

REPORT FOR: **CABINET**

Date of Meeting:	15 January 2015
Subject:	School Expansion Programme
Key Decision:	No
Responsible Officer:	Chris Spencer, Interim Corporate Director of Children and Families Simon George, Director of Finance and Assurance
Portfolio Holder:	Councillor Simon Brown, Portfolio Holder for Children, Schools and Young People Councillor Sachin Shah, Portfolio Holder for Finance and Major Contracts
Exempt:	No, except for Appendix A which is exempt from publication under paragraph 3 of part 1 of Schedule 12A to the Local Government Act 1972 (as amended) as it contains information relating to the financial or business affairs of any particular person (including the authority holding that information) - (ie commercially sensitive information pertinent to negotiations with contractors)
Decision subject to Call-in:	Yes
Wards affected:	All
Enclosures:	Appendix A: Indicative Capital Costs and Funding Source (Part II, Exempt)

Section 1 – Summary and Recommendations

This report provides a quarterly update to Cabinet on the implementation of the school expansion programme and related matters.

Recommendations:

Cabinet is requested to note this update on the implementation of the school expansion programme.

Reason: (For recommendations)

To enable the Local Authority to fulfil its statutory duties to provide sufficient school places in its area.

Section 2 – Report

Introductory paragraph

1. The Local Authority has a statutory responsibility to provide sufficient school places for its area. Like many boroughs, Harrow is experiencing significant growth in the pupil population. There are several key strands to the delivery of sufficient school places because an increasing pupil population impacts across primary, secondary and special school provision.
2. This is the fifth quarterly report to Cabinet on the School Expansion Programme covering primary, secondary and special school places. It updates Members and outlines the progress to date on the planned programme implementation.

Options considered

3. Cabinet agreed its School Place Planning Strategy in February 2010 to meet the increasing demand for school places that is primarily birth rate driven. In July 2011, Cabinet agreed on a Primary School Expansion Programme as part of the School Place Planning Strategy. The strategy aims to secure sufficient primary school places through the creation of additional permanent places, supplemented by planned bulge classes and contingency bulge classes, opened if required.
4. In July 2013 Cabinet approved the Special School SEN Placements Planning Framework for bringing forward proposals over the next 3-5 years to increase provision for children and young people with special educational needs.
5. In November 2013, Cabinet approved the Secondary School Place Planning Strategy which outlines the proposed approach to increase capacity within the secondary sector by September 2015 for the demand expected by September 2018.
6. Statutory proposals to expand 15 schools on 13 sites in Phase 2 of the Primary School Expansion Programme in 2014 and 2015 were agreed by Cabinet at its meetings in March and April 2014.
7. In July 2014, Cabinet agreed to the publication of statutory proposals to expand permanently a third phase of primary schools.

School Expansion implementation

Additional places at schools

8. Phase 1 of the Primary School Expansion Programme was implemented in September 2013 with the creation of 8 additional permanent Reception forms of entry at expanded schools.
9. Phase 2 of the Primary School Expansion Programme will deliver 15 additional permanent Reception forms of entry by September 2015. Seven in September 2014 and a further eight in September 2015.
10. The combined increase of permanent Reception classes across Phase 1 and Phase 2 is 23 additional forms of entry in primary schools from the 2008 baseline.
11. Additional secondary school places and additional special educational need provision at special and mainstream schools are approved from 2015.

Delivery of the School Expansion Capital Programme

12. A building programme is underway, coordinated by the School Capital Team, to create the spaces and facilities required by September 2015. Keepmoat the Council's Framework Partner is delivering the majority of the programme.
13. As of Christmas 2014 all 16 Agreed Maximum Prices (AMP's) have been agreed within the overall Children's Capital budget allocation and 15 were signed off. The final sign off will be concluded at the start of the New Year but 2 projects are on hold, one due to potential additional government funding. Works have commenced on all sites under Pre-Construction Works to ensure programmes can be maintained. The construction market remains difficult and prices have exceeded 10% nationally but the overall AMP's are within this market inflation figure and the Council can still accommodate all costs without the need for borrowing at this time. The Framework Partner Keepmoat has provided the latest Overall Delivery Programme for the projects and is currently indicating that works to enable the expansions of the 14 schools, and more importantly the September 2015 intake of pupils to be accommodated, will be completed by the Autumn. Contingency plans are being finalised should delays occur at the start of the new school year.
14. Whitefriars School, which has been procured through the Education Funding Agency Framework Agreement, is progressing well on site and is expected to be delivered by Christmas 2015 allowing for a September 2015 intake for Year 7, as part of the newly established all-through school.

