

**REPORT FOR: OVERVIEW AND
SCRUTINY COMMITTEE**

Date of Meeting:	17 November 2015
Subject:	School Expansion Programme
Responsible Officer:	Chris Spencer, Corporate Director for People
Scrutiny Lead Member area:	Councillor Lynda Seymour, Children and Families Policy Lead Member Councillor Janet Mote, Children and Families Performance Lead Member
Exempt:	No
Wards affected:	All
Enclosures:	Appendix A: School Expansion Programme Capital Forecasts and Funding Appendix B: Summary of Primary School expansions Appendix C: Programme Risk Profile

Section 1 – Summary and Recommendations

This report provides an update on the implementation of the school expansion programme and related matters including procurement for the next phase of the schools capital programme delivery.

Recommendations:

The Overview and Scrutiny Committee is requested to note the report and comment on the implementation of the school expansion programme.

Section 2 – Report

Introductory paragraph

1. The Local Authority has a statutory responsibility to provide sufficient school places for its area. 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. The annual update of school roll projections provides important data to help inform the proposals that are brought forward in the phases of the school expansion programme. The most recent school roll projections update was reported to Cabinet on 14 July 2015.
3. This report updates Overview and Scrutiny Committee Members on the school expansion programme and outlines the progress to date on the planned programme implementation.

Council Strategies

4. 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 in phases as the demand increases, supplemented by planned bulge classes opened if required.
5. 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. In April 2015 Cabinet approved the Special Educational Needs and Disability Strategy 2015-2020.
6. In November 2013, Cabinet approved the Secondary School Place Planning Strategy. The strategy set out the Phase 1 approach to

increase capacity within the secondary sector that would deliver the additional places required by September 2018.

Summary of the School Expansion Programme

Primary School Expansion Programme

7. Phase 1 was implemented in September 2013 with the creation of 8 additional permanent Reception forms of entry at expanded schools.
8. Phase 2 delivered 15 additional permanent Reception forms of entry by September 2015. Seven in September 2014 and a further eight in September 2015.
9. Phase 3 will have delivered 5 additional Reception forms of entry by September 2016 at expanded schools. There is current planning for three primary free schools to be established that would provide 7 additional Reception forms of entry by September 2017.

Secondary School Expansion Programme

10. Phase 1 will have delivered 19 additional Year 7 forms of entry by September 2016.
11. Phase 2 planning is being developed to meet the projected need for additional Year 7 forms of entry from 2020/21 onwards.

Special Educational Need Provision

12. 151 additional special educational need places at special and mainstream schools have been delivered from September 2015. The SEND Strategy includes a Strategic Priority to continue to identify future provision requirements from 0-25 age range.

Delivery of the School Expansion Capital Programme

13. There is an extensive schools capital programme to create additional places and special educational needs provision. Whilst the priority for the funding is on expansion, the Council in partnership with schools has taken the opportunity for the learning environments and school sites to be transformed and improved significantly.
14. The approach the Council has adopted has the following features:
 - to consider all school sites in accordance with government accommodation guidance but to develop individual site specific solutions;
 - to provide permanent accommodation for permanent expansions and replacing time served temporary accommodation with permanent build. This improves the internal environment by enabling classrooms and spaces to be reconfigured ensuring that year groups are located together and circulation improved. Externally, the footprint is consolidated which in turn improves the outdoor and playground spaces;
 - improving catering facilities to provide meals in accordance with the Key Stage 1 Meal Entitlement;

