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|------------------------------------|--------------------------------|---|---------------------------------|
| Item No. 23. | Classification: Open | Date: 16 July 2013 | Meeting Name: Cabinet |
| Report title: | | Primary Investment Strategy | |
| Ward(s) or groups affected: | | All | |
| Cabinet Member: | | Councillor Dora Dixon-Fyle, Children's Services | |

FOREWORD – COUNCILLOR DORA DIXON-FYLE, CABINET MEMBER FOR CHILDREN'S SERVICES

Southwark's school children are achieving higher, schools are performing better and parents are happier with the range of schools in the borough. Some 83% of Southwark's primary school children achieved the expected levels of progress in English and maths combined in 2012 compared to 79% of their national peers. Similarly, around 80% of primary schools have been judged good or outstanding by Ofsted, which is in the top quartile of performance nationally. The council also continues to guarantee a local primary place for every child who wants one, while just under 95% of parents received one of their preferences for a reception place last September.

These improvements have been supported by sustained investment in school places and the schools estate over recent years. The council has spent £170m in improving Southwark's primary and secondary schools through the Southwark Schools for the Future programme over the past 4 years, including £38m to expand the number of primary places.

In order to ensure our continued educational successes, further investment is needed to meet the rising demand for reception places and ensure our school children learn in quality educational environments. Southwark, like other local authorities, has seen a significant increase in demand, with a predicted additional 420 reception places (14 forms of entry) required by September 2015. This is in addition to the 1,080 extra reception places created between 2009 and 2013.

The pace and scale of the increase in demand for reception places requires a determined, sustained investment programme, one which maximises efficiency and effectiveness of the borough's existing school estate, builds on the popularity of local high-performing schools, and seeks to engage external funding sources and school providers to ensure the best opportunities for the borough's school children.

The place planning and investment strategies outlined in this report will achieve these objectives through a flexible approach which uses a range of options, including temporary or permanent expansions alongside the development of new provision in existing sites in collaboration with high-performing local schools or providers. This ensures new places are created where and when they are needed, ensuring value for money for the council and residents, and financial security and stability for the borough's schools. This flexible, dynamic approach is underpinned by an enduring commitment to quality, with expansion focused on high-performing and popular schools, thus ensuring that parents and children continue to benefit from the best educational opportunities the borough can offer. I recommend this report to cabinet.

RECOMMENDATIONS

1. That cabinet notes the forecast demand for primary places and associated need for the creation of additional capacity within Southwark's primary estate.
2. That cabinet confirms its approval of the proposed primary investment programme outlined in Table 3 and paragraphs 45 and 46.
3. That cabinet agrees to open initial consultations on the statutory proposals to permanently enlarge the seven schools identified in paragraph 49.
4. That cabinet delegates to the Strategic Director of Children's and Adults' Services the approval of budgets for individual permanent expansion projects within the programme budgets identified within this report.
5. That cabinet notes the potential capital liabilities in future years and that ongoing engagement with the Department for Education will be required to ensure funding is sufficient to meet the requirement for new places.
6. That cabinet notes that the Strategic Director of Children's and Adults' Services will approve a programme of temporary expansion for 2014/15 by autumn 2013.

BACKGROUND INFORMATION

7. The council's primary places strategy was adopted by Council Assembly in June 2008, and updated last year following significant national policy changes. Coproduced with primary headteachers, it provides a robust policy framework for investment decisions in support of the council's statutory responsibilities to champion educational excellence and ensure sufficiency of school places locally.
8. The strategy's vision commits the council to ensuring that every child, young person and family in Southwark leads independent, healthy lives, feeling safe and secure and achieving their full potential. It has supported the council guarantee that every child has access to a quality local primary place, with parents able to choose from a community of outstanding schools. This ambition is achieved through supporting all schools to be good or outstanding.
9. The strategy and aligned capital programme have supported improved performance in the borough's schools, with primary pupils now achieving above the national average at the end of key stage 2, and some 80% of primary schools judged by Ofsted to be good or outstanding. In addition, more and more parents are choosing to educate their children in the borough, with subscription levels continuing to rise.
10. These improvements in local performance are set against a radically altering national landscape, with the rapid expansion nationally of the academies programme and introduction of free schools, alongside major reform of school financing and capital investment approaches by government. This includes a new presumption, under the 2011 Education Act, that a local authority must seek an academy partner for any new school. As a result, to open a new school close working will be required with free school proposers, the Department for Education, academy groups, diocesan authorities and local schools.
11. There are currently two free schools open in the borough, with a further two in development, offering 240 reception places (8 forms of entry) in total.

