the Council's Procurement and Contract Standing Orders.

Infrastructure / Asset Management

Infrastructure / Asset Management authored this report

Capital Release Protocol

The release of all capital funds, and certain revenue funds, held by the Council is to be made by a formal democratic decision. No expenditure can be placed or committed by officers until this formal approval is given by Democratic Services. Release of funds must be for identified projects only and strictly not for the general release of funds for projects to be identified at a later date. No block releases of capital or funding will be allowed, except if authorised by the Leader of the

Council in advance to Corporate Finance. The release of funds will only be made if previous Council, Cabinet or Cabinet Member agreement has been given to the project and only if there is an approved budget.

BACKGROUND PAPERS

NIL

APPENDIX A

Schools Conditions Programme 2021/22 - Schools Latent Defect Remedial Works - Release No 2.

Location	Project / Expenditure Title	Information	Funds Release Sought £000's	Approve	Hold	More Information Required
Cherry Lane Primary School	Latent defect remedial works	Ventilation louvers remedial works	4			
Hermitage Primary School		Roof, drainage and firestopping remedial works	53			
West Drayton Academy		Roof and MUGA remedial works	13			
Internal project management fees			6			
Project contingency			9			
Total seeking release			85			
Previously released / pending release			33			
Budget			1,550			
Remaining budget			1,432			