Phase 3 of the Primary School Expansion Programme

15. In July 2014, Cabinet agreed to the publication of statutory proposals to expand permanently a third phase of primary schools and delegated authority to the Corporate Director of Children and Families, in consultation with the Portfolio Holder for Children, Schools and Young People, the decision about the final list of schools that should be moved to the statutory process for permanent expansion.
16. Following consultations during September and October, statutory expansion proposals were published in November on Grimsdyke School and on the Weald schools. The determination of these statutory proposals are the subjects of separate reports to January Cabinet. December Cabinet decided to publish statutory proposals to combine and expand the Welldon Park schools.

17. Discussion has been held with a number of schools about the possibility of permanent expansion. Consultation about the proposed expansion of the Stag Lane schools was held from 24 November to 16 December 2014. Consultation about the proposed expansion of Longfield Primary School will be held from 8 January to 5 February 2015. The timing of further consultations and statutory expansion proposals will be determined by progress with these discussions and proposals and the timing of the opening of the free schools announced by the Education Funding Agency. Decisions about opening temporary additional Reception classes in September 2015 will be made following the close of the applications period in January.
18. Site scoping studies for Phase 3 individual school expansions were completed by Christmas before moving onto more detailed feasibility studies and will be subject to Council approval of construction funding in February. A new procurement route is being established working alongside Housing for the construction phase to ensure more local delivery and cost effectiveness given the current market conditions which have seen construction costs rise significantly and limited availability of the construction supply chain in some areas.

Special Educational Need and Secondary Phase

19. A representative group of Headteachers has been established to draft the Special Education Needs and Disability (SEND) Strategy. The strategy articulates the vision for special education in Harrow and aims to ensure that there is a continuum of high quality local provision for young children and young people from 0-25 years of age with special educational needs. There are guiding principles to inform the development of provision and there are priorities for the next 3 years.
20. There is planning in place to increase secondary school places to meet increased Year 7 demand up to 2018 in accordance with Harrow's Secondary School Place Planning Strategy with additional permanent places available from September 2015. The announcement in September by the Education Funding Agency that the application for the proposed Pinner High School has progressed to the pre-opening stage of the free school process is a welcome development in accordance with the strategy. The Education Funding Agency and Avanti Schools Trust are working to finalise arrangements for the permanent location of the primary and secondary phases of the school to be permanently located within Harrow. As part of the ongoing strategy officers will continue to review projections, numbers on roll and the pattern of take up of places and maintain the dialogue with schools and the EFA about provision.

Priority School Building Programme (PSBP)

21. The Education Funding Agency (EFA) is delivering 7 rebuilding projects in Harrow under the first phase of PSBP. Indications are that the first two projects at Marlborough and Vaughan are behind the scheduled completion of December 2015. The Capital Team continues to work closely with the EFA on all projects, the last batch of which should be completed during 2016 and 2017. These will provide additional spaces at primary and secondary levels.
22. Following a submission for 4 projects under the Government's second PSBP phase last July the Council is awaiting the announcement about the successful submissions which has been delayed to January 2015.

Asset Management Planning

23. Children & Families Directorate are working in consultation with Environment & Enterprise Directorate on school asset management. Plans are being implemented to ascertain the current condition of the school maintained estate to align with the Education Funding Agency approach following the National Property Data Survey. The last major survey in 2010 needs fully updating to better align it to the maintenance needs of schools and to rebalance planned and reactive programmes and spending. It will also be an opportunity to review the statutory elements of maintenance responsibilities which were passed to schools some years ago.

