



Meeting of the

CABINET

Wednesday, 2 November 2011 at 5.30 p.m.

SUPPLEMENTAL AGENDA

	PAGE NUMBER	WARD(S) AFFECTED
7.1 Building Schools for the Future - Acceptance of Capital Estimates for Bow School, Beatrice Tate School, and George Greens School (CAB 045/112)	1 - 16	All Wards

If you require any further information relating to this meeting, would like to request a large print, Braille or audio version of this document, or would like to discuss access arrangements or any other special requirements, please contact:

Louise Fleming, Democratic Services

Tel: 020 7364 4333, E-mail: louise.fleming@towerhamlets.gov.uk

This page is intentionally left blank

Agenda Item 7.1

Committee/Meeting: Cabinet	Date: 2 nd November 2011	Classification: Unrestricted	Report No: CAB 045/112
Report of: Corporate Director Development & Renewal Originating officer: Ann Sutcliffe, Service Head, Strategic Property and Capital Delivery		Title: Building Schools for the Future - Acceptance of Capital Estimates for Bow School, Beatrice Tate School, and George Greens School.	

Lead Member	Cllr. Oliur Rahman
Community Plan Theme	A Prosperous Community
Strategic Priority	<ul style="list-style-type: none"> • 2.2: Strengthen and connect communities • 3.1: Support lifelong learning opportunities for all

1. **SUMMARY**

- 1.1 This report provides Members with an update on the Building Schools for the Future (BSF) programme and the contracts to be entered into for Batch 4 of the BSF Schemes comprising of Bow Boys at Bow Lock, Beatrice Tate and George Greens School providing the Capital estimates are within the Authority's affordability envelope.
- 1.2 This report also provides Members with an update as to the estate strategy with the relocation of Bow Boys School to Bow Lock and for Beatrice Tate School to Southern Grove. With the relocation of Beatrice Tate to Southern Grove Members are provided with an update on exploring alternative accommodation for the services currently operating from Southern Grove.
- 1.3 This report also notes that the two sites that are released will be considered in line with the Mayors priority for maximising the delivery and development of new homes within the Borough.
- 1.4 This report provides an update to Members on the progress on addressing the highways and access issues for the Bow Lock site.
- 1.5 It provides Members with an update of the affordability gap following the CSR announcements, which led to a reduction of capital funding and the proposed strategy for dealing with this issue.

2. **DECISIONS REQUIRED**

Cabinet is recommended to:-

- 2.1 Approve the adoption of capital estimates for the batch 4 schemes as set out in paragraph 6.1 and entry by the Council into Design and Build Contracts, ICT Services Contracts, Facility Management Agreements for Bow School, George Greens and Beatrice Tate School.
- 2.2 Delegate to the Assistant Chief Executive (Legal) the authority to enter into contract, along with any documents incidental to these BSF schemes, once the terms of each agreement or document has been agreed by the Corporate Director Development and Renewal in consultation with the ACE (legal services), provided and conditional upon the LEP's capital estimates for each scheme being within the Council's affordability envelope.
- 2.3 That officers explore the use of the remainder of Southern Grove site and existing Beatrice Tate site for housing and report back to Cabinet with options within six months.
- 2.4 Authorise the Acting Director of Development & Renewal, after consultation with the Corporate Director Resources and Cabinet Member for Resources, to resolve the financing of the funding gap with a view to maximising use of available capital resources and subject to any required confirmation in the annual budget process going forward.
- 2.5 That officers explore possible options for the existing Bow School site of the school onto Bow Lock, the options to be considered are for continued education use and/or housing.

3. **REASONS FOR THE DECISIONS**

- 3.1 Cabinet are asked to support the final phase of the Building Schools for the Future programme for Tower Hamlets. The Authority has been successful in securing the majority of its programme, though it had to accommodate a reduction in funding for the final phase schemes, known as Batch 4, George Greens, Beatrice Tate and Bow School.
- 3.2 The Authority is working to a tight programme of delivery on these projects, and we need to achieve a contract close by the end of this calendar year, if we are to ensure we do not lose the much needed funding for these 3 schools.
- 3.3 Cabinet acceptance of the capital estimates for Design and Build Contracts with the Tower Hamlets Local Enabling Partner for Bow Boys School, Beatrice Tate School and George Greens School will enable the Council to maintain its commitment to deliver the Community Plan priorities for supporting lifelong

learning opportunities for all; refresh and rebuild all of our secondary schools, as well as deliver the Enjoy and Achieve and Excellent Children's services priorities of the Children's and Young Peoples Plan.