12. In keeping with the experience of local authorities across the country, Southwark has experienced rising demand for reception places over recent years. As a result of the primary places and investment strategies, the council has met this demand through a programme of expansions, creating 1,080 additional reception places in 25 schools from September 2009 to September 2013.
13. This level of expansion has been achieved through robust annual forecasting of demand and careful management of the schools estate, to ensure that places come on stream as demand feeds through the system, in order to ensure financial viability and stability for local schools. Expansions to date have focused on using existing capacity within the schools estate where possible in order to maximise efficient use of resources and support local schools. This has been achieved by taking a flexible approach, utilising temporary, permanent and temporary-to-permanent expansions as best suits the needs of the school, community and borough.
14. Like other authorities, Southwark has seen an acceleration of demand for reception places over the past two academic years, with for example a 5% increase in applications between 2011 and 2013. Changing population patterns as a result of the impact, among others, of welfare reform and migration will all affect the projections.
15. As a result, the approach outlined in this report highlights the need for continued flexibility to bring additional capacity on stream as demand materialises, and using the fullest range of options available, including temporary and permanent expansions of existing schools alongside developing new school provision in collaboration with existing local high-performing schools.

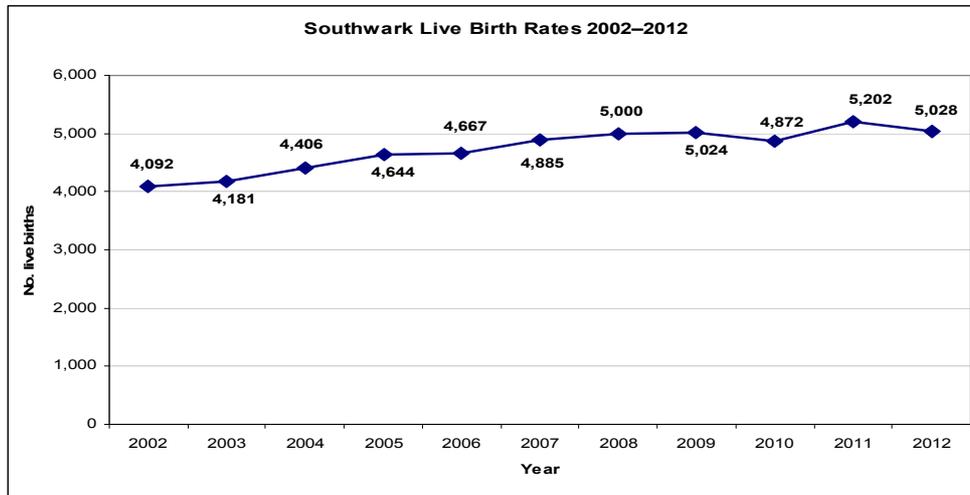
KEY ISSUES FOR CONSIDERATION

Pupil place planning

16. Southwark's pupil place planning is based on Greater London Authority (GLA) projections which are themselves informed by:
 - Current school rolls
 - Birth rates
 - Underlying population projections
 - Migration
 - New housing