Performance Issues

24. Schools in Harrow perform well in comparison to national and statistically similar local authorities. The vast majority of primary schools and secondary schools are judged 'good' or 'outstanding' by OfSTED. As at October 2014, 87% of Harrow's primary and secondary schools are judged 'good' or 'outstanding', compared to 85% in London and 80% nationally (Source: Ofsted Data View).
25. The Schools White Paper and Education Act 2011 maintain a focus on driving up standards in schools, and place more of the responsibility with the schools directly for their improvement. The role of the Local Authority in measuring performance and driving improvement has changed significantly and is reduced from its previous level. However, the Local Authority maintains a strategic oversight and enabling role in local education, and is likely to retain some role in monitoring educational achievement and key measures such as exclusions and absence. The Local Authority is also statutorily responsible for supporting and improving underperforming schools.
26. The Local Authority continues to monitor key education indicators. The indicators are used locally to monitor, improve and support education at both school and local authority level. They are also used within information provided to the Department for Education.

Year	Key Stage 2	Reading, Writing & Maths L4+	KS1-KS2 Expected Progress - Reading	KS1-KS2 Expected Progress - Writing	KS1-KS2 Expected Progress - Maths
2012	Harrow	79%	91%	93%	90%
	National	74%	90%	90%	87%
2013	Harrow	79%	90%	92%	92%
	National	75%	88%	92%	88%
2014 (P)	Harrow	82%	93%	92%	93%
	National	78%	91%	93%	89%

Source: DfE Statistical First Release, (P) – Provisional

Year	Key Stage 4	% 5 A*-C grades inc E&M	KS2-KS4 Expected Progress - English	KS2-KS4 Expected Progress - Maths
2012	Harrow	63.6%	82.3%	80.4%
	National	59.1%	69.3%	69.9%
2013	Harrow	65.4%	79.7%	83.3%
	National	60.8%	71.7%	72.0%

2014	Harrow	61.3%	81.4%	74.0%
(P)	National	56.1%	71.0%	65.4%

Source: DfE Statistical First Release, (P) - Provisional

Please note that the significant difference between the 2014 and previous year's result is largely due to the new 2014 methodology applied by the DfE.

27. The indicators fall within the following areas:

- Attendance and exclusions - remain a statutory duty for the Local Authority to monitor and improve.
- Underperforming schools - schools are assessed at Key Stage 2 & Key Stage 4 against defined floor standards.
- Closing the Gap - is a fundamental part of Ofsted's school inspection process, and accordingly, the Local Authority monitors the attainment of identified groups of pupils in its schools. The tables below includes the gap at key stage 2 and at key stage 4 between pupils eligible for free school meals and their peers and the gap between Harrow's SEN children and their peers – children with a SEN provision includes School Action, School Action Plus or a Statement.

2014 (P) Key Stage 2 – Closing the Gap	Harrow	National*
Achievement gap between pupils eligible for free school meals and their peers, based on pupils achieving level 4 or above in Reading, Writing and mathematics at Key Stage 2.	14%	19% (2013)
Achievement gap between pupils with special educational needs and their peers, based on pupils achieving level 4 or above in Reading, Writing and mathematics at Key Stage 2.	52%	53% (2013)

2014 (P) Key Stage 4 - Closing the Gap	Harrow	National*
Achievement gap between pupils eligible for free school meals and their peers, based on pupils achieving 5 or more A* to C grade GCSEs including English and mathematics GCSEs.	21.6%	26.7% (2013)
The Special Educational Needs (SEN)/non-SEN gap – achieving 5 A*- C GCSE inc. English and Maths GCSEs.	47.3%	47.2% (2013)

*The 2014 national FSM and SEN results have not been published as yet.

28. There is a complex interrelationship between a number of other performance issues such as traffic congestion, road safety, traffic and parking enforcement and travel plan performance, as referred to earlier in the report, and all these considerations are taken into account in assessing school expansion proposals.

