



Report from the Strategic Director of Children and Young People

29 June 2015

For Action

Wards Affected:
ALL

Gordon Brown Outdoor Education Centre - Proposals to replace the End of Life Shrubbery Building

Appendix 1 is Not for Publication

1.0 Summary

- 1.1 The purpose of this report is to inform Cabinet Members of the condition of one of the accommodation units at the Gordon Brown Outdoor Education Centre (GBOEC), outline and seek authority for plans for replacement and seek approval for financial arrangements to complete the build to ensure the sustainability of the Centre's buildings in the future.

2.0 Recommendations

Cabinet is asked to:

- 2.1 Approve an invest to save proposal to replace the poor condition Shrubbery dormitory with a new facility that would provide modern living quarters for pupils and teachers with increased capacity to accommodate children.
- 2.2 Approve inviting tenders on the basis of the pre-tender considerations set out in paragraph 3.10 for the replacement works to the Shrubbery building.
- 2.4 Approve the use of £250,000 revenue contributions identified from Youth Support Services to support this work (Paragraph 4.1 in this report).
- 2.5 Approve a schedule of price increases in the region of 4.5% (but not limited to this figure) to support the Centre in generating revenue to re-pay £325,000 over twelve years to keep pace with costs and keep fees within affordable levels for participating schools.

3.0 Detail

- 3.1 The Gordon Brown Outdoor Education Centre (GBOEC) provides outdoor activities and learning through residential and day visits, contributing to children's learning about environmental issues and the outdoors. The Centre is owned by the London Borough of Brent and is set in twenty-five acres of rural countryside in Rotherwick, near Hook in Hampshire. The Centre is situated in the Rotherwick Village Conservation Area and is located next to the Grade II listed Tylny Hall.
- 3.2 The GBOEC supports the delivery of the Corporate Plan Priority 'Better Lives': 'Making sure that our children and young people have access to the best education and training, achieve to their potential and have the best start in life'.
- The Centre offers outdoor education visits, either residential or day, which provide an invaluable opportunity to enrich young peoples' learning, increasing their motivation and desire to learn. All the children visiting the GBOEC have an opportunity to experience learning linked to the curriculum as well as experiencing learning in an outdoor environment which includes raising their awareness of environmental sustainability issues and the contribution they can make.
 - The GBOEC provides opportunities for children to develop their self-esteem and emotional wellbeing and form and maintain worthwhile relationships. For children visiting the GBOEC, benefits include the opportunity to develop resilience and improve physical health, psychological and social wellbeing. A stay at the GBOEC also supports children to develop skills to manage risk and their own safety and encourages them to welcome challenge. The GBOEC provides a safe environment for children to be away from home, often for the first time, offering children life changing experiences that they value and remember into adulthood.
 - A visit to the Centre provides a unique experience for children of all ages, but especially for those who may not otherwise be able to access and experience the natural environment in a safe and secure countryside setting.
 - Schools have the option to tailor the programme at the Centre to their needs, whether that is for sessions linked to the curriculum, team building or, for example, end of term reward sessions for pupils.

The Shrubbery Building

- 3.3 The Shrubbery building at the Gordon Brown Centre is now end of life having been in place since the Centre opened in 1976. The dormitory is in poor order and needs replacing. The Centre can at present hold around 75 children in two dormitory blocks. The Shrubbery building is one of the two main dormitory areas and houses up to 27 children in four separate rooms, with two additional rooms for teachers. In total there are nine showers in the building including those in staff accommodation, plus WC facilities for boys and for girls.
- 3.4 In addition to being end of life, there is a lack of flexibility in the existing building's room design which can lead to under occupation owing to the need to accommodate groups with varying male female ratios, which for example, can be 12:20 male to female. The proposed new building will allow the GBOEC to use more flexible arrangements for the location of beds, meaning that there will be increased capacity.

In 2014/15 2,500 children stayed at the GBOEC as part of the residential programme. Activity days and other non residential activities continued to grow with a 23% increase in the revenue generated in 2014/15. An increased classroom resource as part of the new Shrubbery will assist the Centre in developing this provision and maintaining the sustainability of the Centre.

