

CABINET

18 December 2013

Title: Review of School Places Strategy	
Report of the Cabinet Member for Children's Services	
Open Report	For Decision
Wards Affected: All wards	Key Decision: Yes
Report Author: Mike Freeman, Group Manager School Estate and Admissions	Contact Details: Tel: 020 8227 3492 E-mail: mike.freeman@lbbd.gov.uk
Accountable Divisional Director: Jane Hargreaves, Divisional Director Education	
Accountable Director: Helen Jenner, Corporate Director Children's Services	
Summary: This report sets out the latest information regarding forecast demand for education places across the borough, together with a detailed Strategy for Ensuring Sufficient Education places through to 2020/21. There are details about some additional funding secured to support extra school place provision at Robert Clack, with some new projects to be funded from the current available budget of £17,254,818. The report further details proposed procurement options for six projects.	
Recommendation(s) The Cabinet is recommended: (i) To agree the Strategy for Ensuring Education Places 2012/13 to 2020/21 attached to this report; (ii) To agree to the inclusion in the Capital Programme of the following sums approved and allocated by the DfE: (a) Robert Clack Comprehensive School Expansion - an additional £11.2m, increasing the overall budget to £27.35m; (b) In respect of the new Special Free School at Barking Riverside to approve the inclusion of the funding of £7.8m in the Council's Capital Programme which will be offset against income from the DfE. (iii) To approve in principle the projects set out in Section 6 of the report, subject to a full capital appraisal process of individual schemes to assess financial implications, procurement, and legal and risk implications and further reports to Cabinet of the full details of the capital programmes and associated implications; (iv) To approve in principle the procurement routes for the necessary works, goods and services for the individual projects set out in paragraph 12.2.5 of the report	

using the Council's Construction Framework Contractors, Thames Partnership for Learning Limited (the Council's Local Education Partnership (LEP)) or the Government Procurement Service framework in respect of the Special Needs Free School at Barking Riverside;

- (v) To authorise the Corporate Director of Children's Services, in consultation with the Chief Finance Officer, to approve the procurement strategies and action the procurement process following consideration by the Procurement Board of the detailed requirements for procurement of the various schemes;
- (vi) To delegate authority to the Corporate Director of Children's Services, in consultation with the Cabinet Member for Children's Services, the Chief Finance Officer and the Head of Legal and Democratic Services, to award the respective project contracts set out in this report based on the checked and independently validated prices; and
- (vii) To agree to the appropriation of 202A Halbutt Street and Markyate Library from Adult Services to Children's Services, with effect from 1 February 2014 and 1 April 2014 respectively, for the purposes set out in this report.

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 Community Strategy 2013-16 to "Ensure every child is valued so that they can succeed" ensure children and young people are safe, healthy and well educated. It is part of the mitigation of Corporate Risk 31 – Inability to Provide School Places.

1. Introduction and Background

- 1.1 Cabinet received a report on 16 April 2013 advising that the Council had been allocated an additional amount of funding from the Government to support the provision of education places. This report will provide and update on other projects and procurement routes intended having regard to the funding available.
- 1.2 The report will set out the most up to date information on the projected demand for education places for the next 5 years and to report on further support now agreed by the Department for Education through the Education Finding Agency. (DfE/EFA).

2. School Place Demand

- 2.1 Cabinet have received regular reports about the continuing demand for school places and the need to develop additional provision. It is worth noting that providing sufficient school places is a national issue and in particular regional to London due to rising population. For Barking and Dagenham it has been a major priority for investment since 2007.
- 2.2 Since the academic year 2007/08 to the present, 4,500 additional primary aged pupils have had to be accommodated. This is equivalent to 150 new classes across all year groups in the primary phase. The forecast in the next 5 years is an

additional 6,130 primary pupils to 2017/18. This forecast is based on birth data supported by the GLA, migration trends and projected new house building occupation. Overall this forecast would be equivalent to 204 new primary classes over the primary phase.

- 2.3 Turning now to places for secondary aged pupils, there has been an increase in secondary school demand over the last 5 years 2007 to 2013 of 640 pupils, this has been equivalent to 21 classes, and has largely been accommodated through existing provision.
- 2.4 However, the forecast for the next 5 years is an additional 4,180 pupils in the secondary phase up to 2018, this is equivalent to 140 classes, largely generated from pupils passing through the primary phase.
- 2.5 In respect of places for pupils identified with special educational needs the forecast is demand for 66 places in additional resource provisions across the Borough, and a 160 place special needs school. This latter provision to be provided through the development of the Barking Riverside Free School SEN element.
- 2.6 The aim for early years is to provide 1,200 places for 2 year olds in the Borough by September 2013, with an objective of 2,300 places by September 2014 with this number being provided in subsequent years.
- 2.7 A schedule showing the investment projects which are being recommended is attached at **Appendix 1**.

