

REPORT TO CABINET

17 April 2019

Subject:	Perryfields High School – Provision of Temporary Accommodation
Presenting Cabinet Member:	Leader of the Council Councillor Simon Hackett - Cabinet Member for Children's Services
Director:	Lesley Hagger, Executive Director of Children's Services Chris Ward, Director – Education, Skills and Employment Darren Carter, Executive Director – Resources
Contribution towards Vision 2030: 	
Key Decision:	Yes
Forward Plan (28 day notice) Reference:	SMBC/07/02/2019
Cabinet Member Approval and Date:	Leader: Yes 3.4.19 Councillor Simon Hackett - Cabinet Member for Children's Services: Yes 3.4.19
Director Approval:	Lesley Hagger, Executive Director of Children's Services: Chris Ward, Director – Education, Skills and Employment: Yes 3.4.19 Darren Carter, Executive Director – Resources: Yes 4.4.19
Reason for Urgency:	In order for the council to expedite procurement of temporary accommodation to support the school in reinstating its full building capacity following immediate closure of a 28 classroom block due to its poor condition.
Exempt Information Ref:	No exemption applies
Ward Councillor (s) Consulted (if applicable):	Ward councillors have been advised of both the need for the Urgent Action taken, and the presentation of this report to Cabinet.

Scrutiny Consultation Considered?	Scrutiny Consultation has not been considered.
Contact Officer(s):	Martyn Roberts, Team Lead – Planning, Education Support Services, Education, Skills and Employment Directorate Email: martyn_roberts@sandwell.gov.uk

DECISION RECOMMENDATIONS

That Cabinet:

- 1.1 Note the urgent action taken by the Executive Director – Education and the Executive Director – Resources, in consultation with the Leader of the Council and the Member for Children’s Services, to authorise the Director - Education, Skills and Employment to proceed to an invitation to tender for the purchase of 8 temporary mobile classroom units for installation at Perryfields High School, Oldbury be noted;
- 1.2 Approve the allocation of £800,000 from the council’s Basic Need capital grant to purchase temporary classroom accommodation for use at Perryfields High School Specialist Maths and Computing College, Oldacre Road, Oldbury B68 0RG;
- 1.3 that subject to 1.1, in accordance with the council’s Procurement and Contract Procedure Rules 2018-2019, to authorise the Director – Education, Skills and Employment to award a contract, and agree terms, in conjunction with the Section 151 Officer and in consultation with the Cabinet Member for Children’s Services, for the purchase of the temporary classroom accommodation following completion of a compliant competitive tender exercise; and
- 1.4 that subject to 1.1 and 1.2, the Director – Law and Governance and Monitoring Officer enter into a contract on terms agreed by the Director – Education, Skills and Employment, as required, to acquire the temporary classroom accommodation.

1 PURPOSE OF THE REPORT

- 1.1 The accommodation is urgently required to complete the temporary replacement of 28 general and specialist classrooms lost through the closure of Jubilee Block in December 2018.

- 1.2 Council approval is therefore sought to authorise the Director – Education, Skills and Employment, to award a contract and agree terms for the purchase of temporary classroom accommodation for use at Perryfields High School Specialist Maths and Computing College (Perryfields High School), following a compliant competitive tender exercise.

2 IMPLICATION FOR THE SANDWELL VISION 2030

- 2.1 The recommendations in this report relate to the purchase of additional temporary classroom accommodation following closure of the Jubilee Block at Perryfields High School. The accommodation will complement the first phase of accommodation installed in January following an emergency procurement exercise in December 2018.
- 2.2 The works will contribute significantly towards ambition 4 of the council’s Vision for 2030 ‘Raising the quality of schools “Our children benefit from the best start in life and a high-quality education throughout their school careers with outstanding support from their teachers and families”’.