Environmental Implications

29. The Council's over-arching climate change strategy sets a target to reduce carbon emissions by 4% a year. Schools account for 50% of the Council's total carbon emissions. Reducing emissions from schools is therefore a vital component in meeting the Council's target. However there is a significant risk that the expansion programme will increase emissions rather than reduce them. Phase 2 of the School Expansion Programme will have an impact on carbon emissions that will need to be carefully considered in this context.

30. The RE:FIT Schools Programme will be available to retrofit existing school buildings to improve their energy efficiency. For new-build schools, the design standards will need to ensure that they meet high energy use efficiency standards. Of particular importance will be the use of low carbon technologies – particularly for space heating – and these will need to be thoroughly investigated during the design phase.
31. For many of the projects in the school expansion, programme, planning applications will be required and part of the application will be a school travel plan. Through this process and the development of the solutions for the schools, the impact of the additional pupils and their travel modes will be addressed.

Risk Management Implications

32. Risk included on Directorate risk register? Yes
Separate risk register in place? Yes
33. The directorate and corporate risk management implications for the Council arising from school place planning are included on the directorate and corporate risk registers. A Programme Risk Register is reviewed by the Programme Board.
34. The highest priority risks for this programme are Planning and Finance. The table below sets out the high level risks together with mitigating / control actions.

High Level Risks	Consequences	Mitigating/Control Actions
Finance	Unaffordable Programme / individual projects and additional costs to Council. Risk of loss of TBNP funding if the new places are not provided and the allocations spent by September 2015.	Capital strategy brings together the Government's school funding streams: Basic Need, Capital Maintenance, Targeted Basic Need Programme; and building programmes e.g. Priority School Building Programme. School expansion feasibility designs aligned to the DfE guidance on spaces and areas for schools. Indicative costs calculated from feasibility studies to inform programme budget. Programme contingency has been included in the programme budget. Robust financial and programme monitoring through the Programme Board, Capital Forum and Cabinet reports. Exploring how the Government's Free School Programme for new schools (programme funded directly from government) may be supported in Harrow.
Programme delivery	Delays to programme – school places	Capital Team expanded with appropriate skills, experience and expertise in major construction projects to deliver programme.

	not available, additional costs. Keepmoat – late AMPs and delivery programmes may impact on provision of places in September 2015.	Programme Board established with Corporate Director and senior officer membership.
Pupil Projections	Over or under estimate of pupil growth leading to a mismatch of provision – shortage of places or over provision of places leading to high levels of vacancies.	GLA commissioned to provide school roll projections. Review of projections against Admissions data on applications and in-year movement of pupils. Close working with schools. The permanent expansions are planned to achieve a sustainable level of school places to meet the growth as indicated by the pupil projections. The additional permanent places are created as the demand grows over the years. The peak and variations in demand for school places will be met by continued use of temporary additional places. This approach will minimise the risk of having to remove permanent capacity in the years following the peak in demand.
Communication	Lack of understanding of need and proposals leading to delays and complaints.	Communication strategy developed for overall programme and individual projects. School Expansion Stakeholder Reference Group meets with cross-party and representative membership to provide advice and guidance on the implementation of the school expansion programme. Programme communications officer has developed and co-ordinated communications and community engagement.

Legal Implications

35. The Council has a statutory duty under the Education Act 1996 to ensure the provision of sufficient schools for the provision of primary and secondary education in their area.
36. Under s.14 of the Education Act 1996, a local authority shall secure that sufficient schools for providing primary and secondary education are available in their area. Sufficient means sufficient in number, character and equipment to provide for all pupils the opportunity of appropriate education.
37. In meeting this duty, a local authority must do so with a view to securing

diversity in the provision of schools and increasing opportunities for parental choice.

38. The Council must ensure it meets its public law duties when making decisions, including meeting its public sector equality duty. It must consider all relevant information, disregard irrelevant information, act in accordance with the statutory requirements and make its decision in a fair and transparent manner.