3. Investment Required to meet Projected Demand

- 3.1 Cabinet received a report on 13 November 2012 which explained that the likely scope of cost to meet demand over the period to 2016/17 would be in the region of £228m, or £45.6m per year. Based on the numbers now forecast and having taken into account the rise in the cost of design, procurement and construction this estimate remains constant and would mean that from 2015 when we have to provide additional places as set out in the Strategy for Ensuring Sufficient School Places attached to this report there will be no funding unless the Government allocate additional resources.

4. Targeted Basic Need Programme (TBNP) 2013-2015

- 4.1 Over the summer term we learnt that following the Council's three bids in April 2013 for support under TBNP that the three projects were going to receive support. However, it was not clear at that time what the level of award was. To clarify the DfE/EFA sent documents to the Director of Children's Services at the start of August and the effects are summarised below.
- 4.2 **Robert Clack**
 - 4.2.1 A bid was made for the creation of a further site at Robert Clack to include the new land at the GLA-owned site known as Eldonwall – currently warehousing. The purchase of this site was approved by Cabinet at its meeting on 16 April 2013 (Minute 129 refers).

- 4.2.2 This land is to transfer at cost to be agreed in the region of £2m, subject to GLA internal approvals. The plan is to develop primary school provision at Lymington and through the Section 106 agreement with the GLA and their appointed developer – Lovells – to create a new 630 place primary school, and a 6FE secondary school on the site identified as Eldonwall. These will connect to the north of the Green Lane site with Robert Clack.
- 4.2.3 The bid for TBNP asked for £15m to support the scheme and would have given £31m overall when added to our Council approved budget of £6m for Robert Clack and £10m for Lymington Fields. However, the DfE have allocated £11.35m so that the overall budget is reduced to £27.35m. At this stage things are still under review and will change, there are discussions to be had with the school agree on an appropriate solution and a revised school masterplan is being developed to ensure things fit and can be afforded.

4.3 Eastbury Comprehensive

- 4.3.1 The TBNP bid to replace the demountable accommodation and provide a 2fe Primary School on the site was for £16m. Whilst the project received support under TBNP, the DfE/EFA have identified it will continue to be supported under the recently announced grant system for Priority Schools Building Programme (PSBP) and they have set aside £15m to achieve this scheme. Engagement meetings being organised by the Education Funding Agency with the School are underway.

5 New Special Free School Barking Riverside

- 5.1 The Free School Trustees for the Riverview Secondary School: the Partnership Learning Trust (which has the support of all Secondary School and Special School Head Teachers, as well as UEL, Barking and Dagenham FE College and local groups) have produced proposals for investment in schools in the Barking Riverside area. These proposals are in line with the Authority's former plans under the Building Schools for the Future (BSF) programme: for a secondary and combined special needs school together with a primary school. The Trustees and the Education Funding Agency (EFA) have reached agreement on capital funding for the secondary school and Ministers have now given approval to capital funding. This totals c£24.9m made of c£22m construction; furniture, fixtures and equipment of c£1.78m; c£0.97m in ICT and fees c£0.15m.
- 5.2 Agreement in principle to fund the special school has been reached, but ministerial approval has not yet been given. The indicative total budget for the special school is: £7.8m. It is possible that the EFA may agree to more funding for furniture, fixtures and equipment, in view of the potential needs of the clientele.
- 5.3 The Free School Trustees are bidding to open a primary school to serve the local community adjacent to the secondary school and to complement adjacent primary school provision. This will help meet the Authority's need for more primary school places in the local area. It seems likely that this proposal will be agreed by the DfE. The EFA has given an indicative budget total of c£6.3 m - which includes c£0.3m ICT hardware and c£0.3m for furniture, fixtures and equipment.
- 5.4. Cabinet are asked to approve the inclusion of the funding of £7.8m in the Council's Capital Programme which will be offset against income from the DfE, and for the

Council to secure procurement of the scheme through a two stage tender process using appropriate frameworks.

6. Funding Available

6.1 At the meeting of Cabinet on 25 June 2013 a report confirmed that a sum of £28,104,818 had been made available as a grant by the DfE to support the provision of new education places. Cabinet approved expenditure from this sum of £10,850,000 – minute 15 refers. This leaves a balance of £17,254,818 to be allocated.

6.2 In the light of section 4 above the budget for the project at Robert Clack needs to be increased as follows;

Robert Clack	previous budget £6m Lymington Fields £10m
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New budget covering both schemes to be revised at £27.35m.