- providing specialist spaces for the additionally resourced SEN provision.
15. The Council has maximised the government's funding opportunities and there are three main strands:
 - Annual Basic Need allocation and Targeted Basic Need Programme.
 - Priority School Building Programme (PSBP) Rounds 1 and 2. This is the government's national programme to address the worst condition schools. There are 7 schools in the PSBP1 programme and they will be rebuilt.
 - Free Schools managed and delivered by the Education Funding Agency with the proposers.
 16. The delivery of the construction projects in the school expansion programme is being coordinated by the Children's Capital Project Team.
 - Most of the construction projects in the initial phases of the school expansion programme are being delivered by Keepmoat the Council's Framework Partner.
 - The Education Funding Agency is delivering the school expansion projects within the Priority School Building Programme and also the new free schools announced by the Department for Education to be established in Harrow.
 17. A large proportion of the construction projects had to be delivered by September 2015 to meet the funding conditions of the Targeted Basic Need Programme which attracted into the borough over £32million of funding for new school places. Together with the other construction projects across schools, there was an extensive and complex programme of 29 projects to deliver during the summer period.
 18. This is an intensive programme of works which has had considerable challenges. At the outset of the programme it was expected that the majority of the project works would be completed by September 2015. However, there have been delays across the programme. The overall delay has meant that the priority for the Schools Capital Team and the contractors was to ensure that there is accommodation for the pupils at the beginning of September.
 19. Through the determination and commitment of the school staff, including Headteachers and site supervisors, the contractor and Children's Capital Project Team, the majority of schools opened during the first week of September for the new academic year. Four schools opened on Monday 7 September and parents were informed on Friday 28 August about the deferred start. The issues that were overcome to achieve this should not be underestimated and, whilst it is acknowledged that there are on-going challenges to complete all the projects, it is important that the combined contributions in this achievement from the schools, contractors and council are recognised.
 20. By the end of the Autumn half term holiday at the beginning of November progress has been made with SEP1 and SEP2 projects and a number of

projects have been completed. All the other projects have a completion date ranging from the end of this year to spring 2016.

Phase 3 procurement

21. The Council's single contractor framework agreement with Keepmoat, which is delivering the Phase 1 and Phase 2 expansion projects, has expired and has not been replaced as there are a number of alternative procurement routes available to the Council. These alternatives include using framework agreements let by other public sector bodies and issuing tenders to the market.
22. Cabinet has delegated the following authorities:
 - On 16 October 2014, authority for the appointment of a consultant or contractor from a national or local public sector Framework(s),
 - a) to undertake feasibility studies, surveys and provide professional and technical services and
 - b) to design and build /refurbish the school facilities to provide additional school places within the School Expansion Programme Phase 3 and Phase 4, subject to Council's approval of the capital programme 2015/16 to fund additional Phase 3 school expansions and Phase 4.
 - On 23 April 2015, authority to appoint contractors for works on projects in the capital programme, including for school expansions, amalgamation, capital maintenance and bulge class works
23. Following a procurement process, EC Harris, now known as Arcadis, were appointed as Technical Advisers to complete the feasibility studies on the Phase 3 expansion school sites including surveys and to develop the designs.
24. For the Phase 3 expansion projects, the Children's Capital Project Team, in conjunction with the Divisional Director Commercial, Contracts and Procurement and Arcadis, has recommended the procurement route to appoint the constructor for building works that it is considered will best address issues such as cost effectiveness (given the current market conditions which have seen construction costs rise significantly), severe pressures on the availability of the construction supply chain and a desire to enable, as far as possible, local companies to be able to compete for the work.
25. On 30 September 2015 approval was given to appoint Willmott Dixon as the single supplier from the SCAPE framework. The SCAPE framework is local authority owned and specialises in school construction. Under this framework the contractor is appointed using a National Engineering Contract (NEC) which is used widely by a number of LAs. The NEC form of contract includes robust Liquidated and Ascertained Damages (LAD) clauses in the event that the contract is breached to ensure delivery and within an agreed budget. Two contractors have been appointed:
 - Willmott Dixon as a single supplier for works over £2m.
 - Kier as a single supplier for works below £2m.
26. The Schools Capital Team will ensure that there are robust contract monitoring arrangements in place to hold all parties to account.

Procurement and Legal teams will be reviewing performance to ensure compliance. The contractor's performance against the contract will be reported to the Corporate Strategic Procurement Board.