- 3.4 Cabinet acceptance to enter in Design and Build Contracts with the LEP will enable the Authority to maintain its strategic commitment to meet future demand for secondary school places in the borough following the Cabinet report of August 2010, which highlighted a predicted significant increase of pupils at both secondary and primary level as illustrated in the Pupil Place Planning projections for Tower Hamlets.
- 3.5 On 12th January 2011 Cabinet resolved that the Corporate Director Development and Renewal and Acting Corporate Director Children, Schools and Families be instructed to:
- (a) Accelerate implementation of the proposal for relocation of Bow Boys School to the Bow Lock Site in order to ensure the school is operational by 2014.
 - (b) Accelerate implementation of the proposal for relocation and spatial expansion of Beatrice Tate School on the Southern Grove Site in order to ensure the school is operational by 2014.
 - (c) The release of Beatrice Tate School site and the remainder of Southern Grove site would then be developed for housing.

In order to implement the Cabinet decision of 12 January 2011 Cabinet are now requested to approve the recommendations as set out in paragraph 2.2 to 2.9.

4. ALTERNATIVE OPTIONS

Tender Acceptance for BSF Batch 4 Schools

- 4.1 The agreed method of delivery for the Building Schools for the Future projects is through the LEP, which is the procurement vehicle set up in January 2009, following competition for a partner. This vehicle is responsible for the delivery of the BSF capital investment programme of c£300m.
- 4.2 The Authority could decide to procure the delivery of the remainder of the BSF programme via an alternative route; though this would have the following implications/impact:
- Department for Education would have to consent to the change in delivery model
 - It would create a delay in the programme, as due to the value of the works, they would need to be OJEU'd
 - It would create additional costs for the Authority due to the need to procure differently

- It would mean that we would not hit our target dates for the provision of new school places
- We would lose the capital funding allocated to the programme, and the Council would then need to allocate more of its own resources to meet its statutory needs.

5. BACKGROUND

- 5.1 The Council completed the procurement process, and selected its partner for the establishment of the LEP in January 2009. This achieved immediate commencement on site, of the 2 schools known as the sample schools of Bethnal Green and St Paul's Way, along with the ICT Managed Service contract for all of the schools within the programme.
- 5.2 In addition to the sample schools, mentioned above in 5.1, the programme is organised into 4 batches. Batches 1 and 3 have all reached contract closes and are on site. This report relates to the final Batch 4 schemes, of which there are 3 schools. Cabinet received in January 2011, a detailed report with particular regard to the 2 schemes that require to be relocated, and these are Bow School and Beatrice Tate School.
- 5.3 The last schemes included within the Batch 4 schemes, in terms of why they are still an Authority priority are for the reasons below:

Bow School

- 5.4 The Authority's projected pupil growth, shows the need for the provision of two 1200 secondary schools between 2014 and 2018. Therefore the relocation and expansion of Bow School, is pivotal to meeting the needs of our growing secondary education community, this is alongside the expansion of Stepney Green School by an additional form of entry.
- 5.5 Bow School is an improving secondary school, with a newly appointed headteacher and deputy. Its exam results are improving, and it is now oversubscribed for the first time in a number of years.
- 5.6 The school is on a split site, which is further constrained by its limited external play areas for the students, particularly with regard to organised sports activities.
- 5.7 The provision of schools places is a statutory duty placed on the Authority, and we need to ensure that we have made provision for those students. The expansion of both Bow School and Stepney Green will address the first pressure point arising out of the need for additional places, but the Authority needs to continue to plan for the next anticipated growth of places, which is anticipated in 2015/16.

