
Report to

Cabinet
Council

29 June 2009

Report of

Director of Children, Learning and Young People and Director of Finance and Legal Services

Title

Authority to appoint a preferred bidder for, and transfer land to, the Sidney Stringer Academy

1 Purpose of the Report

- 1.1 The purpose of this report is to update Cabinet on the progress of the Sidney Stringer Academy.
- 1.2 The report also seeks authority to appoint a preferred bidder to advance the design and construction of the new Academy.
- 1.3 In addition, authority is sought to appropriate the development land at the corner of Primrose Hill Street and Vine Street, and the site north of Primrose Hill Street as shown shaded red on the attached plan, for educational purposes pursuant to the Education Act 1996 and Local Government Act 1972, as part of the new Academy proposals. This will enable the land and buildings to be transferred under a long lease to the Academy Trust ("the Trust") to facilitate the development of the new Academy building.

2 Recommendations

That Cabinet:

- 2.1 Recommend to Council the approval of recommendations 2.2 to 2.4.

That Council:

- 2.2 Approve the changes to the land to be transferred to the Academy Trust, which are detailed in section 4.4.
- 2.3 Endorse the evaluation panel's recommendation to appoint Kier as preferred bidder to deliver the new Academy facilities. Note that there is no financial commitment on the Council at this stage and that further reports will be brought to Cabinet, seeking approval of the Full Business Case, award of contract and contract management structure to implement the building of the Sidney Stringer Academy.

- 2.4 Note the intention to enter in a development agreement with the Trust and the grant of leases on the terms detailed in section 5.8 of this report.

3 Information/Background

- 3.1 On 12 December 2006, Cabinet approved the submission of the Expression of Interest (EoI) to develop the Sidney Stringer Academy. This development forms part of the Swanswell Learning Quarter, to replace the current Sidney Stringer School. This approval led to significant feasibility work, resulting in the preparation of an Outline Business Case (OBC) for submission to the Department for Children, Schools and Families (DCSF) and Partnerships for Schools (Pfs). The OBC was approved for submission by Cabinet on 18 November 2008 and Council on 9 December 2008.
- 3.2 This OBC received approval from DCSF on 22 December 2008, establishing the budgetary parameters for the Academy capital investment.
- 3.3 This approval allowed commencement of the procurement of a contractor-led delivery team from the Pfs Academy Framework. This work commenced in January 2009 and has culminated in the submission of comprehensive bid proposals on 11 May 2009. Bid submissions were requested and subsequently received from Kier and Laing O'Rourke.
- 3.4 In line with the nationally recognised model for Academy developments, the Sidney Stringer Academy will be managed by a new legal entity – the "Sidney Stringer Academy Trust". This body, representative of the four sponsors of the Academy (Coventry City Council, City College Coventry, Coventry University and Jaguar Cars), will become responsible for all operational aspects of the new Academy.
- 3.5 The Government's Academy model requires the Trust to have a long lease on the Academy site.

4 Proposal and Other Option(s) to be Considered

- 4.1 The establishment of an Academy to replace the existing Sidney Stringer School was the subject of a formal consultation exercise and school closure procedure. The previous reports to Cabinet and Council have outlined the options considered as part of the project.
- 4.2 An Evaluation Team, comprising of representatives of Coventry City Council, City College, Sidney Stringer Academy Trust, predecessor school and external technical advisors, has, over the Invitation to Tender (ITT) period, worked with two competing bidders to develop proposals which deliver against the vision, objectives and technical brief established for the Academy building.
- 4.3 This team has undertaken a detailed evaluation of the bid submissions, using the Pfs standard evaluation documentation. The evaluation focused on the areas of design, works, handover and price. Both submissions were considered to be of a high quality. However, Kier's proposal appeared to respond to the educational vision better and offer greater value for money. The bidders scored as follows:

	Kier	Laing O'Rourke
Total	68 out of 100	61 out of 100

- 4.4 The land to be transferred to the Academy Trust includes the existing Sidney Stringer School site, a tranche of land on the north side of Primrose Hill Street, and the land currently occupied by the Neighbourhood Management building at the corner of Primrose Hill Street and Vine Street (shown shaded red as 30 & 31 Vine Street on the attached plan). Parts of this land not currently occupied by the school will need to be appropriated for educational purposes (see section 5.5 and 5.9 below for further information)
- 4.5 Once the contractor is selected the first stage is that the Trust is to be granted a short three year lease of the current Sidney Stringer School and a development agreement obliging the Council to construct the new academy. On practical completion of the development a long lease of the new academy will be granted to the Trust (see 5.9 later).

5 Other specific implications

	Implications (See below)	No Implications
Neighbourhood Management	✓	
Best Value		✓
Children and Young People	✓	
Comparable Benchmark Data		✓
Corporate Parenting	✓	
Coventry Community Plan		✓
Crime and Disorder	✓	
Equal Opportunities		✓
Finance	✓	
Health and Safety		✓
Human Resources	✓	
Human Rights Act		✓
Impact on Partner Organisations	✓	
Information and Communications Technology		✓
Legal Implications	✓	
Property Implications	✓	
Race Equality Scheme		✓
Risk Management	✓	
Climate change and Sustainable Development	✓	
Trade Union Consultation	✓	
Voluntary Sector – The Coventry Compact		✓

5.1 Neighbourhood Management

The Neighbourhood Management Team, currently housed in the building on the corner of Primrose Hill Street and Vine Street, will be relocated in advance of the construction period to allow for the demolition and clearance of the existing building.

5.2 Children and Young People

The objective of this project is to secure the best possible outcomes for children and young people in the area served by Sidney Stringer School. The City Council will only proceed with the scheme if it continues to align with this objective. The Sponsors have committed that the Academy will be a full and active participant in the North West Federation of Schools and City College.

5.3 Corporate Parenting

Looked After Children will have first priority in the Academy's Admissions Policy. This is a requirement from DCSF.

5.4 Crime and Disorder

A key consideration within the design of the building and its external areas has been the promotion of positive behaviour, and reduction of, crime and antisocial behaviour to take place. The selected design has been subject to consideration by Secure by Design.

5.5 Finance

The OBC and the Cabinet report of the 18th November 2008 confirmed the capital funding envelope for the scheme of £27.56m. This comprises £26.74m conventional grant (i.e. not PFI) funding from PFS and a further £0.82m from the Council. The Academy also receives an additional £1.9m of ICT capital funding under the BSF Programme.

The ITT submissions demonstrate that the new academy facilities can be met within this funding envelope, including a full sprinkler installation.

The Academy Trust will need to budget for the costs of maintaining the new building and for the revenue costs of the ICT managed service provided under BSF. The ITT proposals include the commitment to deliver increased area which is likely to have additional running cost implications. The Academy Trust will need to sign a letter to confirm that these costs will be met.

As part of the Swanswell initiative, the Council is obligated to fund a premium payment to Advantage West Midlands (AWM) upon disposal of sites within the Learning Quarter, where the land was originally purchased with AWM funds. The value of this premium will be calculated at the point at which the long lease is granted to the Academy Trust. The premium is currently estimated at £0.1m and is funded from the Council's existing Swanswell capital programme

The relocation of the Neighbourhood Management Team from 31 Primrose Hill Street to replacement premises nearby and the demolition of 31 Primrose Hill Street will cost in the region of £0.01m and is to be funded from CDD's capital programme.

5.6 Human Resources

All staff (teaching and non-teaching) employed by the existing Sidney Stringer School at the point of transfer, with the exception of the head teacher, will be protected by TUPE Regulations and will transfer to the employment of the Academy on their current terms and conditions. Any subsequent changes to this would need to go through the normal processes of consultation and negotiation. Other City Council staff that provide services to Sidney Stringer School under a Service Level Agreement arrangement may be subject to TUPE transfer to third party organisations. Full consultation will be undertaken with City Services Management team, staff and the trade unions.