Position for school places in September 2015

27. The immediate pressures for school places continue to be experienced in the primary sector. The situation will be monitored closely. At this stage it is believed there will be sufficient Reception places to meet in-year demand this academic year.
28. There is particular pressure across year groups Year 1 to Year 6 and pupils continue to be placed in accordance with the Fair Access Protocol. This means that the majority of primary schools have pupils in year groups above their published admission number. In order to alleviate this pressure, seven additional temporary 'bulge' classes have been opened across year groups Year 1 to Year 4 in recent years, which has been possible because of the very helpful response by schools to meet the demand for more school places:
- a Year 1 class in 2011;
 - a Year 2, a Year 3 and two Year 4 classes in 2014;
 - a Year 1 and a Year 4/5 class in 2015.
- Discussions will continue with schools about options to open further additional temporary classes during this academic year and in September 2016 as required.
29. There are sufficient places to meet demand for secondary places currently and it is believed there will be sufficient places to meet in-year demand this academic year.

Future Planning

30. Primary. Free schools are an important component of Harrow's school expansion programme. If the lower trajectory of increased demand for Reception places predicted in the latest school roll projections report materialises in reality, and the already announced free schools are delivered in Harrow, it may be that the current Phase 3 expansion plans up to September 2018 will provide sufficient additional permanent primary school places in Harrow to meet demand. The situation will need to be monitored annually, but on the updated projections the peak and any fluctuations in demand could perhaps then be met by continued use of bulge classes to avoid any risk of over capacity of permanent places.
31. The planning for the delivery of Phase 3 primary school places is phased over a two to three year period to meet demand as it is projected to increase. Currently the phasing is as follows:
- 2015 Grimsdyke and Longfield
 - 2016 Weald Rise and Stag Lane expansions. St Jérôme's and Mariposa free schools.
 - 2017. Harrow View free school.
32. The delivery of these additional school places is through a combination of Council projects and projects managed by the Education Funding Agency (EFA). Harrow's Schools Capital Team is project managing the expansions of Grimsdyke, Longfield and the Stag Lane schools. The

Government's Priority School Building Programme will rebuild Weald Rise as an expanded school. The EFA deliver free schools in partnership with the free school proposers. The Schools Capital Team and Education Strategy have established a strong interface with the EFA and proposers. This is important because if there are delays to the programme then there may be consequences for the Council school place planning strategy and the Council's ability to fulfil its statutory duty to provide sufficient school places.

33. The opening of Harrow View Primary School and the new primary school on the Civic Centre site need to be timed for when the new housing units are being occupied. An additional consideration is the lead in time for construction of new schools, for which a two year lead-in period needs to be factored in.
34. SEN and secondary. The focus for future school place planning is on provision for special educational needs (SEN) and secondary places. In developing plans there will be consideration of existing schools and free school opportunities.

Special educational needs provision

35. Representative task and finish groups are working on the six Strategic Priority Areas of the Special Educational Needs and Disability Strategy approved by Cabinet in March 2015. Additional special educational need provision is likely to be an outcome of this work. When specific proposals are identified to be brought forward for potential implementation, these will be reported to Cabinet. Special schools have already been expanded and space for additional SEN provision will be challenging to identify. It is important to identify where additional SEN provision could potentially be located and site scoping work (see below) will be undertaken in preparation for specific proposals that are identified.

Secondary places

36. The first phase of the Secondary School Place Planning Strategy set out the planning to meet the increasing demand for Year 7 places up to 2018. Successful applications to the Targeted Basic Need Programme and new schools under the Free School Programme have created additional places that will meet the demand predicted in the latest school roll projections up to 2020/21. Though a consequence of this is a surplus of Year 7 capacity for high schools to manage in the next few years, the successful applications have attracted very significant additional funding into the borough to timescales that were set by the Government.
37. Phase 2 secondary school place expansion planning will require expansion of places at a number of existing high schools as well as potentially an additional new school above the current free school plans in the borough. Current high school sites are very constrained by existing student numbers. Sites for a new high school in Harrow will be challenging to identify, and planning and delivery can be expected to take some years. It is important to identify where additional secondary places could potentially be located and site scoping work (see below) will be undertaken to help inform planning.