Financial Implications

Revenue

39. School revenue budgets are funded from the Dedicated Schools Grant (DSG). As the Department for Education (DfE) allocates DSG based on pupil numbers, any increase in pupil numbers results in additional revenue funding for the expanding school. The revenue funding is allocated to schools based on the Harrow Schools Funding Formula. School budgets are based on the pupil numbers in the October prior to the start of the financial year, so there is always a funding lag when schools increase their pupil numbers. To ensure that schools who agreed to an additional class are not financially penalised, the DSG growth fund provides Additional Class funding for the period from September to March following which the mainstream funding formula will take effect. This ensures that schools have adequate funding for at least the average costs of a teacher and some set up costs.

Capital

40. The budget for the school expansion programme, including primary school expansions in Phase 1 and Phase 2 and three expansions at Phase 3, secondary school expansion and provision for pupils with special education needs (SEN) is £89.784m.
41. This does not include costs for two schools (Priestmead and Aylward) which will be delivered as part of the Government's Priority School Building Programme (PSBP) to improve the schools in the worst condition across the country.
42. All of the Agreed Maximum Price (AMP) schedules have been received for schools in Phase 2. At the time of writing, of these, all 16 have been agreed with 15 signed off.
43. The forecast cost for the overall programme is £91.788m. The increase in budget will be funded by contributions from schools and s106 funding for which the cost of the works are included in the overall forecast. The detailed programme and sources of funding is shown at Appendix A (Note: this Appendix is exempt from publication).
44. Based on current estimates and market conditions it is still expected that it is possible to deliver this programme without the need for council capital funding.

Equalities implications / Public Sector Equality Duty

45. Section 149 of the Equality Act 2010 requires that public bodies, in exercising their functions, have due regard to the need to (1) eliminate discrimination, harassment, victimisation and other unlawful conduct under the Act, (2) advance equality of opportunity and (3) foster good relations between persons who share a protected characteristic and persons who do not share it.

46. Equalities Impact Assessment has been undertaken on Phase 2 of the Primary School Expansion Programme and on each school proposed for permanent expansion. The overall conclusion of these assessments is that the implications are either positive or neutral in that the expansion of the schools will help to ensure sufficient school places for the increasing numbers of children in Harrow. The assessments have not identified any potential for unlawful conduct or disproportionate impact and conclude that all opportunities to advance equality are being addressed.
47. Harrow's schools are successful, inclusive and provide a diversity of provision. The school expansion programme will ensure sufficient school places for the increasing numbers of children in Harrow and will build on the successful provision that already exists in Harrow's schools. By acting to ensure all children in Harrow have access to a high quality school place, Harrow is promoting equality of opportunity for all children and young people.

Council Priorities

The Council's vision is: **Working Together to Make a Difference for Harrow**

48. The Council Priorities are as follows:
- Making a difference for the vulnerable
 - Making a difference for communities
 - Making a difference for local businesses
 - Making a difference for families
49. The recommendation supports these priorities by:
- Ensuring Harrow Council fulfils its statutory duties to provide sufficient school places in its area.
 - Providing high quality local mainstream and special educational need provision in schools for children close to where they live.

Section 3 - Statutory Officer Clearance

Name: Jo Frost	<input checked="" type="checkbox"/>	on behalf of the Chief Financial Officer
Date: 4 December 2014		
Name: Sharon Clarke	<input checked="" type="checkbox"/>	on behalf of the Monitoring Officer
Date: 9 December 2014		

Ward Councillors notified:	NO, as it impacts on all Wards
EqlA carried out:	YES <i>Undertaken on the School Expansion Programme during Phase 2</i>
EqlA cleared by:	Equality Impact Assessment Quality Assurance Group

Section 4 - Contact Details and Background Papers

Contact: Johanna Morgan, Education Lead School Organisation,
020 8736 6841 johanna.morgan@harrow.gov.uk

Background Papers: Equalities Impact Assessment on Phase 2 of the School Expansion Programme

Call-In Waived by the Chairman of Overview and Scrutiny Committee	NOT APPLICABLE <i>[Call-in applies]</i>
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