- 5.8 The proposal is to relocate the Bow School onto the Bow Lock site, which is adjacent to the River Lea and A12. The site is large enough to accommodate the expanded Bow School, along with 6th form provision, as well as community access.
- 5.9 In order to make the school a viable option, there has been considerable focus on the access requirements for the school. These include the enhancement of the underpass, which goes directly onto the new site, and the introduction of zebra crossings in order to ensure that access can be provided across the A12 and Twelvetrees Crescent. This work is outside of the BSF normal funding envelope and would have to fall to the Council's own funds. As this work will connect the two communities on either side of the A12, including improved access to the new Bromley by Bow Tesco redevelopment, it has to be viewed as a strategic regeneration intervention by the Authority. It is for these reasons we are seeking to use s106 money, as it has the benefit of unlocking for redevelopment the East side of the Borough.
- 5.10 The programme assumes a contract close by the end of this calendar year, with a commencement on site by March 2012. The school and the grounds will be complete by March/April 2014.

Beatrice Tate School

- 5.11 The school provides for students with profound multiple learning difficulties, between the age of 11-19 years old. They currently admit 61 students, and this number is driven by there being insufficient space for students, staff and support workers. On completion of the new building, the school will be able to accommodate additional students and to offer more opportunities at post 16 as well.
- 5.12 It is not possible to further expand the accommodation on the existing site and/or to implement building works around the students due to their special needs. It is for this reason, that the Authority chose to not proceed with undertaking expensive decant works, that it would be preferable to provide new extended facilities that would allow our most vulnerable students to move just once.
- 5.13 The Authority agreed at January 2011 Cabinet to relocate the school into purpose built accommodation at Southern Grove. This will allow the Beatrice Tate existing site to be released.
- 5.14 The provision of the new school on Southern Grove requires the relocation of 3 groups operating out of the building, which are as follows:
- Poplar Day Centre
 - PD Day Opportunities
 - Commissioned Services

It is proposed that these groups relocate to Jack Dash House, on which the Council has a long term lease.

George Greens School

- 5.15 The proposed works at the school is predominantly focussed on significant health and safety related issues, to ensure that the school is fit for purpose and functional. There will be no improvement works, as the funding does not allow for this.
- 5.16 At the time of reporting in January 2011, it was known that savings were to be made against the final Batch of schemes, and for this reason, it was agreed that any affordability related issues would be met by capital receipts released from 2 sites associated with the redevelopment of sites.
- 5.17 The Government had announced in 2010, that the Building Schools for the Future programme was to be terminated. At the time of the first announcement, the Authority was advised that its programme was unaffected. However, during the CSR announcement in October, the Government again announced that a further round of savings was to be made, and this would now also include the unaffected Authorities.
- 5.18 The level of savings that each Authority would need to make would be determined by the stage the individual schemes had reached, though they did identify a percentage target that would need to be met. Those schemes at an early stage of design development, such as George Greens, Beatrice Tate and Bow Boys was around 15%, however, we were able to secure a target saving of approximately 7%.
- 5.19 The announcement above presents challenges to the Authority, but as we had already anticipated the need to meet the projected affordability gap from a mixture of Capital Receipts and a bid for s106 monies, due to the changing attitude by the Government to the BSF programme, we have been able to continue to design the scheme, so as to ensure we are still on programme to deliver the projects.
- 5.20 Following the review of Partnerships for Schools BSF funding for Tower Hamlets, PfS issued the revised capital allocations in January 2011 for the Batch 4 schools. The original and revised allocations for the Batch 4 schools was £59,975,756 and following reduction, gave us a revised budget of £50,415,927.
- 5.21 The reduction in funding for the batch 4 schools is £9,559,829. Despite this reduction by the DfE the revised funding allocation still enables the Authority to deliver viable BSF capital schemes at each of the schools with additional capital contributions to the PfS revised allocation from the Authority. Both Bow Boys School and Beatrice Tate School received a bigger percentage cut as the schemes were at an earlier stage of design development. The George Green funding allocation remained largely intact due to the scheme being restricted to addressing complex health and safety compliance issues within the existing school.

5.22 Following PfS revised funding allocation for each of the batch 4 schools the Authority has submitted Stage 0 Business Cases for Bow Boys and George Greens to Partnerships for Schools (Beatrice Tate being covered by previous Outline Business Cases) to demonstrate that the Authority is able to deliver viable BSF schemes for Bow Boys School and George Greens.