5.7 Impact on Partner Organisations

Secondary schools in Coventry operate within a series of federations between themselves, Further Education colleges, the universities and other education and training providers. Such partnerships are essential to the delivery of effective education and are encouraged by the DCSF. The Sponsors have committed that the Academy will be a full and active participant in these arrangements.

5.8 Legal Implications

The disposal of the site is intended to be a long lease at a peppercorn rent. The terms of reference and guidance for Academy funding are that the funding will not purchase land and requires the Local Authority to purchase land for the school and/or lease land at a peppercorn rent with no lease premium to the Trust. Any proceeds for disposal of land would have to be given to the Department for Children, Schools and Families.

Part of the site is subject to a clawback with Advantage West Midlands as confirmed by paragraph 5.9.

On appointment of preferred bidder, there will be a series of clarifications to enable the Council to agree the form of the leases and Design and Build contracts (these documents are based on Partnerships for Schools standard documentation so there is little scope for amendment but they will reflect the tender clarifications and programme of works discussions taking place with Keir). The Council will be the contracting party to the Design & Build contract, and draw the funding from DCSF to meet the construction milestone payments.

5.9 Property Implications

The Academy will be a separate legal entity from the Council. As stated, initially the Council will grant the Academy Trust a three year lease of part of the present school. Once construction is completed, it will be necessary for the Council to transfer the required land to the Academy Trust on a 125 year lease for a peppercorn rent. This includes land on both the Learning Quarter and existing Sidney Stringer site. There will be a premium payable by the Academy Trust - but funded by the Council - to Advantage West Midlands (original funder of land purchase by Council) at the time of the grant of the long lease – see 5.5 Financial Implications. The new Academy buildings will be the responsibility of the Trust. The Council will be a key member of the Trust Board and in the event that the Trust is extinguished at any point in the future, then full responsibility for the School and its buildings revert back to the Council both as landlord and trustee.

The land formerly not occupied by the school (former Neighbourhood Office 31 Primrose Hill Street shaded red and hatched in Appendix 1) and site north of Primrose Hill Street will

need to be appropriated for use for educational purposes – this additional land is understood to be currently held for development purposes.

The learning quarter site remaining in the Council's ownership, after the Academy site has been created, is capable of independent development.

The Council will as stated in 5.1, need to vacate the Neighbourhood Management office at 31 Primrose Hill Street later in 2009 for demolition. Replacement premises have been identified and financial arrangements for this are detailed in sec 5.5.

5.10 Risk Management

The Council operates a risk register for this project.

5.11 Climate Change and Sustainable Development

The new Academy will replace old school buildings and is expected to meet BREEAM (Building Research Establishment Environmental Assessment Method) 'Very Good' and other government carbon reduction targets.

5.12 Trade Union Consultation

Public consultation, including meeting with Trade Unions, has been undertaken regarding the closure of the existing Sidney Stringer School and the opening of an Academy to replace it. Further consultation will take place as the project progresses.

6 **Timescale and expected outcomes**

- 6.1 Subject to the approval of this report, the preferred bidder will be appointed to advance the design and construction of the new Academy buildings. It is proposed that work will commence on site during the autumn of 2009 and the new facilities will be available for occupation during the 2011/2 academic year.

