

SLOUGH BOROUGH COUNCIL

REPORT TO: Cabinet **DATE:** 14th June 2010

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WARD(S): ALL

PORTFOLIO: Education

PART I **KEY DECISION**

Primary School Places Action Plan 2011-13

1 Purpose of Report

To agree in principle the Primary School Places Action Plan 2011-13. Also to agree areas of the plan as the preferred options for ensuring that sufficient Reception places are available for September 2011 and to note that there is no certainty regarding future grant income to create any additional school places that may be required from 2012 and beyond.

2 Recommendation

The Cabinet is requested to resolve that:

- (a) The Primary School Places Action Plan 2011-13 is approved in principle.
- (b) Current available funding is used to expand 6 primary schools (more if required) to meet the demonstrable shortfall in school places projected for 2011 and all funding for existing projects is profiled to ensure that the benefit of external funding is maximised and where necessary spent by 31st August 2011.
- (c) An amount (to be based on the outcome of the current feasibility study) is set aside to refurbish the old Town Hall building for use as a school, if the feasibility study indicates this is a viable option.
- (d) Sources of funding for a new school in the Chalvey area continue to be explored.
- (e) If demand increases further for September 2010 then consideration will be given to bringing forward schools for expansion based on the list of schools already identified for expansion in 2011 in the Primary School Places Action Plan 2011-13. Schools will be prioritised related to the location of demand and those schools who are sufficiently robust and receptive to proceeding early.

3 **Community Strategy Priorities**

- **Prosperity for All** – primary school places will be expanded to ensure that every Slough child entitled to a school place is offered a Slough primary school place for 2011 and 2012.

4 **Other Implications**

(a) Financial

- 4.1 As Cabinet is aware on 8th March 2010, it was agreed that £15.73m would be allocated to expanding school places in readiness for September 2010. These projects are shown in Appendix B(i). This paper now looks to allocate the remaining funding available to Slough, £7.469m, to create new places for 2011 and earmark funding for increases in 2012. This will mean that a total of £23.2m will have been spent on new primary school places over the period 2009-12.
- 4.2 The Primary School Places Action Plan 2011-13 is attached as **Appendix A**. Section 5 of the plan, in summary, states that the funding currently available is insufficient to create the full number of places required by 2013. Consequently the available cash envelope of £7.469m needs to be used to create the maximum number of new school places to meet known need.
- 4.3 A best value analysis attached as **Appendix B** examines the cost per pupil place both for the schemes already underway to create places for September 2010 and for the options proposed in the Action Plan. This analysis demonstrates that options being proposed for 2011 and 2012 provide better value for money than the schemes underway for 2010, this is to be expected given that the schemes currently underway include a number of major refurbishments. The cost per pupil place for the options now being proposed average £6,368 per place (Appendix B(ii)) compared to the average cost per pupil place for the schemes already underway of £11,652 (Appendix B(i)). It should be noted the funding allocation per place from central government was set at £11,000-13,000 via the Basic Need Safety Valve funding which demonstrates that Slough is achieving value for money.
- 4.4 In order to reduce vulnerability to changes in government funding policy and to provide flexibility regarding existing spending constraints, a number of funding streams have been reviewed and reprofiled. By changing the funding sources for current capital schemes from core funding (supported borrowing) to grant income the authority will ensure maximum use of government grant which needs to be spent by August 2011. The following changes will permit this:
- i) The £3m of core funding (supported borrowing) allocated to refurbish the former Lea Junior School will now be funded by Basic Need Safety Valve funding
 - ii) £1.193m of core funding (supported borrowing) allocated to the Westgate phase 2 expansion project will now be Modernisation funding.
- 4.5 The £7.469m, identified in paragraphs 4.1 and 4.2 above, comprises the following funding streams:

Source	Funding	Description
Basic Need Safety Valve Funding	£3.276m	Slough was allocated £8.986m in 2009 to create permanent new school places in response to the unprecedented increase in demand experienced by many authorities for September 2009. £5.71m has been allocated on projects to increase places for 2010 as shown in Appendix B(i) as agreed by Cabinet on 8 th March 2010 (and is part of the £15.73m referred to in paragraph 4.1).
Core Funding	£4.193m	Assuming the changes outlined in paragraph 4.4, this funding is available for school places and does not have a deadline for spending.
Section 106 developer contributions	tbc	Funding has been requested from developers for current and proposed housing projects, however income dates are not predictable. As this becomes available Members will be provided with updates.
Total Available	£7.469m	

- 4.6 In order to meet the level of growth required within the funding limit of £7.469m the most cost effective option is to allocate funding for adding new modular annexes at a number of schools and also take advantage of the opportunity to add places at 2 existing schools (Claycots and Priory). Based on provisional costings by officers an initial allocation of £800K per school is suggested and made up as shown in the table below.