Eastbury Secondary	this project is being dealt with directly by the EFA through the Priority Schools Building Programme.
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6.3 In addition to these schemes Cabinet are asked to approve the following specific projects to be included in the Capital Programme.

6.3.1 Marks Gate Junior School – the school has had an under provision of accommodation for a number of years based on historical activities – pupils have tended to leave the school before they have reached the upper years – YRS 5 and 6. Over the summer recess it was necessary to provide additional second hand temporary classrooms. Some more permanent arrangements need to be put in places now there is evidence that pupil numbers in the area are increasing. A sum of £525,000 should be set aside to support the provision of 2 new classrooms and group room spaces.

6.3.2 Former Social Services Day Centre – 202A Halbutt Street – development of a provision for 70, 2 year olds to support the objective to make additional provision available. To set a sum aside of £500,000 from existing identified projects. Of this sum £250,000 to be met from Targeted Support's Services budget of £889,000 allocation, and the balance £250,000 from basic need provision as identified by Minute 15, Cabinet 25 June 2013.

6.3.3 The former Markyate Library – development of a provision for 2 year olds to support the objective to make additional provision available. To set a sum aside of £200,000 from existing identified projects to be met from Targeted Support Service's budget of £889,000 allocation.

6.3.4 Gascoigne Primary Abbey Road Expansion – there has been discussion about the release of the current depot site on the Gascoigne Estate which through a regeneration scheme would allow the creation of some additional facilities attached to Gascoigne Primary School. The estimated cost including some costs to support the move of the depot, removal of existing provision on the site, and the

development of new facilities together with some site rationalisation on the current site, is in the order estimated to be in the order of £12,500,000.

6.3.5 Fanshawe Site – the current allocation for this project was not recorded correctly, the Capital Programme included a figure of £4.5m approved by Cabinet 13 November 2012, min 51, and the previously approved sum of £2.5m approved by Cabinet 14 February 2012 Minute 109 refers. Accordingly if these figures were corrected the balance available for allocation would need to reduce by £2.5m.

6.3.6 Taking these projects into consideration this would mean the balance of £17,254,818 would reduce as follows:

Marks Gate Junior	£525,000
Gascoigne Primary	£12,500,000
Abbey Depot Expansion	
Fanshawe Site	£2,500,000
Total To Reduce by	£15,525,000

This leaves a balance of £1,729,818 to be held as a contingency for unforeseen numbers for September 2014 and occurrences in the current year.

7. Increasing Provision for 2 year olds

7.1 A project has been identified at the former Halbutt Street Day Centre – 202A Halbutt Street to be included in the capital programme utilising funding as described in 6.3.2. above. This site is currently administered by Adult services and they have indicated they no longer need this site.

7.2 In addition a project at the Markyate Library has recently been identified to be included in the capital programme utilising funding as described in 6.3.3. above. This site is currently administered by Adult services and they have indicated they no longer need this site

7.3 Cabinet are asked to agree that 202A Halbutt Street and Markyate Library be transferred to Children's Services for the purpose of developing places for 2 year olds in the Borough. This will be with effect from 1 February 2014 for Halbutt Street and 1 April for Markyate Library.

8. Options Appraisal and Options Appraisal

8.1 Current strategy is formulated against a backdrop on the demand side of continuing increases 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.

8.2 Investment strategy (see report Strategy for Ensuring School Places appended) 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.

- 8.3 The variables that influence the delivery of this strategy are: demand fluctuations; the willingness of governing bodies to accede to expansion plans; funding limitations; cost variances – specific to sites; timescales to achieve cost efficient/ competitive prices in short timescales.
- 8.4 The proposed delivery of the strategy is set out in the report appended (Strategy for Ensuring School Places). This report sets out proposed projects. Specific projects may be subject to change for the reasons set above, and other projects substituted. The overall strategy is robust and remains the same: individual project specifics may change but will remain in the overall strategic framework.
- 8.5 Options exist for any specific scheme and are explored to ensure that the overall strategic outcomes sought are achieved. 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.

9. Consultation

- 9.1 These proposals are not Ward specific. 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.

10. Financial Implications

Implications completed by: Kathy Freeman, Group Manager, Corporate Finance, and Patricia Harvey, Interim Group Manager, Children's Finance

- 10.1 This report informs Members of the Council's Strategy of ensuring sufficient school places. The report also seeks approval for the projects listed in sections 4 and 5. The indicative budget allocations are from the total basic need funding for 2013-15 of £28.1m previously reported to Members on the 25 June 2013 remaining unallocated funding of £17.2m.
- 10.2 The projects identified above have yet to go through an in depth capital appraisal process. The appraisal process will be undertaken on the individual projects above, reviewing the full financial implications including any revenue implications that may arise. The projects will only commence once the full appraisal process has been carried out.
- 10.3 Any major risks/financial impact identified through the appraisal process will be notified to Cabinet through subsequent reports.