3 BACKGROUND AND MAIN CONSIDERATIONS

- 3.1 The Jubilee Block located at Perryfields High School is a two-storey demountable building, consisting of 28 classrooms, which opened in September 2012.
- 3.2 At the end of autumn term 2018 the Block was closed to users due to issues with its general state of repair.
- 3.3 Under the council’s Procurement and Contract Procedures (Rule 15), the Executive Director – Resources, and the Director – Education, Skills and Employment approved an exemption to enable the urgent procurement of 12 temporary mobile classrooms, for an initial hire period of six months. The contract was awarded to Portakabin at an estimated project cost of £249,785.50 (excluding VAT).
- 3.4 The school took occupation of the units mid-January (Phase 1). An assessment of the school’s accommodation following closure of the Jubilee Block has determined that the school has a shortfall of eight classrooms to maintain its full published pupil capacity of 1,200. The school no longer operates Post 16 provision, which provides some limited scope to reorganise its facilities. The school has re-organised its timetable to bring into use large spaces such as the Drama Studio for general teaching whilst building capacity is reinstated.

- 3.5 Since handover of the temporary classroom units for occupation, the school is finding it increasingly difficult and restrictive to deliver a full curriculum with the continuing shortfall in teaching accommodation.

To reduce the amount of time taken to procure the additional accommodation, in late March, an Urgent Action Report by the Executive Director of Children's Services was approved by the Chair of the Children's Services Scrutiny Board, Cabinet Member for Children's Services and the Leader of the Council, to invite tenders from modular accommodation suppliers for the council to acquire eight classroom units.

- 3.6 This report seeks Cabinet approval to authorise the Director - Education, Skills and Employment, in conjunction with the Section 151 Officer, and in consultation with the Cabinet Member for Children's Services, to accept a tender and agree terms, for the proposed purchase of temporary classroom accommodation for use at the school, following completion of a competitive tender exercise.
- 3.7 The units will be retained at the school whilst a solution to the closure of Jubilee Block is resolved to reinstate the school's pupil capacity to 1,200 places, and then the accommodation will be available for use for decant purposes to support the future Schools Capital Programme.
- 3.8 As reported to the Audit and Risk Assurance Committee on 10 January 2019, Jubilee Block has been taken out of use due to its poor state of repair, particularly the structure, which has significantly deteriorated since it opened. The block was installed by Interserve Construction Ltd (Interserve) following cancellation of Wave 5 of the Building Schools for the Future programme. Interserve were instructed by Sandwell Futures Ltd, the Local Education Partnership, ('LEP') to install the block at Perryfields High School. Jubilee Block replaced several single and double mobile classrooms previously located on the school site.
- 3.9 The need to close Jubilee Block meant there was insufficient time to follow a full procurement exercise to obtain the minimum of three tenders for Phase 1. Three main modular / mobile classroom suppliers were approached with a request to quote for the installation and temporary hire of a minimum of 12 classroom units for occupation by end of January. Only one company, Portakabin, was able to provide a quote since the other two companies were unable to source and supply sufficient units for occupation in time. The tight deadline for procurement had to be implemented to ensure that disruption to school was kept to a minimum.

- 3.10 Strategic Finance has confirmed that Basic Need capital grant in the amount of £800,000 is available to fund the works.
- 3.11 As to the major condition issues associated with Jubilee Block, the LEP is now pursuing Interserve for an acceptable remediation package. An option appraisal will also be developed to address the long-term solution for replacement of the Block.
- 3.12 An Equality Impact Assessment (EIA) initial screening has been undertaken. The screening identified that there will be no adverse impact on people or groups with protected characteristics as a result of the proposals contained within the report. A full EIA is not therefore required. However, it has revealed that as the council has a statutory duty to provide a sufficient number of school places for all children in Sandwell, all groups are potentially affected by the immediate shortfall in the school's current building capacity. This proposal demonstrates that this is uniformly applied in response to where pupil demand already exists.

4 THE CURRENT POSITION

- 4.1 Following initial results of a condition survey for Jubilee Block the Council took the decision to close the building to staff and pupils with immediate effect. With the shortfall in accommodation the school has temporarily re-organised its timetable to avoid a full closure.
- 4.2 Due to the urgent nature of the works, of the three main modular / mobile classroom suppliers the council approached, only Portakabin were in a position to supply and install the first phase of mobiles required for occupation by early February 2019. An order was subsequently raised to the company following approval to proceed with an exemption to the Procurement and Contract Procedure Rules.
- 4.3 The school took occupation of Phase 1, 12 temporary classroom units mid-January.
- 4.4 The temporary arrangements the school has introduced to manage closure of the Block are not sustainable, with measures such as the temporary use of the main School Hall and Drama Studio for overflow general teaching spaces, so it is necessary to provide additional teaching accommodation.
- 4.5 If the school is unable to remain open fully to all pupils the Authority will fail in its statutory duty to provide sufficient school places in the area.

