

CABINET

19 July 2016

Title: Proposed Expansion of Robert Clack School of Science	
Report of the Cabinet Member for Educational Attainment and School Improvement	
Open Report	For Decision
Wards Affected: Heath and Whalebone	Key Decision: Yes
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Accountable Divisional Director: Jane Hargreaves, Commissioning Director Education	
Accountable Director: Helen Jenner, Corporate Director Children's Services	
Summary <p>This report follows on from the report which Cabinet received at its meeting 19 April 2016. It sets out a revised position for the Governors of Robert Clack School of Science who have now indicated their wish to be involved in the expansion of the School to include an additional site. The report seeks approval to move forward a proposal to provide 2 forms of entry on the existing site but also the development of a 3 form entry primary facility, together with 6 forms of entry at secondary age on a site specifically having been secured off Whalebone Lane South and sharing the road access with Asda Chadwell Heath Superstore.</p> <p>The report explores opportunities for the procurement of the new building and seeks agreement for the Procurement Board to be given delegated decision making powers in order to progress the project quickly.</p> <p>There is a financial section setting out how it is intended to set aside sufficient budget to progress the scheme, and seeking Cabinet's approval to capital expenditure of £27million, plus the £1.75million of section 106 funding which has come to the Council to support the School provision.</p>	
Recommendation(s) <p>The Cabinet is recommended to:</p> <ul style="list-style-type: none">(i) Approve the proposed expansion of Robert Clack School of Science as detailed in paragraph 2.4 of the report, subject to the approval of the Department for Education following formal consultation;(ii) Approve the inclusion in the Capital Programme of the following sums to support the expansion of Robert Clack School, as detailed in section 3 of the report:<ul style="list-style-type: none">(a) £17m DfE Basic Need Grant for 2017/18;(b) £10m DfE Basic Need Grant previously allocated for new school provision in	

central Barking;
(c) £1.75m of S106 funding secured to support the development of school provision on the Lymington Fields site.

- (iii) Delegate authority to the Director of Children's Services, in consultation with the Cabinet Member for Educational Attainment and School Improvement, the Strategic Director of Finance and Investment and the Director of Law and Governance, to procure and award the respective project contracts following the approval of the Corporate Procurement Board to the final procurement strategy.

Reason(s)

The decision will assist the Council in fulfilling its statutory obligations to provide a school place for every child and support the intention of the Council's Vision and Priorities, including encouraging civic pride, enabling social responsibility and growing the Borough, and delivering the ambition for excellence in education set out in our Education Strategy.

1. Introduction and Background

- 1.1 There have been regular reports to Cabinet explaining the upward trend of demand for pupil places partly related to new homes being created but also the movement of families to the Borough. The most recent report came to Cabinet on 19 April 2016.
- 1.2 As part of that report the issue of a need to develop new school places around the Lymington Field new housing development. The previous consideration by the Governors of Robert Clack School to limit the expansion of school places to 2 forms of entry (60 places per year group) has now changed and details are set out below.
- 1.3 The report seeks to secure agreement from Cabinet Members about funding and procurement options for a new development on a site to be run by the Robert Clack School.

2. Proposal and Issues

- 2.1 At the meeting of Cabinet 16 April 2013 a report was submitted regarding the purchase of land known as Eldonwall site north of the Robert Clack, Green Lane site. This land would be added to land being set aside by the developer Lovell Homes for the provision of new school facilities (Minute 129 refers). This project will assist the Council in meeting demand for school places due to the development of new homes in the Lymington Fields locality and to respond to increased demand as a result of expanding primary schools in the locality.
- 2.2 The report set out the intention to expand Robert Clack School on an additional site to include primary and secondary provision. In April this year the Governors concluded that they would be prepared to expand Robert Clack. In coming to this decision the Governors have had to consider all the issues one would expect about the potential impact on the existing school.
- 2.3 Any decision by Cabinet will be subject to consultation through the DfE to ensure there would be no objections from Free School providers under the current

regulations concerning Free School Presumption – this means that, in normal circumstances, any new school would be a Free School. However, there is a recognition that Robert Clack serves the local community very well and the initial signs from the DfE are that there is support for this proposal.

- 2.4 There will also be a future formal consultation of interested parties as the expansion proposals are quite significant, from its current 10 form entry (1500 pupils aged 11 to 16 years) to increase to 18 forms of entry – 2 forms on the existing site and 6 forms on the proposed new site – plus 3 forms of primary age pupils. The school will increase to 3,330 pupils plus nursery and sixth form provision, managed over a seven year phasing of growth.
- 2.5 The other significant aspect is the need to ensure that the new building is robust and fit for purpose and that sufficient funding is identified to support the new build proposal. The next section deals with the detail of how the budget will be set aside.