- 3.5 Further benefits arising from the proposed new building will include:
- Better access for children with disabilities, enabling the GBOEC to improve accessibility and inclusion and access additional customer groups, potentially with funding support.
 - Better insulation with the potential for lower electricity costs.
 - Better access to toilet facilities and better showering facilities close to the GBOEC's Tipi site, providing the potential to increase Tipi bookings.
 - An opportunity for Brent schools that are no longer able to use the Centre owing to the size of their year groups to visit and make use of the enhanced accommodation.
- 3.6 Schools in Brent support and value the Centre and at the meeting of the Brent Schools Forum on 22 October 2014 there was support for the required capital works to be taken forward by the Council.
- 3.7 Officers have considered three potential options for the Centre:

Option 1

- To approve the already allocated funds to replace the poor condition Shrubbery dormitory with a new £500,000 facility that would provide modern living quarters for pupils and teachers with increased capacity from 28 to 40 children housed.

- The proposal would enable the generation of additional revenue.
- The positive outcome for both children & teachers would enhance the Centre's reputation resulting in increased bookings and income.
- Thereafter future options for the delivery model and governance arrangements for the Centre could be considered including options for the self financing of running costs and any future improvements or works.

Option 2

- To consider a leasehold disposal of the Centre with the ingoing tenant undertaking the relevant investment to replace the Shrubbery building and any future works.
- With the Centre running on a cost neutral basis and with an immediate £500,000 investment required to replace the poor condition Shrubbery dormitory, it is unlikely that the rental return would be substantial. The market interest for such a specialist property may be limited.

Option 3

- To consider a freehold disposal of the GBOEC and to invest the sale proceeds in a new facility to be identified closer to Brent, possibly in Hertfordshire.

In considering the options Officers also took account of the following:

- The Centre is well supported by local schools and has a 60 year association with the borough.
- The site is well established and is good value for money. Baseline data suggests that similar facilities charge considerably more.
- The land sits within the Tylney Hall Conservation area and would be difficult to develop.
- The site is unsuitable for potential alternative uses such as a golf course.
- A recent comparable sale in March 2013 within the Conservation Area was bought by a group of local residents. The likely value of this site would be between £300,000 to £350,000.

- 3.8 Subject to Cabinet approval of the recommendations laid out in this paper, Officers have considered the supporting business case for the invest to save proposal and have recommended the approach as laid out in Option 1, to replace the poor Shrubbery dormitory with new and more flexible accommodation which could increase capacity from twenty seven places to more than forty, thus enabling the Centre to be put on a firm footing.
- 3.9 Consideration could be given to future options for the delivery model and governance arrangements for the Centre, subject to further approval. In reaching this recommendation, Officers considered that to do nothing would leave the Centre to deteriorate further, resulting in

sub-standard facilities for Brent pupils, which in turn could lead to a long term loss of revenue and reputation.

Pre-Tender Considerations

3.10 The proposed works contract is estimated to cost more than £500k and is therefore a high value contract. In accordance with Contract Standing Orders 88 and 89, pre-tender considerations for the project are set out below for the approval of the Cabinet:

Ref.	Requirement	Response	
(i)	The nature of the service	Works (construction) contract for the replacement of the shrubbery building with a new modular construction.	
(ii)	The future estimated value of the contract/s	£500k	
(iii)	The contracts term	The construction contract will be for a period of approximately 6 months with an anticipated defects liability period of 12 months	
(iv)	The tender procedure to be adopted.	A formal tender procedure will be adopted with a pre-qualification questionnaire determining a tender shortlist and then invitations to tender being issued. All procurement activity will take place via the London Tenders Portal.	
(v)	The procurement timetable	<ul style="list-style-type: none"> • Adverts placed • Expressions of interest (Pre-Qualification Questionnaire) returned (30 day PQQ period) • Shortlist drawn up in accordance with pre-determined minimum standards as to financial standing and technical competence • Invite to tender • Deadline for tender submissions 	<p>1 July 2015</p> <p>31 July 2015</p> <p>12 August 2015</p> <p>13 August 2015</p> <p>10 September 2015</p>