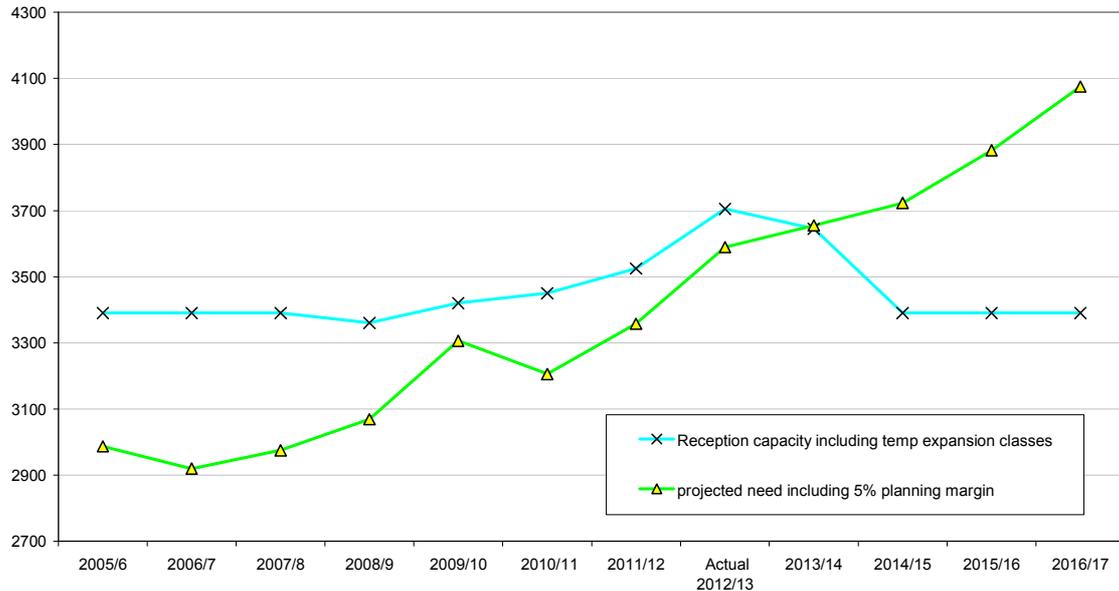
17. Birth rates in Southwark are following an upward trend as shown in Figure 1.

Figure 1: Southwark live birth rates



18. A 5% planning margin is added to the projections to ensure that in a time of rapid growth the forecasts are not underestimating demand and also to ensure that there will be sufficient places to respond to parental choice along with the possible impact of welfare changes, which may result in greater short term mobility of the local population and hence a possible under reporting of the numbers who will need primary school places.
19. The combined data shows an ongoing trend for additional reception children in Southwark requiring a school place. This pressure on places is being experienced and anticipated across London and regular liaison meetings are held between Southwark officers and those in neighbouring boroughs to cross refer data and inform pupil place planning and discuss delivery proposals to ensure that patterns of supply and demand are appropriate.
20. Figure 2 shows the anticipated demand for reception places against available places.

Figure 2: Reception capacity and anticipated reception place demand



21. As Figure 2 shows, it is anticipated that demand will outstrip supply from 2014/15 and on into future years. As a result, in line with the council's place planning strategy, it is proposed that this demand will be met through expanding existing schools and developing new provision in collaboration with existing local high-performing schools.
22. To assist in the planning of a response to pupil place demand the data is prepared for both the borough as a whole and also for individual community councils. This breakdown into smaller planning areas enables a pattern of need to be determined and the necessary response mapped more effectively onto local schools.
23. Table 1 shows the predicted shortfall in reception places by planning area over the coming academic years.