Items	Provisional costings
Modulars – purchase, installation and fitting out	£330K
Planning requirements – expansions for 2010 have required up to £200K for highways works	£70K
School infrastructure – adding a form of entry to a school (210 pupils plus staff) will put additional pressure on existing buildings.	£400K
Total	£800K

- 4.7 An alternative option to modular expansion would be to build a new school with the £7.469m currently available. It is expected that this would be sufficient funding to build a new 2-form entry school (420 places), as indicative costings suggest £7m is a suitable budget. However, a single new school would not create the number of school places required for 2011; **this would leave a shortfall of 7 Reception classes (210 Reception places) compared to the modular option.**
- 4.8 Although the current feasibility study has yet to be completed, a further option would be the refurbishment of the old part of the Town Hall, following demolition of the newer part later this year. This could add 2 or 3 forms of entry (420 or 630 places). A provisional sum of £1m has been used within this paper in order to provide budgeting options. A report will be brought back to cabinet once the feasibility information on viability and costs is available.
- 4.9 **The funding currently available is sufficient to complete one of the following options but not both:**
- i) **build a new school, or**
 - ii) **build new modular annexes on school sites across the town, take advantage of 2 existing opportunities and possibly refurbish the old Town Hall building.**

- 4.10 Note that the modular option will create 3 infant classes only, each school will still require a further 4 classrooms in 3 years' time to create the junior classrooms to complete the expansions. This would require at least another £7m to be allocated in 3 years' time.

(b) Risk Management

<i>Recommendation</i>	<i>Risk/Threat/Opportunity</i>	<i>Mitigation(s)</i>
<i>From section 2 above</i>	<i>Risk – Between 177 and 239 additional reception places are required for September 2011.</i>	<i>Maximise the use of funding to create at least 6 forms of entry for September 2011.</i>

(c) Human Rights Act and Other Legal Implications

Local Authorities are under a statutory duty to ensure that there are sufficient school places in their area, promote high educational standards, ensure fair access to educational opportunity and promote the fulfilment of every child's educational potential. They must ensure that there are sufficient schools in their area and also promote diversity and increase parental choice.

(d) Equalities Impact Assessment

Not required at this stage.

(e) Workforce

There are no workforce implications.

5 Supporting Information

Background Information

- 5.1 As Members will be aware, since 2007 Slough has been planning for an increase in primary school provision. The funding of £15.73m referred to in paragraph 4.1 is fundamentally central government funding received during the period 2008-2010. This is outlined in Appendix B(i).
- 5.2 The funding of £15.73m has been used to increase the number of reception places available from 1677 in September 2008 to 1887 for September 2010.
- 5.3 Due to an increase in demand since these proposals were agreed a bulge Reception class has been added at the new school being planned for the former Lea Junior School site, meaning the school will now admit 90 reception pupils rather than 60. If demand increases even further for September 2010 then consideration will be given to bringing forward schools for expansion based on the list of schools already identified for expansion in 2011 in the Primary School Places Action Plan 2011-13 (Appendix A). Schools will be prioritised related to the location of demand and those schools who are sufficiently robust and receptive to proceeding early.

Forecasting

- 5.4 As part of Slough's school place planning procedures, forecasts are produced and updated on an annual basis. The methodology used for forecasting the Reception demand in future years is described in Appendix C.
- 5.5 Applying this methodology to current known birth data produces the forecasts summarised in the table below. These figures indicate that between 6 and 8

additional forms of entry will be required for September 2011 and between 14 and 16 additional forms of entry will be required by September 2013.

Year	Forecasts		Shortfall compared to current number of Reception places: 1887
	Low range projection	High range projection	
September 2010	1917	1947	30→60 places 1 to 2 classes
September 2011	2064	2126	177→239 places 6-8 classes
September 2012	2152	2216	265→329 places 9 to 11 classes
September 2013	2300	2369	413→482 places 14 to 16 classes

Options

- 5.6 Consequently, options for building and funding such a significant growth are limited. The attached Action Plan outlines the key implications of 3 options and these are summarised below. (The financial impact of each option is outlined in paragraphs 4.2 to 4.10 above).

Option i) Use surplus existing primary accommodation

Two existing schools will have surplus classrooms. Adding infant annexes at Claycots and Priory are best value options costing £2,833 per pupil place (as shown in Appendix B(ii)) – Priory already has the classrooms available (it formerly used these for additional junior classes) and Claycots School is adding junior classrooms with its own funding.

Option ii) Infant Annexes

Phase in modular classrooms in a planned way across the estate, that is, add 3 classrooms (an infant annex) at a number of schools across the town. The factors to be considered when prioritising schools for expansion are summarised on page 7 of the attached Action Plan (Appendix A).

Each school would be allocated £800K to complete this project. An advantage of this approach would be that if demand should reduce in 5-10 years time this accommodation would provide flexibility to the school for specialist classes or extended services.