6. BODY OF REPORT

6.1 The LEP are to submit their final tenders for Bow Boys School, Beatrice Tate School and Georges Greens School in October 2011. The maximum capital estimates from the LEP for each scheme are listed below:

- Bow Boys School – up to £31,740,000
- Beatrice Tate School - up to £9,000,000 (including school contribution of 250k)
- George Greens School – up to £15,871,750

6.2 Final Business Cases for each scheme will be submitted to Partnerships for Schools within 10 days of receipt of the final tenders for each scheme to secure formal approval from PfS within 6 weeks of submission of the Final Business Case. Formal PfS approval will release the PfS promissory note securing the funding for each scheme.

6.3 Following the PfS revised allocations for Bow Boys School and Beatrice Tate there is a shortfall in funding to deliver suitable and space compliant schemes between the revised PfS allocation and the target build costs. The Authority is committed to building the schools that are fit for purpose and meet national guidance on space standards for schools of that nature and number of pupils. The difference between PfS revised allocation and target build cost for the new Bow School is accounted for by the fact that the PfS allocation does not allow for a school to be built at this cost with all facilities such as an assembly hall or adequate sized sports pitches necessary for a fully functioning secondary school for nine forms of entry.

Beatrice Tate School

6.4 The existing Beatrice Tate site has been appraised in detail as part of the BSF new project approval process. The existing school site on St. Judes Road, Bethnal Green is extremely restrictive from the perspective of developing a suitable and space compliant school for children with Profound and Multiple Learning Disabilities (PMLD). Furthermore the existing site will not enable the school to expand its pupil roll in future years as will be required. As a result it has not been possible to develop a satisfactory refurbishment scheme on the existing site which will meet the current and future requirements of the school, or manageable from a construction perspective with a school in situ.

6.5 The PfS revised funding allocation does not allow for a school building at the necessary space requirements for a PMLD school. Therefore the proposals for the new Beatrice Tate School at Southern Grove are being designed to meet

current teaching and learning space standards (3005 square metres) for children with profound and multiple learning difficulties including increased external outdoor play space which the current school site is grossly lacking. The new proposed Beatrice Tate School is also being designed with capacity to take up to 75 students (existing 66 students) to accommodate anticipated increased future demand.

- 6.6 In order to meet the shortfall in funding from the target build cost of £9 million and the PfS allocation of £7.4 million, additional capital resources are required (see paragraph 6.16 below).
- 6.7 Beatrice Tate School is being designed for the Southern Grove site currently the location of the Wilfred Reeve Centre and Resource Centre. There are a number of commissioned and grant funded services operating from the Wilfred Reeve Centre and Resource Centre at 40-50 Southern Grove, which require relocation out of the site. The preferred location is Jack Dash House, which will be able to accommodate all of the users of the existing Southern Grove site.
- 6.8 There are additional capital costs associated with the relocation which are necessary to ensure appropriate access requirements are met. The estimated capital costs for moving Poplar Day Centre to Jack Dash House is £400k. It is anticipated that the on-going running costs at the new site will be in line with the existing budget.

Bow School

- 6.9 Bow Boys School is being relocated to Bow Lock site with a new school build with an expanded capacity of an additional four forms of entry to meet increasing demand for secondary school places between 2014 and 2020. The PfS funding of £27.2m for the new Bow School does not enable the delivery of a size compliant 9FE secondary school. The BSF technical consultants on costs have advised that the minimum design and build cost for a 9FE secondary school is £31.7 million.
- 6.10 There is a shortfall in funding between the PfS allocation of £27.5 million and the target build cost of £31.7 million.
- 6.11 A detailed Highways and Access strategy is currently being developed jointly by the Authority and the LEP to address all pedestrian access issues to the site. Simultaneously high level strategic dialogue is underway with London Thames Gateway Development Corporation (who are the planning authority for Bow Lock) and Transport for London as key stakeholders, with regards to the highways and access improvements required to the Bow Lock site and local surrounding area.
- 6.12 The BSF funding and scope for the new Bow School does not include the highways infrastructural improvements needed to enable improved and safe access to the Bow Lock site. Infrastructure improvements are necessary to

enable the borough to realise its ambitions for greater connectivity to the eastern side of the A12 as encapsulated within the Bromley by Bow Masterplan. The LEP's highways consultants along with the BSF team and LBTH highways officers have been working together to develop appropriate solutions to ensure residents and pupils are able to access the Bow Lock site from the eastern side of the A12 and from nearby Bromley by Bow Station. The highways and access improvements to the Bow Lock site will include the following elements;

