

## Background and Chronology

Springfield Crewe – Expansion scheme to formally increase the school capacity from 170 to 250 places

### 1. May 2022

A report was taken to C & F committee and approved based on the following recommendations: -

#### Recommendations

- *To approve the proposed expansion of Springfield School from 170 to 250 places for implementation in September 2023 having given due consideration to the responses to the statutory public notice and consultation process without modification.*
- *To provide authority to the Executive Director of Children's Services to procure and award a construction contract for the provision of additional places at Springfield School (Crewe), inclusive of any other agreements associated with or ancillary to the contract.*

Within this committee report, the finances in place for this scheme estimated a budget in excess of £4Million and the following text was included within section 8.2.5. of the report: -

*This funding was identified within the Medium-Term Financial Strategy (MTFS 2022-26) to support delivery of our strategy to increase local specialist provision. This programme was approved by full Council on 24 February 2022. Since this outline proposal, the advancement of the feasibility for this scheme has seen expected increase of costs above £4 million. This revised projected cost envelope includes the impact of increased costs of resources/ supplies which is ever increasing and adding significant challenge to effective budget control. Other whole school infrastructure changes are having to be planned into the scheme, e.g., the need to extend kitchen/dining facilities to meet the increased number of pupils.*

### 2. July 2022

At the 2022/23 outturn and to fund additional costs at the Park Lane expansion, £500k was vired from the funding block titled 'Provision of Sufficient School Places – SEND' with an overall £6million allocation. The remaining budget in this block this was £5.5m. This change was approved by Finance Sub Committee on the 6 July 2023.

### 3. June/July 2022

Following more detailed design and further detailed cost reports and as part of the MTFS reprofiling exercise undertaken across the council, there was a request that within the funding block titled 'Provision of Sufficient School Places – SEND' with £5.5 Million allocation, that £5 Million was to be allocated to Springfield Crewe scheme.

### 4. October 2022

This increase in budget was approved by DMT and was then taken to Corporate Policy Committee on 6 October 2022, in the report titled First Financial Review 2022/23. Also, as part of the same report, the funding block titled 'Provision of Sufficient School Places – SEND' was topped back up to £6Million, viring £500k from the High Needs funding allocation.

5. February 2023: Consideration of project and cost issues was discussed at the Strategic Programme Board chaired by Deborah Woodcock – agreement to generate a paper for March committee along with wider projects paper.

6. February 2023: consideration of committee paper by CLT with amendments made based upon feedback

## **Financial summary**

During summer 2022, the Planning Application was submitted and during the consultation period a significant number of objections were received regarding the impact of extending the carpark and subsequent removal of trees and vegetation. As a result of this, a number of changes were made to the scheme design which further impacted on costs and delayed the planning process. Planning was granted in late November 2022 and the decision notice being issued on the 1 December 2022.

Following planning approval and finalising the costs for the scheme, taking into account rising material costs and the necessary planning conditions the current scheme cost is £7,131,609.

The key elements that are affecting the increased costs include: -

### **a. Inflation**

- Inflation risk allowance plus prelims and fixed overheads & profit percentage. This is the contractor building in an additional contingency where they have not been able to finalise a contract sum with subcontractors/suppliers. The Project team are hoping that this will be reduced once these sub-contractor contracts are agreed.
- We have a client risk register which includes professional fees

### **b. Planning requirement**

- Biodiversity Net Gain/Loss payment
- Requirement of Pitch roof rather than flat
- Additional permanent car parking spaces to mitigate the increased number of staff and to meet Planning requirements

### **c. Design development/additional works as a result of surveys, ground conditions, site restrictions**

- Piling due to ground conditions
- New Substation and Power Upgrade
- Brook Easement

### **d. Compliance with Low Carbon Build Standard**

The scheme cost has increased by additional costs in order that the building is compliant with the low carbon build standard currently adopted by CEC, this includes the following: -

- Increasing wall & roof insulation
- Triple glazing
- Reduced air permeability
- Cross flow ventilation
- Additional Photovoltaics Panels
- Air source Heat pumps
- Additional electric vehicle charging points

### **e. School infrastructure**

- Consequential expansion School kitchen

With regards to the programme, it was originally planned that the scheme would start onsite mid-February so that the contractor could commence with the enabling works which includes removal of trees and vegetation prior to the start of the bird nesting season (this was a planning condition), this would also have allowed the contractor to commence with site set up whilst the school was on half term, minimising the impact and disruption on the children. Due to the requirement to obtain Committee approval for the additional budget we are now anticipating that the scheme will commence on site in early April.

In order to limit any further delays to the scheme whilst approvals are sought for the additional funding, a direct order has been issued to instruct the enabling works that need to be completed prior to the 1 March 2023, this includes some works to trees and removal of vegetation as per the planning condition detailed below: -

*'No removal of any vegetation or the demolition or conversion of buildings shall take place between 1st March and 31st August in any year, unless a detailed survey has been carried out to check for nesting birds. Where nests are found in any building, hedgerow, tree or scrub or other habitat to be removed (or converted or demolished in the case of buildings), a 4m exclusion zone shall be left around the nest until breeding is complete. Completion of nesting shall be confirmed by a suitably qualified person and a report submitted to and approved in writing by the Local Planning Authority before any further works within the exclusion zone take place.'*

As noted above there is a block of funding titled 'Provision of Sufficient School Places – SEND with £6 million allocation, based on the revised budget figure of £7,131,609. This funding will need to be topped up from SEN High Needs Grant allocation which currently has £2.390m of unallocated funding available. For purposes of information the block funding titled 'Provision of Sufficient School Places – SEND with £6 million allocation was funded from prudential borrowing following the submission and approval of a HLBC in 2021, this funding was approved by Full Council on 22<sup>nd</sup> February 2022 and was included in the MTFs. This prudential borrowing is funded by the Council and is included in the next 4 years budgets and therefore is not considered a budget pressure.