Table 1: Shortfall in reception places by planning area

| | September 2014 | September 2015 | September 2016 |
|---|-----------------------|-----------------------|---------------------|
| North West (Borough, Bankside and Walworth) | 0 FE | 0 FE | 2 to 3.5 FE |
| North East (Bermondsey and Rotherhithe) | 4 to 5.5 FE | 6.5 to 8 FE | 7.5 to 9FE |
| Central West (Camberwell) | 0 to 0.5 FE | 1.5 to 2.5 FE | 2 to 3 FE |
| Central East (Peckham and Nunhead) | 2 to 3.5 FE | 3 to 4 FE | 4.5 to 5.5 FE |
| South (Dulwich) | 2.5 to 3 FE | 1.5 to 2 FE | 1.5 to 2 FE |
| Total | 8.5 to 12.5 FE | 12.5 to 16.5FE | 17.5 to 23FE |

Notes: FE is an abbreviation of Forms of Entry. One form of entry is equivalent to 30 additional places in a year group or 210 places across a school.

The higher figure in the range incorporates the 5% planning margin.

24. The planning data shows a significant differential between anticipated demand across planning areas and as such any response needs to broadly match this pattern of demand. The planning data has been revised since that reported in November 2012 following the receipt of updated projections from the GLA, which now include the 2011 Census household formation figures.
25. In consideration of the revised pupil place planning data it is proposed that a target of 14FE of permanent expansions should be progressed at this time in order to meet demand up to and including September 2015, subject to further review annually.
26. It is likely that up to 4 FE of demand in September 2014 can be met within the schools to be permanently expanded; in addition up to 5 FE may be met from the emerging Free Schools however this is anticipated to leave a shortfall of up to 3 FE that will need to be met from further temporary expansions.
27. Temporary expansions in September 2013 are to be delivered within a budget of £2.5m and it is expected that a similar budget for September 2014 will be sufficient to deliver the required places.

A diversifying school landscape

28. The diversification of the local schools market has included the introduction of free schools into the borough. Although these provide additional capacity to support place planning, it is noted that challenges remain in ensuring that the education offer and places effectively respond to local demand.
29. In September 2012, Southwark Free School opened in temporary accommodation in a Tenants' Hall on the Ledbury Estate in central Southwark.

This opening is in advance of their anticipated permanent establishment as a 2FE primary school in new accommodation to be constructed in Rotherhithe New Road. These proposals were refused by the local planning authority in June 2013.

30. Should this application be successful on appeal, or following consideration by the Mayor's Office, the earliest possible date of opening in permanent accommodation is September 2015. Officers are in ongoing discussion with the Free School and the EFA in regard to their short, medium and long term accommodation needs.
31. The Judith Kerr Free School is a planned 2 form entry German-bilingual proposal that has confirmed its intent to open in temporary accommodation in Half Moon Lane in the Dulwich planning area in September 2013. Due to the school's specialism the pupils are expected to be drawn from both in and out of borough and as such this school is assumed to provide 1FE of demand in pupil place planning.
32. In May 2013 the Harris Primary Free School East Dulwich was approved for opening with a target date of September 2014. The academy chain has identified the former site of the East Dulwich Hospital as its preferred site and discussions between the Education Funding Agency and the owners of the site are ongoing.

Primary estate review

33. In April 2012, 4 Futures, Southwark's local education partnership, was commissioned to carry out an inspection of the entire primary estate and linked educational buildings to assess existing capacity and the viability and cost of expansion. It also carried out detailed condition and measured surveys.
34. The outputs of this study have been reviewed and have resulted in 23 schools and education sites being longlisted for further consideration for permanent expansion. The longlisted schools are shown in Table 2.

Table 2: Longlist of schools under consideration for permanent expansion

| School | Planning Area |
|---------------------------------|--------------------------------|
| Albion Primary School | Bermondsey and Rotherhithe |
| Galleywall site | Bermondsey and Rotherhithe |
| Grange Primary School | Bermondsey and Rotherhithe |
| Phoenix Primary School | Bermondsey and Rotherhithe |
| Redriff Primary School | Bermondsey and Rotherhithe |
| Charles Dickens Primary School | Borough, Bankside and Walworth |
| Cobourg Primary School | Borough, Bankside and Walworth |
| Keyworth Primary School | Borough, Bankside and Walworth |
| Robert Browning Primary School | Borough, Bankside and Walworth |
| Surrey Square Primary School | Borough, Bankside and Walworth |
| Bessemer Grange Primary School | Camberwell |
| Comber Grove School | Camberwell |
| Crawford Primary School | Camberwell |
| Oliver Goldsmith Primary School | Camberwell |