- a) Pelican or signalled crossing junctions and points across Twelve Trees Crescent.
- b) Safety guard rails along the western side of the A12 at the intersections with Devas Street and on the eastern side of the A12 at the intersection with Twelvetrees Crescent and Gillender Street.
- c) Environmental improvements to the subway from Epsom Street and Gillender Street.

- 6.13 The above access and highways improvements have been developed following extensive modelling of pedestrian and pupil flow rates from local residential areas and the anticipated catchment areas for the new Bow School with the vast majority of the 1650 pupils expected to arrive on foot. These improvements should not only be seen in the context of the greater accessibility to the new Bow School but also in the context of greatly improved connectivity of the whole eastern side of the A12 to the rest of the borough allowing the area to become an integral part of the local Bromley-by-Bow Masterplan area which is already undergoing substantial residential redevelopment.
- 6.14 Partnerships for Schools will not allow BSF funding allocation to meet the costs of these highways and access improvements. It is therefore proposed that a bid for these costs is made from Section 106 contributions. Initial estimates as outlined in paragraph 6.11 indicate that these works will cost between £400k and £600k.
- 6.15 Transport for London has been consulted on the above proposals as part of the formal planning pre-application process for the new Bow School. TfL are also being approached to explore a longer term solution for a pedestrian junction across the A12 between the northern edge of Devas Street and corner of Gillender Street and Twelvetrees Crescent similar to the crossing at Lochnagar Estate. LBTH Highways are working with external consultants to develop potential solutions for a long term solution across the A12.
- 6.16 Overall, there is a shortfall in funding between the target build costs and associated works that are required and the overall PfS allocation for Batch 4 schools of some £7.2million, which subject to agreement, will need to be met either through **evaluation** *[is this the correct word or what does it mean?]* or anticipated capital resources, or through prudential borrowing. Cabinet is

asked to authorise the Acting Corporate Director of Development & Renewal, after consultation with the Corporate Director of Resources and the Cabinet Member for Resources authorisation, to resolve the funding shortfall, with a view to maximising use of available capital reserves and subject to any authorisation in the annual budget going forward.

7. COMMENTS OF THE CHIEF FINANCIAL OFFICER

- 7.1 This report provides an update for Members on Batch 4 of the Building Schools for the Future programme, which relates specifically to the redevelopment of George Green's school, and the relocation and development of Bow Boys and Beatrice Tate schools. It seeks adoption of capital estimates for these schemes to the value of £15.9m, £31.7m and £9m respectively. In addition to this capital estimates to the value of £0.4m and £0.6m must be adopted for the capital works associated with relocation of services from Southern Grove (paragraph 6.7) and highways infrastructure works required for the new Bow Boys School development (paragraph 6.11). The total estimated capital cost of works is therefore £57.6m.
- 7.2 In order to comply with Financial Regulations, approval is also sought to progress to contract, subject to the final estimates from the LEP being contained within affordable cost envelope limits on a scheme by scheme basis. Paragraph 7.4 of the report outlines why approval is sought prior to agreement of the overall 2012-15 capital programme.
- 7.3 The table below shows the anticipated capital costs compared to the latest Partnerships for Schools grant allocation.

	Bow Boys £m	Beatrice Tate £m	George Green's £m	Additional Costs £m	Total £m
Capital Estimate	31.74	9.00	15.87	1.00	57.61
PfS Capital Allocation	27.26	7.44	15.72	-	50.42
	4.48	1.56	0.15	1.00	7.19

- 7.4 It can be seen from the table above that the overall funding shortfall is £7.19m. An assessment of current capital programme and resources to fund that programme indicates that, in conjunction with the use of Prudential Borrowing during the period of the developments, sufficient capital resources

can be identified to Finance the PfS schemes. However, that will be subject to Council approval of the medium term financial strategy. If agreed, this will be reflected in the 2012-15 capital programme report that will be presented to Cabinet in December 2011.