- 4.6 Following member agreement to an Urgent Action Report, a tender exercise has commenced, inviting bids from modular building suppliers approved within the 'ESPO Framework Agreement 953_18 Modular Buildings', with regard to the council's proposed purchase. Cabinet is recommended to authorise the Director – Education, Skills and Employment to accept a tender and agree terms for the purchase of the temporary accommodation. It is estimated that the total cost to purchase and install the accommodation is in the region of £800,000.
- 4.7 Interserve is being pursued by the LEP to rectify the condition issues with Jubilee Block, and for all costs incurred by the Authority for the provision of temporary accommodation following closure of the block, including the units proposed in this report. The report proposal will provide a solution for the school's accommodation needs whilst a permanent solution for Jubilee Block is secured.
- 4.8 Cabinet will be aware that Interserve Plc has now been dissolved. Through a pre-pack application a new company Interserve Group Limited has been formed. The company has assumed the ongoing liabilities of the Interserve Plc.

5 CONSULTATION (CUSTOMERS AND OTHER STAKEHOLDERS)

- 5.1 At the school level the senior management team has kept staff, parents and carers up to date with regards to developments since the decision to close the Jubilee Block.
- 5.2 Ward councillors were advised of: the urgent decision to close the Block, and the school's early closure for the Christmas holiday due to the impact the decision would place upon the extended school community, and the Urgent Action taken to commence the current tender exercise and presentation of this report to Cabinet.
- 5.3 Portakabin arranged a leaflet drop to local residents advising of the delivery and installation dates for the temporary accommodation during January.

6 ALTERNATIVE OPTIONS

- 6.1 Taking 'no action' is not an option since the Authority would fail in its statutory duty as referenced in para. 8.1 below. The school is unable to sustain curriculum delivery with the shortfall in teaching accommodation.

- 6.2 An alternative option is to undertake reactive repairs to Jubilee Block. However, survey findings suggest that due to the nature in which Interserve reconstructed and remodelled the original mobile classroom units to form the Block, the addition of external cladding and then a subsequent re-roof within 12 months of the school's occupation, the works may have rendered the Block to be beyond economic repair.
- 6.3 A third option is action by Interserve Group Limited. The LEP has issued the initial survey findings to Interserve. The company dispute most of the report findings. The Authority has requested the LEP to pursue Interserve for rectification measures, however timescales for a resolution of the matter possibly through arbitration would not be quick enough to provide a suitable solution for the school.
- 6.4 A fourth option is to acquire long-term hire of temporary accommodation. The council is unable to fund further additional hire costs from its revenue budget to retain temporary accommodation in the long term. Purchase of the remaining eight temporary classrooms required at Perryfields High School will provide a medium to long option to realise savings on hire costs that may be incurred on future secondary school expansion projects.
- 6.5 The final option considered is the provision of New Accommodation. The school is a community-maintained school, however the council's Schools Capital Programme is primarily funded through Basic Need allocations, grant funding received from central government to fund new school places. At present the intention is to pursue Interserve for a remediation package to address the condition issues identified with the Block, and reimbursement for Basic Need capital grant used for reinvestment in the Schools Capital Programme.

7 STRATEGIC RESOURCE IMPLICATIONS

- 7.1 Strategic Finance has confirmed £800,000 is available within Basic Need capital grant balances to fund procurement of the 8 units.
- 7.2 The total cost to purchase and install the units is estimated to be in the region of £800,000. Cabinet is requested to approve the allocation of £800,000 Basic Need capital grant to deliver the project.

8 LEGAL AND GOVERNANCE CONSIDERATIONS

- 8.1 In accordance with the Education Act 1996 the council has a statutory duty to ensure there are sufficient schools available for the children of Sandwell. Any school organisation changes arising out of the development of the project will be subject to the relevant statutory processes.
- 8.2 The council shall ensure that any procurement of contracts necessary for this proposal are undertaken in accordance with the Public Contracts Regulations 2015 and the Council's Procurement and Contract Procedure Rules.
- 8.3 The freehold interest in Perryfields High School is held by Sandwell Land and Property Limited. The company has granted a leasehold interest to the council.