| | |
|---|---------------------|
| Bellenden Primary School | Peckham and Nunhead |
| Camelot Primary School | Peckham and Nunhead |
| John Donne Primary School | Peckham and Nunhead |
| Old Bellenden site | Peckham and Nunhead |
| Rye Oak School | Peckham and Nunhead |
| St James the Great Roman Catholic Primary School | Peckham and Nunhead |
| Dulwich Hamlet Junior School | Dulwich |
| Dulwich Village Church of England Infants' School | Dulwich |
| Langbourne Primary School | Dulwich |

35. These longlisted schools/sites were considered, at a high level, to have capacity to expand either within their existing accommodation or following a cost-effective investment in their accommodation or in new accommodation. Further, the schools were open to exploring the possibility of expansion.
36. Permanent expansion would involve enlarging schools with additional classroom and other amenity space effectively integrated into the overall school to provide quality permanent accommodation within which the additional pupils can be taught.
37. In most planning areas the number of potential places that could be delivered at longlisted schools (or other schools not currently longlisted) is greater than those required in the short and medium term.

Meeting the expansion need

38. Expansion decisions have been guided by the council's place planning strategy. The key principles to underpin investment for permanent expansion are as below:
- **Fairness:** Investment will be prioritised on providing high-quality places local to every family, ensuring equity for families, pupils and schools
 - **Quality:** Investment will be focused on expanding high-performing and popular schools where possible, working with existing schools and promoting collaboration in an increasingly diverse system
 - **Needs led:** Investment will be prioritised where demand for places is greatest, and will support improvements to the estate as and when appropriate
 - **Best use of resources:** For organisational and educational reasons, investment will be prioritised on eliminating half forms of entry where viable, ensuring accommodation is quality and cost-effectively secured, and maximising the use of a school's site for educational purposes
 - **Inclusion:** Children with special educational needs should be included in mainstream schools where possible and appropriate
 - **Community:** Investment will, where possible, support the provision of high-quality external play space with green areas, particularly for early years, on-site kitchens and facilities which raise aspirations, encourage community cohesion and improve life chances for children, young people and families
39. In April 2013 all primary schools and diocesan representatives were invited to a workshop to discuss and agree those schools that should be expanded in Phase 1 of the programme, which would cover expansions for 2015. Schools were advised that pupil place demand was forecast to increase over the coming years

and therefore it was not expected that schools would ‘miss out’ on investment if they were not part of Phase 1. This workshop reached a consensus view with a number of schools considering that the deferral of any expansion at their sites would be preferred as a result of new management arrangements or a need to focus on standards. Other schools accepted that they were not in an area of high demand (although some were experiencing demand for places at their schools as a result of their popularity).

40. This has resulted in a proposed programme of expansion at existing high-performing and popular schools, alongside additional capacity from existing and planned free schools

Phase 1 projects (meeting demand for 2015)

41. Table 3 summarises the schools, sites and free schools that are proposed as Phase 1 to deliver the required places by September 2015.
42. Two sites that are intended to be brought back into permanent educational use are Galleywall and Old Bellenden. Galleywall is currently in use as a decant site for Southwark Park Primary School until at least September 2014, and for planning purposes any new works could begin early 2015. Due to the buildings’ continuing use as a primary school and the nature of the works likely required this should enable the opening of new places in September 2015.
43. Old Bellenden is currently a facility used by youth services and a community group, and it is anticipated that works to bring it back into educational use could be completed by September 2016, but with places available for reception in 2015.