11. Legal Implications

Implications completed by: Eldred Taylor-Camara, Legal Group Manager and Lucinda Bell, Education Lawyer

Education

- 11.1 Section 14 of the Education Act 1996 imposes a general duty on local authorities to secure sufficient schools in their area. This is sometimes referred to as the “place planning duty”. This includes a duty to have regard for the need for securing that special educational provision is made for pupils who have special educational needs.
- 11.2 Section 7 of the Childcare Act 2006 imposes a duty to secure prescribed early years provision free of charge.

Procurement

- 11.3 Officers are proposing to procure the contracts relating to the projects set out in paragraph 12.2.5 of this report by means of various corporate and national framework agreements. The Council’s frameworks and the GPS framework have each been procured in accordance with EU and national procurement law and as such it is not necessary for officers to embark upon separate procurement tender exercises other than in accordance with the provisions of the respective frameworks.
- 11.4 Officers have indicated that they will obtain professional advice from the Council’s in-house Legal and Procurement advisers. It will also be necessary that all internal requirements are observed. This means that adherence must be had to the Council’s Contract Rules and that the appropriate internal governance structures and procedures also be followed. In pursuance of the above, Officers are proposing to prepare and submit detailed Procurement Strategy Reports to the Procurement Board and to submit to scrutiny by the Options Appraisal Group (formerly CPMO) before proceeding to procure the contracts. Officers will also need to ensure that they take appropriate advice from Legal Services in regard to the appropriate form and drafting of terms and conditions for the respective contracts.

Property appropriation

- 11.5 Under section 122 of the Local Government Act 1972 a council has the power to appropriate council owned land. The section states that a council may appropriate for any purpose any land that belongs to them where the land is no longer required for the purpose for which it is held immediately before the appropriation.
- 11.6 202A Halbutt Street is a former Day Centre and Markyate Library is a former library. In making the decision whether to appropriate both properties, the Council would need to consider the public need within the locality for the respective existing uses. Both properties are no longer used for their current purposes and there are currently statutory requirements for the Council to provide a school place for every child in the borough. Therefore the Council could reasonably decide that as both properties are no longer needed for the current purposes they can be transferred to Children’s Services.

12. Other Implications

12.1 Risk Management

- 12.1.1 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.
- 12.1.2 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.
- 12.1.3 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.
- 12.1.4 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.
- 12.1.5 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.
- 12.1.6 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.

12.2 Contractual Issues

- 12.2.1 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. It will also be necessary to explore other specialist providers where there is value for money and a clear support from the Government or its agents to secure projects in this way for schemes which they are funding directly and we are acting as agents for, e.g. New SEN Provision at Barking Riverside.
- 12.2.2 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.

12.2.3 It is anticipated that projects will be secured through options related either to the Local Education Partnership or through the Council's Framework of Contractors. It will also be necessary to explore other specialist providers where there is value for money and a clear support from the Government or its agents to secure projects in this way.

12.2.4 Cabinet are asked to approve procurement proposals for the following projects:

Robert Clack – including Lymington Primary
Construction and design procurement through the LBBB framework with a competitive tender – proposed 2 stage design and build contract.

Gascoigne Primary – Abbey Site
Construction and design procurement through the LBBB framework with a competitive tender – proposed 2 stage design and build contract.

Marks Gate Junior School
Project subject to discussion with the LEP procurement through standard BSF form of contract.

Markyate Library Conversion
Architect appointed from LBBB Consultancy framework for feasibility and design layout, and then full design. Construction procurement through the LBBB framework with a competitive tender – proposed single stage construction contract

202A Halbutt Street Conversion
Architect appointed from LBBB Consultancy framework for feasibility and design layout, and then full design. Construction procurement through the LBBB framework with a competitive tender – proposed single stage construction contract

New Special Free School at Barking Riverside
The Council to secure procurement of the scheme through a two stage tender process using the Government Procurement Service framework which has been competitively tendered through the relevant EU procurement rules.

12.3 **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.

12.4 **Customer Impact** - 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.

12.5 **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.

- 12.6 **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.
- 12.7 **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.
- 12.8 **Property / Asset Issues** - This proposed decision would facilitate the improvement and renewal of Council assets.

Background Papers Used in the Preparation of the Report: None

List of appendices:

- **Appendix 1** - Strategy for Ensuring Sufficient Education Places 2012/13 to 2020/21