Option iii.a) Build new school(s)

At a meeting on 8th April 2010, Cabinet agreed to undertake a feasibility study to look at the options for adding a new school in the Chalvey area. This will include the Town Hall site and 3 other nearby sites. The tender process to appoint consultants for this work is currently underway. An estimated budget to build a new 2-form entry school is c£7m and to build a 3-form entry is c£10m.

Option iii.b) Refurbish the Town Hall

Building a new school will not create the number of places required, however the refurbishment of the old part of the Town Hall building may provide a cost effective alternative. The current feasibility study will consider the viability and potential costs for this work.

5.7 The table below summarises the number of places that could be created with each option and the funding required:

	Options	Costs	Total new places to be created	Additional Reception places added	Comment
i	Priory and Claycots	Up to £850K	300	60	This would add new build for a full new form of entry (210 places) at Claycots. Priory already has the classes for an infant annex.
ii	Infant annexes	£800K each	90 each	30 each	This adds 3 classes per school to accommodate a Reception, Year 1 and Year 2 class. 4 Junior classes will be required at each site in 3 years' time.
iii	a) New school	c£7m	420	60	New 2-form entry school
		c£10m	630	90	New 3-form entry school
iii	b) Refurbish Town Hall	c£1m	240	60 or 90	Option to be explored via feasibility study. It would still require additional classrooms in future years.

5.8 Given the scale of the forecasted growth in primary places (shown in paragraph 5.5) and the funding limit of £7.469m that is available, it is not possible to build a new school and still create the Reception places required for 2011 and beyond. The only affordable option is a combination of best value options as shown in the table in Appendix B(iii). Appendix B(iii) would create up to 1170 new school places this is equivalent to almost 3 x 2-form entry primary schools.

5.9 Appendix B(iii) demonstrates one permutation for spending 100% of available funding to create 1170 new school places. Due to the change in funding sources outlined in paragraph 4.4 it is no longer necessary to fully allocate all funding at this stage and an element of caution can be exercised. Members will understand that there is a difficult line to be followed to ensure that there is not an over-provision of school places due to a change in parental demand at some future date, and at the same time, to ensure Slough does not find itself with an under-provision as was the case in 2009. To minimise the risk of either option occurring the following is recommended:

- Change funding as described in paragraph 4.4 to ensure maximum usage of time-limited grant, permitting a measured approach to committing resources
- Phase delivery of the additional classrooms in line with levels of certainty to reduce the risk of over- or under-provision of classes
- Based on forecasts in paragraph 5.5 it may be prudent to add 6 new infant annexes for September 2011 (the lowest range of the forecast in paragraph 5.5), while at the same time progressing the planning and design work required for further infant annexes should the need become apparent during the application round in February 2011. The funding commitment to add 6 infant annexes would be £4.05m based on the following:

1.	Expand Claycots and Priory	£850K
2.	Add 4 infant annexes (4 x £800K) = £3.2m	£3.2m
	Total	<u>£4.05m</u>

- 5.10 Assuming the 6 expansion projects are agreed as shown in paragraph 5.9 this would leave reserve funding of £3.419m to address any additional growth required for September 2011. This figure is calculated by deducting £4.05m from the available funding described in paragraph 4.5, £7.469m.

Current available funding	£7.469m
Expand Claycots and Priory and add 4 infant annexes	(£4.05m)
Reserve funding for future primary expansions	<u>£3.419m</u>

Procurement

- 5.11 The approach described above involves adding at least 4 infant annexes and therefore procurement of at least 12 modular classrooms as well as infrastructure improvements in 4 schools to be completed by August 2011. Following the corporate approach, this work will be commissioned through Slough Borough Council's Property Services team who will take advantage of competitive market tendering to ensure that the authority obtains the best available value for its investment.

2012 and future years

- 5.11 Assuming growth in demand develops as indicated in the forecasts for future years then there would still be a shortfall of Reception places by 2013, unless further funding can be identified to continue adding infant annexes. And by 2014, for each infant annex added now, further funding will be required to add the junior annexes of 4 new classes necessary to complete the forms of entry. This will be looked at as part of the budget build process later this year.

6 Comments of Other Committees

None

7 Conclusion

Members are requested to recommend that available funding is used to expand primary places for September 2011 by using surplus existing accommodation (option i) and by adding infant annexes at 4 other primary schools (option ii). At the same time planning and design work could proceed on additional infant annexes, and funding approved as they become required. The results of the feasibility study for the Town Hall (option iii.b), when received, would be submitted to cabinet for further consideration.

8 Appendices Attached

'A(i)' Primary School Places Action Plan 2011-13

'A(ii)' List of possible sites for Expansion – Sept. 2011, 2012 and 2013.

'B' Best Value Analysis

'C' Forecasting Model

9 Background Papers

'1' School Places Plan 2009-19