Site scoping

38. Site scoping work will help to inform proposals for additional school places and ensure that the capital programme is kept updated to meet future costs.
39. Arcadis, the Technical Advisers to Phase 3 of the School Expansion Programme, have been commissioned to undertake scoping studies on school site options for primary, secondary and special educational need provision that can inform:
- development of specific proposals;
 - Council's financial planning;
 - timing of any statutory decision-making processes.
40. The proposed timescales for this programme of work are:
- | | |
|---------------------|--|
| December | Arcadis site scoping and initial costings work to be completed |
| By end of term | discussion with schools |
| January 2016 | possible start of any statutory processes on proposals to create new school places (Cabinet decisions in June) |
| June 2016 | provisional costings for new provision. Commence planning for MTFS update. |
| September 2016 | start design work. |
| September 2018/2020 | delivery of new provision. |

Financial Implications

Revenue

41. 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.
42. Harrow's Schools Forum has made helpful decisions about school funding to support the school expansion programme, including: Additional Class Funding Formula; Additional Class Funding Formula in the 2nd Year to support in-year additional classes; Age Range Extension Primary to Secondary; provision for a lag in funding in some cases.

Capital

43. The budget for the school expansion programme through to 2018-19 is £124.944m. As at the end of August 2015 there have been significant pressures identified primarily in Phase 2 (SEP2) of the programme. They include items omitted/excluded from the Agreed Maximum Price (AMP) schedules, delays leading to additional costs including Plan B options for works not completed by September 2015 and a number of external unforeseen factors such as UK Power. It is anticipated the worst case scenario forecast figures will not all come to fruition and that the programme will still be affordable within the budget. However, the

programme is continually changing and therefore there is still a risk to this budget.

44. This does not include costs for two schools (Priestmead and Aylward) which will be rebuilt as expanded schools as part of the Government's Priority School Building Programme (PSBP) to improve the schools in the worst condition across the country.

Virement

45. All Phase 3 (SEP3) schools are on very confined sites within heavily residential areas. Consequently this brings additional challenges to the building programme with enhanced planning requirements mainly around traffic and the size and type of building planning will allow. Furthermore, due to works having to be carried out whilst schools are in occupation means the building process will be longer which impacts on project costs. The current construction market in the UK and in particular in London is extremely buoyant with many construction firms working to capacity and with full order books. Because of this, the cost of construction related materials, labour and professional services are at a premium. This means the current SEP3 budget needs to rise to keep pace with the rising costs of the London construction market. On 17 September 2015 Cabinet approved a virement to the Capital Programme transferring £5.465m of funding from the as yet uncommitted Phase 4 School Expansion Programme to Phase 3 to fund these increasing costs from within the overall approved capital programme.

Performance Issues

46. 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 31st March 2015, 88% of Harrow's primary and secondary schools are judged 'good' or 'outstanding', compared to 86% in London and 82% nationally (Source: Ofsted Data View).
47. The Education Act 2011 maintains a focus on driving up standards in schools, and places 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.
48. 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.
49. 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, and all these

considerations are taken into account in assessing school expansion proposals.

Environmental Impact

50. 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 3 of the School Expansion Programme will have an impact on carbon emissions that will need to be carefully considered in this context.
51. 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.
52. 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

53. Risk included on Directorate risk register? Yes.
Separate risk register in place? Yes.
54. 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.
55. The risks for delivery of the school expansion programme have been reported in detail to Cabinet in quarterly update reports. The highest priority risk for this programme is financial in respect of the programme or individual projects being unaffordable and thereby incurring additional costs to the Council. Control actions to mitigate against this risk include:
 - 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 Department for Education 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.

Equalities implications

56. 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.
57. 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**

58. 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
59. The School Expansion Programme 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.

Ward Councillors notified:

NO

Affects all Wards

Section 3 - Contact Details and Background Papers

Contact: Jerry Dillon, interim Head of Children's Capital Project Team, 020 8424 1787, jerry.dillon@harrow.gov.uk

Background Papers: None.