- 7.5 The PfS capital allocation is to finance building costs, furniture, fixtures and equipment, and associated fees only. Partnerships for Schools and the Department for Education do not provide funding for site acquisition or for any highways or infrastructure costs, which would therefore need to be met from the Council's own resources. The report therefore seeks authority to delegate to the Acting Director Resources and Cabinet Member for Resources, to resolve the financing of the funding gap with a view to maximising use of available capital resources and subject to any required confirmation in the annual budget process going forward.

If Mayor and Cabinet agree to the recommendations of this report then that is a decision taken in advance of the remainder of the capital programme and will therefore reduce resources available for other investment priorities.

- 7.6 The Bow Locks site, which is sought for relocation of the Bow Boys School, is currently designated as Housing Revenue Account land. In order for the project to be completed on this site, the land will have to be appropriated from the HRA to the General Fund. That appropriation must be on the basis of designated market value, and will require a transfer of debt equivalent to that valuation from the HRA to the General Fund. For the HRA this will mean there should be additional borrowing capacity to support new investment in council housing stock, or a reduction of capital financing charges of some £200,000. However, Members should note that for three years after the commencement of the new HRA self-financing regime, the Secretary of State reserves the right to review the business valuation of any HRA where there has been a significant change and this could entail an adverse revision of the Council's debt adjustment. The General Fund must take on the annual capital financing charge associated with the transferred debt, which will equate to approximately £360,000 per annum based on current valuation. This growth will be an additional budget pressure on the General Fund and will need to be provided for within the Council's medium term financial plan through compensatory revenue savings.

- 7.7 Members will note that there could be a further financial risk due to the possibility of delays arising from the timing of that part of the redevelopment that coincides with the Olympics, and this will need to be managed through effective project planning and control.

8. CONCURRENT REPORT OF THE ASSISTANT CHIEF EXECUTIVE (LEGAL SERVICES)

- 8.1 This report is concerned with the process of the remainder schemes described as the non-sample schemes within the BSF programme. These schemes will be procured through the LEP partner, subject to the requirements of the New Project Approval Process contained within the Strategic Partnering Agreement.

- 8.2 Using the LEP to procure these schools presents no procurement issues as the arrangement was correctly procured in 2009 and covers the nature and scope of the proposed works.
- 8.3 This report identifies that it would be possible to embark on a new procurement for these works. However, this would be both impractical as the Council would not meet the timescales set down by PfS and more costly in respect of officer time.
- 8.4 For the Batch 4 schools the documentation and the contracting route has substantially worked on and agreed due to the previous 3 batches of schools and therefore reduces the risk of delays through the contracting process.
- 8.5 Consent of the Secretary of State for Education will be required for the disposal of the Beatrice Tate School site under Schedule 22 to the School Standards and Framework Act 1998 (as amended by schedule 4 to the Education and Inspections Act 2006). It is open to the Secretary of State to direct that the site continues in educational use for an Academy or a Free School.
- 8.6 The Southern Grove Site is not held for educational purposes and is therefore subject to section 123 Local Government Act 1972. This requires any disposal to achieve the best consideration reasonably obtainable unless the Secretary of State consents to the disposal. This land is currently held in the Housing Revenue Account if it is to be disposed of for other than housing purposes then an appropriation will be necessary and compensation paid to the Housing Revenue Account.
- 8.7 Under the Local Government Act 2003 Local Authorities have the power to borrow to invest in capital works and assets so long as the cost of that borrowing is affordable and in line with principles set out in the Professional Prudential Code, endorsed by the Chartered Institute of Public Finance and Accountancy. This Code was updated in 2009 to take into account the implementation of the International Financial Reporting Standards.
- 8.8 The Capital Programme is currently being reviewed in conjunction with the medium term financial plan and will be presented to Cabinet in December. The adoption of this will be a matter for Council.

9. ONE TOWER HAMLETS CONSIDERATIONS

- 9.1 The BSF investment aims to increase employment, training and educational opportunities for the residents of the borough, either through improved learning environments, with enhanced ICT facilities, access for community learning and opportunities for apprenticeships or through the establishment of a partnership vehicle to deliver the investment.