		<ul style="list-style-type: none"> • Panel evaluation and tender report prepared • Report recommending Contract award circulated • Award of contract - Cabinet meeting 	<p>11 September – 23 September 2015</p> <p>1 October 2015</p> <p>19 October 2015</p>
(vi)	The evaluation criteria and process	<p><u>Pre-qualification stage</u> Shortlists are to be drawn up in accordance with the Council's Contract Management Guidelines by a pre-qualification questionnaire (PQQ).</p> <p>The pre-qualification will test the capacity and capability of potential bidders as well as potential bidder eligibility to take part in the Procurement.</p> <p><u>Invitation to Tender (ITT)</u> For those that passing the PQQ stage there will follow an Invitation to Tender (ITT) stage.</p> <p>Tenders will be evaluated on the basis of the most economically advantageous tender using the following criteria and overall weightings.</p> <p>1. Quality Quality will consist of 40% of the overall evaluation. The quality assessment will be evaluated using the following criteria.</p> <ul style="list-style-type: none"> • Project and cost Management • Construction programme • Project Understanding and client liaison • Quality • Health and Safety • Innovation • Sustainability 	

		<p>2. Price</p> <p>Price will consist of 60% of the overall evaluation.</p> <p>Price will be evaluated using a lump sum price.</p>
(vii)	Any business risks associated with entering the contract	No specific business risks are considered to be associated with agreeing the recommendations in this report.
(viii)	The Council's Best Value duties	This procurement process and on-going contractual requirement will ensure that the Council's Best Value obligations are met.
(ix)	Any staffing implications	There are no direct staffing implications
(x)	The relevant financial, legal and other considerations	See Sections 4 and 5 of this report.
(xi)	Measures to deliver economic, social or environmental benefits in accordance with the Public Services (Social Value) Act 2012	The works contracts will place a requirement on contractors to support the council's objectives for enterprise and employment.

Following the invitation of tenders and evaluation, officers will submit a report to Cabinet for approval to award the high value works contract.

4.0 Financial Implications

4.1 An extract from the feasibility study report is given at Appendix 1, which is not for publication.

A feasibility study considered two options:

Option one: A minimum requirement scheme, meeting the short-term requirement for a dormitory building to replace the existing building.

Option two: An enhanced scheme to meet the medium to long term requirements for a dormitory block and further site facilities as one project.

Option two was recommended as the most cost effective solution, providing for the Centre's requirements and allowing for economies of scale.

The use of new or used modular units was considered, with the latter proving to be more costly. It is the intention to reuse all existing furniture, fixtures and equipment to reduce costs.

The feasibility report provided an estimate of the likely costs of this work at £575,000 including client contingency and fees.

With the agreement of Cabinet, revenue contributions from the Youth Support Service in 2012/13 (£150,000.00 held an earmarked reserve within Regeneration & Growth) and in 2013/14 (£100,000.00 held in an earmarked reserve within Children & Young People) could be used to contribute to the overall costs of this work.

- 4.2 Subject to agreement to use the revenue contribution from Youth Support Services, the remaining sum of £325,000 would be repayable over a period of 12 years at an annual debt charge cost of £32,650 per annum. This cost can be met from the additional income flow over the total 12 year period.
- 4.3 The funding model shown in Appendix 2 shows that in years 1 to 6 the debt charges exceed the projected additional income. This is because the centre publishes fees and takes bookings well in advance and the additional income is projected to begin from year 3. The centre manager has confirmed that this initial shortfall can be absorbed within the centre's revenue budget. From year 7 additional income exceeds the debt charge and furthermore over the life of the loan repayment period the debt charges are affordable, as demonstrated in the attached Net Present Value calculation (Appendix 2).
- 4.4 The additional income is predicated on increases in fees of approximately 4.5% every 3 years. If there are significant changes in the centre's cost base, for example utilities, food etc., or other inflationary pressures, then the actual increase in fees will need to be reviewed to achieve the revenue necessary to repay the loan. When the centre is in a position to confirm its fees, prior to taking bookings, the proposal will be agreed by Cabinet through the annual review of the Council's fees and charges.

5.0 Legal Implications

- 5.1 By way of background, the land where the GBOEC is situated was originally purchased by Middlesex County Council in March 1948 under the Education Act 1948.
- 5.2 The said land subsequently vested in the London Borough of Brent in 1965 for education purposes on the abolition of the Middlesex County Council.

- 5.3 As the said land is held for education purposes, it is governed by current education legislation and where applicable department of education guidance on school playing fields.

6.0 Diversity Implications

- 6.1 There are no adverse diversity implications contained within this report. The proposal would improve facilities for all visiting children.

7.0 Staffing/Accommodation Implications (if appropriate)

- 7.1 There are no staffing implications within this report. The accommodation implications are as outlined in the main body of the report.

Background Papers

- i) Appendix 1 Extract from the Feasibility Report - Not for Publication
- ii) Appendix 2 Repayment Schedule

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