	Yes	No
Key Decision	✓	
Scrutiny Consideration (if yes, which Scrutiny meeting and date)		✓
Council Consideration (if yes, date of Council meeting)	✓	

List of background papers

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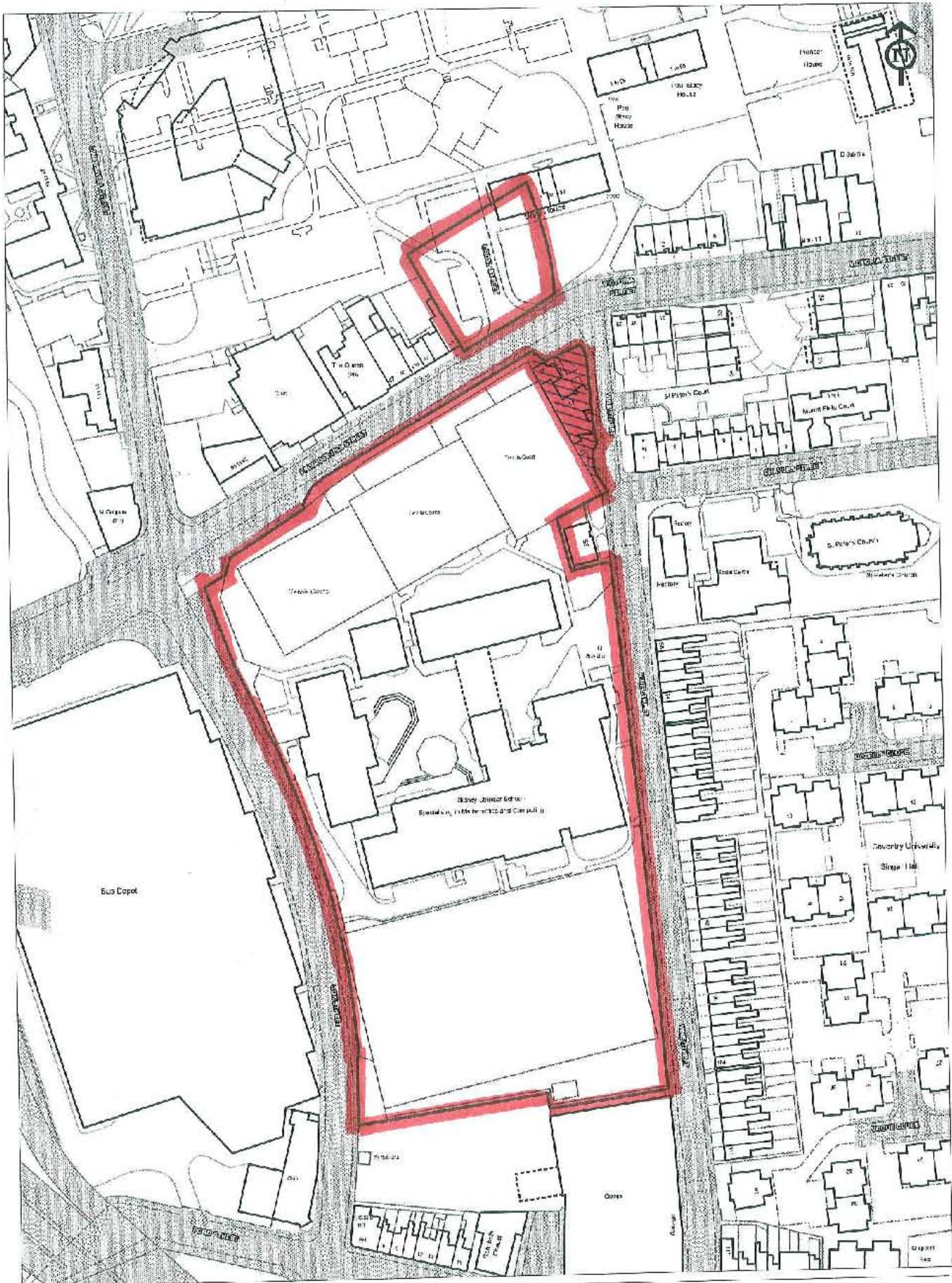
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Papers open to Public Inspection

Description of paper

Location

None



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Sidney Stringer Academy
 Proposed Transfer to Academy Trust

Scale 1: 1250
 O.S. Ref. No: 3379 NE, SELPR- 783 - 2009

Drawn by :LPL

Date
 27/05/2009

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