



Democratic Services

Location: Phase II
Ext: 0693
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Ref: CMD 145

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. Peter Elliot-Smith, Residents Services
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 Conditions Building Programme
2021/22

RELEASE NO: 1

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.

Steve Clarke
Democratic Services Officer

Title of Report: School Conditions Building Programme 2021/22 (Release No 1)

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 Conditions Building Programme 2021/22

RELEASE NO: 1

Cabinet Members	Councillor Jonathan Bianco Councillor Martin Goddard
Cabinet Portfolios	Cabinet Member for Property & Infrastructure Cabinet Member for Finance
Officer Contact	Peter Elliott-Smith, Residents Services
Papers with report	Appendix A with capital release requests for approval

HEADLINES

Summary	To seek Cabinet Member approval for the release of capital funds to carry out urgent works to install a new gas supply pipeline at Harlyn Primary School.
Putting our Residents First	This report supports the Council objective of: <i>Strong Financial Management</i> .
Financial Cost	This report seeks the release of £33k from the 2021/22 School Conditions Building Programme budget for the gas main works at Harlyn Primary School and is inclusive of fees and contingency.
Relevant Policy Overview Committee	Residents, Education & Environmental Services Policy Overview Committee
Ward(s) affected	Northwood Hills

RECOMMENDATION

That the Cabinet Member for Finance and the Cabinet Member for Property and Infrastructure agree to the following retrospective capital release request of £33k from the 2021/22 School Conditions Building Programme budget for the funding of the emergency gas main works at Harlyn Primary School and associated costs (Appendix A).

Reasons for recommendation

Due to a gas leak at the school, remedial works are required to bring all three boiler rooms back online to provide the school with sufficient heating and hot water.

Alternative options considered

Further investigatory works were considered to pinpoint the gas leak, but the associated costs were deemed to potentially be higher than installing a new gas main to boiler house 3.

Not carrying out the works would leave the school without heating to approximately 1/3 of its classrooms and this would cause disruption to the school activities.

Policy Overview Committee comments

None at this stage.

SUPPORTING INFORMATION

Background Information

Following the initial reports of the gas leak at Harlyn School, emergency works were carried out to ensure the school had hot water and central heating in place for the return of pupils on 8 March 2021. These works consisted of adding isolation valves to supply each of the three boiler houses so that gas supply could independently be switched off to each boiler house. Pressure testing was also carried on the gas supply to each of the boiler houses to identify which pipeline was leaking.

Following these works and the subsequent testing, two of the three boiler houses were successfully returned to full operation as the testing revealed that the leak was somewhere along the gas pipeline leading to the third boiler house. The school had sufficient heating (supplemented by portable heating units) and access to hot water to fully open on 8 March 2021.

The gas line to the final boiler house runs underneath the playground for approximately 45m. Without further testing it is not possible to pinpoint the exact location of the leak within this pipeline. It was necessary to proceed with the proposed works detailed below.

Proposed Works

A safe route has been identified on site that could be used to reroute the gas supply completely bypassing the leaking existing gas pipeline currently feeding the third boiler house. This new pipeline will come from the second boiler house and be routed externally along the roof of the school, this also ensures the gas line will be accessible for future maintenance. This option is considered the most cost effective and efficient solution in bringing boiler house three back into use.

Costs

The estimated costs can be found in Table 1. The school has agreed to contribute towards the costs of the works as set out in the School Contribution Policy.

Table 1: Cost estimate for Harlyn School Gas Works

Item	Estimated Costs (£)
Emergency works	9,100
Gas supply rerouting	17,500
Capital programme fees (10%)	2,660
Contingency (15%)	3,990
Total	£33,250

Financial Implications

Schools Conditions Building Programme 2021/22 Budget £1,550k; Previously Released Nil; Capital Release Requested £33k – 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 the Schools Conditions capital grant and agreed school contributions in line with Council's policy.

The report seeks the retrospective capital release of £33k from the Schools Conditions Building Programme budget for the emergency gas works and gas supply rerouting at Harlyn School which took place in April 2021. The release request of £33k consists of quoted contract works, internal capital programme fees and contingency at 10% and 15% of the quoted contract cost respectively.

In line with the Council's policy, Harlyn School has agreed to the schools contribution of £25k towards the emergency gas works and paid 50% of the contribution, with the remaining 50% to be invoiced as the works have now completed.

The remaining £8k of the release request will be funded from the Department of Education Schools Conditions grant.

The remaining £1,517k of the Schools Conditions Building Programme 2021/22 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

The works ensured that the school was fully functional for its users.

Consultation carried out or required

Consultation and agreement of works with the school in line with School Contribution Policy.

CORPORATE CONSIDERATIONS

Corporate Finance

Corporate finance notes that due to the urgent nature of these works, this release approval is sought retrospectively. The works are funded from the School Conditions Building Programme capital budget, financed by the Schools Conditions grant and school contributions.

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

This report is authored by Infrastructure / Asset Management.

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) – Harlyn School Emergency Gas Works (Release No 1)

Location	Project / Expenditure Title	Information	Funds Release Sought £000's	Approve	Hold	More Information Required
Harlyn School	Gas Works	Emergency Works	33			
Total seeking release			33			
Previously released			0			
Budget			1,550			
Remaining budget			1,517			