3. Funding

3.1 There are three aspects to funding this project as follows:

- new basic need grant for 2017-18 identified by the DfE;
- existing basic need grant currently in the capital programme to support a new school in central Barking;
- some funding provided by planning gain (Section 106) which has been made available through the developer.

These are explored in more detail in the following paragraph.

3.2 DfE Basic Need Grant

A sum of £17,865,375 has been identified by the DfE as new grant to support the provision of school places for the 2017-18 financial year. It is proposed to set £17m of this budget against the project. The balance £865,375 being reserved for any unforeseen growth in numbers generally in the Borough.

3.3 Existing Basic Need Grant

The sum of £10m is currently identified in the capital programme to provide a new primary school in central Barking. As the general position from the Government relates to the Free School Presumption, it is reasonable to assume that the provision of a school in central Barking would be as a Free School and the DfE would provide capital funding to meet the costs. The sum of £10m currently in the capital programme should be reserved for the Robert Clack development of the Lymington Fields site.

3.4 Section 106 Planning Gain

A sum of £1.75m has been secured to support the development of education provision on the Lymington Fields site plus some land being made available. It is proposed that this funding secured as part of the planning requirements should be used to support the development of the school to enhance provision.

- 3.5 Overall this will mean that there would be a budget for the new site and buildings of £28,750,000 and this will allow for a small element of reserve but cover all construction, design and management fees as well as fit out costs. This budget should be spread over the three years as follows:

2016/2017	£3,000,000
2017/2018	£20,000,000
2018/2019	£5,750,000

4. Options Appraisal Consultation

- 4.1 Current strategy is formulated against a backdrop of continuing increase in demand for school places for the foreseeable future; short run surges of demand for school places e.g. over the summer period and on the supply side: limited funding on short time horizons; shortage of sites in areas of high demand; and timescales for new providers e.g. timescales for Free Schools to be established may be two years.
- 4.2 The agreed investment strategy is first, to expand provision on existing school sites as far as practicable to meet local demand on a forward looking basis (i.e. to seek value for money solutions which have longevity); then subsequently to seek and build on sites in areas of demand in Council or other public ownership that are suitable for development as a school and which also offer value for money and longevity; to support those external providers that have access to further capital funding and are capable and willing to provide high quality inclusive education places that comply with the Council's Admissions Policies.
- 4.3 Options exist for any specific scheme and are explored to ensure that the overall strategic outcomes sought are achieved in the most beneficial way being economic and appropriate for the school. Other overall strategies e.g. to rely on outside providers to meet the prospective short fall of school places would not be effective on their own: timescales and speed of reaction are too short.

5. Consultation

- 5.1 There has been consultation with a range of officers throughout the Council in order that appropriate matters are considered including financial, legal, risk management and others mentioned in section 8 of this report. Councillors representing Heath and Whalebone wards were also consulted.
- 5.2 The proposals in this report were considered by the Corporate Procurement Board on 4 July 2016 and officers were asked to resolve a number of issues and report back to the Board.

6. Financial Implications

Implications completed by: Daksha Chauhan, Group Accountant, Childrens Services Finance

- 6.1 This report requests the approval of £17m received as part of the 2017/18 Basic Need Grant Allocation from the DfE to be included in the Capital Programme for the Proposed Expansion of Robert Clack School of Science. In addition approval is

sought to transfer the Capital budget of £10m within the current capital programme to this scheme.

- 6.2 Approval is also sought to use £1.75m of S106 funding that has been secured to support the development of school provision on the Lymington Fields Site.
- 6.3 Any major risks/financial impact identified through the appraisal process will be notified to Members through subsequent Cabinet reports.

7. Legal Implications

Implications completed by: Bimpe Onafuwa, Contracts and Procurement Lawyer

- 7.1 This report is seeking approval for the expansion of the Robert Clack School of Science.
- 7.2 The construction of the school extension will require the procurement of works contracts, which this report estimates will have an approximate cost of £28.75million. The Council's Contract Rules stipulate that contracts costing over £50,000 must be opened up for tender, while the Public Contracts Regulations (the PCR) require also that the procurement of works costing over £4,104,394 in value be carried out by an open tender exercise that complies with the PCR.
- 7.3 Contract Rule 28.7 states that a procurement strategy must first be submitted to the Procurement Board for consideration before presentation to Cabinet for approval. This report however does not include a strategy of how the procurement will be conducted. Further information provided by the procuring directorate to the Law & Governance Team indicates that a procurement strategy is yet to be formulated as relevant professional input is currently awaited.
- 7.4 Consequently there is not sufficient information in the report at this stage to enable the drafting of legal implications on the procurement exercise. The Law and Governance Team are however available to provide legal implications once a strategy has been formulated, and are able provide legal assistance throughout the procurement exercise.