- 9.2 The priority focus of this programme is to secure improvements to the education environment, which will support and secure improved attainment for our students.
- 9.3 This final phase of the programme is also addressed at improving access to school places for statutory aged children due to the projected additional pupil growth, the additional provision of places for students with profound and multiple learning difficulties and the creation of safe and compliant learning environments for all students, staff and the community.
- 9.4 At the heart of the BSF programme is the desire to create sustainable communities putting Schools and their facilities at the heart of the community. This approach supports the Extended School's agenda, localisation of services and a cohesive approach to Children's Services. The opportunity to create enhanced community facilities at the new Bow School and new Beatrice Tate School is a once in a lifetime opportunity for the local communities surrounding those schools.

10. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT

- 10.1 The BSF programme supports and requires sustainable investment of the BSF funding. This is captured in the tender documents in the following areas:
- Building Research Establishment Environmental Assessment Method (BREEAM) – all 100% new build solutions should aspire to BREEAM 'Excellent or Very Good' and all remodel/refurbishment projects should achieve BREEAM 'Very Good'. The schemes for New Bow School and Beatrice Tate School are to be excellent rated BREEAM
 - The LEP will also be designing Bow School and Beatrice Tate School to meet the borough's target of 60% Carbon Reduction.
 - In line with The London Plan, BPEC is required to submit proposals, which achieve 10% (current) and 20% (future) renewables targets.

11. RISK MANAGEMENT IMPLICATIONS

- 11.1 A formal risk register is maintained for the BSF programme and reviewed by the Strategic Partnership Board on a monthly basis on the JCAD system.
- 11.2 The main risk for Bow School are summarised below:

Risk: Affordability Gap
 Mitigation: Capital contributions to be secured from receipts from disposal of surplus assets. The scheme is to be subject to intensive value engineering process to ensure value for money. Scheme is de-scoped to meet affordability envelop.

Risk: Planning issues
 Mitigation: Pre-planning application dialogue with planning body to ensure buy-in to the scheme. A Planning Performance Agreement is to

be entered into with Thames Gateway to ensure that all planning issues are resolved post planning submission and prior to a formal decision.

11.3 The main risks for Beatrice Tate School are summarised below:

Risk: Affordability Gap
Mitigation: Capital contributions to be secured from receipts from disposal of surplus assets. The scheme is to be subject to intensive value engineering process to ensure value for money. Scheme is de-scoped to meet affordability envelop

Risk: Decant of existing services from Southern Grove
Mitigation: Asset Management officers working proactively to secure suitable alternative accommodation for existing services. On-going Dialogue with AHWB to ensure minimal disruption to services.

Risk: Planning
Mitigation: Pre-application planning meetings concluded with positive feedback from planners to the scheme. An open public consultation event was held on 19th July with positive support for the scheme recorded from residents who attended. On-going communications planned with local resident groups planned should any concerns be raised against the scheme.

11.4 The main risks for George Greens School are summarised below:

Risk: Affordability
Mitigation: The current design proposals are within the BSF affordability envelope and will be closely monitored and reviewed as the scheme progresses through the design process to ensure an affordable scheme is delivered.

Risk: Planning
Mitigation: Pre-planning application dialogue with LBTH planners held with indicative support for the proposals received. The school footprint and area is not being altered as the scope is limited to a refurbishment.

12. CRIME AND DISORDER REDUCTION IMPLICATIONS

There is no C&D Implications associated with this report.

13. EFFICIENCY STATEMENT

13.1 The structure of the LEP model is based on a series of agreed Key Performance Indicators (KPI's) which cover: Partnering, Quality, Timeliness, Customer Satisfaction and Added Value. A Continuous Improvement (CI) target has been agreed for each of these KPI's and a commercial agreement

has been reached with BPEC on the Guaranteed Minimum Saving (GMS) which this will generate across the duration of the programme.

14. APPENDICES

None.

**Local Government Act, 1972 Section 100D (As amended)
List of "Background Papers" used in the preparation of this report**

Brief description of "background papers"

None

Ann Sutcliffe, 3rd floor Anchorage House
Clove Crescent, London E14 2BG x
4077

This page is intentionally left blank