9 EQUALITY IMPACT ASSESSMENT

- 9.1 An Equality Impact Assessment (EIA) initial screening has been undertaken. The screening identified that there will be no adverse impact on people or groups with protected characteristics as a result of the proposals contained within the report. A full EIA is not therefore required.

10 DATA PROTECTION IMPACT ASSESSMENT

- 10.1 A data protection impact assessment is not required for this proposal – all material is maintained in accordance with the council's data protection policy.

11 CRIME AND DISORDER AND RISK ASSESSMENT

- 11.1 The Corporate Risk Management Strategy (CRMS) has been complied with – to identify and assess the significant risks associated with this decision/project. This includes (but is not limited to) political, legislation, financial, environmental and reputation risks.

Based on the information provided, it is the officers' opinion that for the significant risks that have been identified, arrangements are in place to manage and mitigate these effectively.

If this report is not agreed, then the council will risk having an insufficient level of school places which is contrary to the council's statutory responsibility. If there is an insufficiency of school places this will have a detrimental impact on children's future access to school places within Sandwell and the council's reputation will be detrimentally affected.

The council's strategic risk register currently includes a red risk in respect of school place planning: SR040 - If the Department for Education is unable to provide sufficient funding and if the council is unable to identify suitable solutions to schools place planning and deliver these solutions on time and to scope then it will fail to discharge its statutory duties to provide sufficient school places. The recommendations above if approved, will assist in the continued mitigation of this risk.

An appropriate project management structure is in place, and the School Organisation Programme Board meets on a regular basis.

12 SUSTAINABILITY OF PROPOSALS

- 12.1 The council has successfully completed the urgent procurement of the first phase of temporary accommodation at Perryfields High School with Portakabin.

Portakabin have worked closely with the council and the school to ensure a swift installation to support the school's reinstatement.

Purchase of the second phase of temporary accommodation will, in the medium term, provide the council with a solution for the current closure of Jubilee Block, and long term for either decant provision for any major capital works at the school, or another Sandwell based school.

13 HEALTH AND WELLBEING IMPLICATIONS (INCLUDING SOCIAL VALUE)

- 13.1 The temporary accommodation provides a much-improved modern teaching and learning environment for staff and pupils whilst the Authority seeks an acceptable resolution for the disrepair of the Jubilee Block.

14 IMPACT ON ANY COUNCIL MANAGED PROPERTY OR LAND

- 14.1 The freehold interest in the school site is held by Sandwell Land and Property Limited, with the grant of a leaseback to the council for education purposes.
- 14.2 There will be no overall impact on the council's Asset Management Plan or register as a result of this report.

15 CONCLUSIONS AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS

- 15.1 The closure of the Jubilee Block at Perryfields High School has resulted in the school's building capacity being insufficient to maintain the school's published pupil capacity of 1,200 places.
- 15.2 Jubilee Block has been closed to school users on the grounds of poor condition. Sandwell Futures Limited (LEP) are pursuing Interserve Construction Ltd for a solution to the condition issues as the company supplied the block.
- 15.3 In view of the condition survey undertaken for Jubilee Block the opinion of the LEP is that the building requires significant remediation measures which will require a programme of works to rectify. In the interim the school is unable to function without the provision of temporary accommodation.
- 15.4 The school lost immediate access to 28 classrooms following the closure, and an emergency procurement exercise was undertaken in late December 2018 to procure the first phase of temporary accommodation to support the reinstatement of the school.
- 15.5 The school had previously decided to close its post 16 provision which has reduced the total number of temporary classrooms required to compliment the shortage from the building closure.
- 15.6 The shortage in accommodation runs in parallel with an increasing demand to provide new secondary school places to ensure the council can meet its statutory duty to provide sufficient school places.
- 15.7 Cabinet are recommended to approve the purchase of eight temporary classroom units for initial installation at Perryfields High School whilst a solution to the closure of Jubilee Block is secured, and for use to support future projects within the Council's Schools Capital Programme.

16 BACKGROUND PAPERS

16.1 None

17 APPENDICES

17.1 None

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