8. Other Implications

8.1 Risk Management

- 8.1.1 Risk that funding levels will not be sufficient to meet demand to create new education places needed.

This risk is high impact (4) and medium (3) probability = 12 red. This risk is being managed by purchasing the most affordable accommodation which is system build where possible. Post control the risk is high impact (4) and low (2) probability = 8 amber.

- 8.1.2 Risk that funding levels will not be sufficient to create suitable new school places. This risk is high impact (4) and high (4) probability = 16 red. This risk is being managed by purchasing the most affordable accommodation which is system build,

and blending it with site specific proposals. Post control the risk is high impact (4) and low (2) probability = 8 amber.

- 8.1.3 Primary schools: risk that site availability would prevent delivery of school places in the areas where demand is highest.
This risk is high impact (4) and medium (3) probability = 12 red. This risk is being mitigated, as far as practicable, by expanding all available sites in high demand areas, and reviewing other buildings for potential school use. Post control the risk is still high impact (4) and medium (3) probability = 12 red.
- 8.1.4 Risk that the cost of the rate of deterioration of the school estate will outrun the funding available to maintain it.
This risk is high impact (4) and high (4) probability = 16 red. This risk is being mitigated as far as practicable by lobbying DfE for improvements in funding. Post control the risk is high impact (4) and medium (3) probability = 12 red.
- 8.1.5 The provision of school places is a matter which is directly identified in the Corporate Risk Register and listed at Corporate Risks 31 – Provision of School Places.
- 8.1.6 Risk that final costs will be higher than estimate costs.
This risk is high impact (4) and high (4) probability = 16 red. This risk is managed through monthly CPMO meetings and initial planning figures that architects and schools are asked to work within being set below the highest estimate to allow for unforeseen challenges.
- 8.2 **Contractual and Procurement Issues** - It is anticipated that projects will be procured through options related either to the Local Education Partnership or through the Council's Framework of Contractors or other national or local frameworks which are accessible to the Council to secure value for money.
- 8.2.1 Legal, procurement and other professional advice will be sought regarding the appropriate procurement routes and contractual agreements to procure and secure the individual projects which fall within the second phase, consisting of the secondary and primary school schemes. All procurement activity will be conducted in compliance with the Council's Contract Rules and EU Legislation.
- 8.2.2 Projects will be subject to the Capital Appraisal Process and the agreement of the Procurement Board to progress schemes. However the Cabinet is asked to approve procurement principles as set out to avoid the need to report back to Cabinet as these procurements are either beyond our control or need to happen quickly within pressing timescales because pupils need to be accommodated.
- 8.3 **Staffing Issues** - There are no specific staffing issues although the growing demand for school places will create additional opportunities in schools for both teaching and non-teaching staff.
- 8.4 **Corporate Policy and Customer Impact** - The decision will assist the Council in fulfilling its statutory obligations to provide a school place for every child and support the intention of the Council's Vision and Priorities, including encouraging civic pride, enabling social responsibility and growing the Borough. It is part of the mitigation of Corporate Risk 31 – Inability to Provide School Places.

- 8.4.1 The short term impact of the recommendations for the coming year would be positive for customers on all counts of: race, equality, gender, disability, sexuality, faith, age and community cohesion. The longer term outlook is unlikely to be positive on the proposed funding levels as it will be difficult to address need on current budget levels.
- 8.5 **Safeguarding Children** - Adoption of the recommendations in the short term would contribute to the Council's objectives to improve the wellbeing of children in the borough, reduce inequalities and ensure children's facilities are provided in an integrated manner, having regard to guidance issued under the Children Act 2006 in relation to the provision of services to children, parents, prospective parents and young people.
- 8.6 **Health Issues** - The health and well being board and JSNA highlight the importance of investing in early intervention and education to support children's and young people's long term well being. The evidence and analysis set out in Fair Society, Healthy Lives (Marmot Review) has been developed and strengthened by the report of the Independent Review on Poverty and Life Chances. The reports draw attention to the impact of family background, parental education, good parenting and school based education, as what matters most in preventing poor children becoming poor adults. The relationship between health and educational attainment is an integral part of our Health and Wellbeing Strategy. At this point there is no need to change the focus of the Health and Wellbeing Strategy as a result of this report.
- 8.7 **Crime and Disorder Issues** - Appropriate consideration of the development of individual projects will take into account the need to design out potential crime problems and to protect users of the building facilities.
- 8.8 **Property / Asset Issues** - This proposal will provide a new School asset.

Public Background Papers Used in the Preparation of the Report: None

List of appendices: None