Table 3: Phase 1 investment programme

| School | Ofsted Rating | Type | Planning Area | Additional Forms of Entry by September 2015 |
|-----------------------|---------------|---------------|--------------------------------|---|
| Keyworth | Outstanding | Expansion | Borough, Bankside and Walworth | 0 ¹ |
| | | | Subtotal | 0 (0) |
| Southwark Free School | N/A | Free School | Bermondsey and Rotherhithe | 2 |
| Albion | Outstanding | Expansion | Bermondsey and Rotherhithe | 1 |
| Grange | Good | Expansion | Bermondsey and Rotherhithe | 0.5 |
| Galleywall | N/A | New provision | Bermondsey and Rotherhithe | 2 |
| | | | Subtotal | 5.5 delivered (6.5 to 8 demand) |
| Old Bellenden | N/A | New provision | Camberwell | 1 or 2 ² |
| Bessemer Grange | Good | Expansion | Camberwell | 1 |
| Crawford | Outstanding | Expansion | Camberwell | 1 |
| | | | Subtotal | 3 or 4 (1.5 to 2.5) |
| John Donne | Outstanding | Expansion | Peckham and Nunhead | 1 |
| | | | Subtotal | 1 (3 to 4) |
| Judith Kerr Free | N/A | Free School | Dulwich | 1 ³ |

| | | | | |
|----------------------------|------|-------------|-----------------|---------------------------------|
| School | | | | |
| Harris Primary Free School | N/A | Free School | Dulwich | 2 |
| Langbourne | Good | Expansion | Dulwich | 1 |
| | | | Subtotal | 4 (1.5 to 2) |
| | | | Total | 13.5-14.5 (12.5 to 16.5) |

Notes:

1 – No net increase as a result of Keyworth’s increase by half FE offsetting historic reduction of Townsend by half FE.

2 – Further capacity assessment required.

3 – Two form entry school but assuming one form of entry for planning purposes.

Phase 2 projects (meeting demand in 2016)

44. Pupil place planning forecasts show the likelihood of ongoing demand for places across Southwark after September 2015. For planning purposes an assumption of a delivery of a further 5 FE of places by 2016 is considered a reasonable target. Considering the pattern of demand, this additional capacity will be targeted on Borough and Bankside; Peckham and Nunhead; and Bermondsey and Rotherhithe planning areas.
45. A first school identified for Phase 2 is Charles Dickens, in line with demand in the Borough, Bankside and Walworth planning area. The school has taken temporary expansions in 2012 and 2013 and has made arrangements for further temporary expansions in 2014 and 2015 to enable a smooth transition to permanent expansion in 2016.
46. Further additional capacity has also been identified through developing the existing site at Bredinghurst, which is now available for development following the rebuilding of the school through the Building Schools for the Future programme. It is proposed that this site is developed to provide additional school places through working with a local school. Building works should be completed by September 2016 but places in reception will be sought to be delivered ahead of these building works.

Revenue

47. There will be a revenue cost arising through the delivery of the programme to meet internal project management costs and those other costs arising through associated non-capital liabilities e.g. security. Schools have confirmed £2m of Dedicated Schools Grant will be made available to support the investment programme.

Statutory proposals

48. The enlargement of a school’s building by more than 25% of its net capacity requires the publication of statutory proposals. This includes initial consultation with all stakeholders and the outcome of consultation being formally considered before the publication of a public notice, giving a further opportunity for comment before a final decision is taken.
49. Statutory proposals will be required for the enlargement of Keyworth primary school from September 2014, Albion, Bessemer Grange, Crawford, Grange and

John Donne primary schools from September 2015 and Charles Dickens from September 2016.

Condition

50. Alongside the expansion outcomes of the study there are ongoing condition liabilities across the estate. Generally the primary estate is in good condition following planned investment and renewal by Southwark, the Diocese and individual schools. However with the nature and age of the stock ongoing investment is required to ensure that buildings continue to be safe, warm and dry.
51. Overall £23m of investment has been identified though the condition surveys as being required in the primary estate over the next 10 years with an average investment of £3.5m shown over the first five years. The condition survey outputs are under review and an investment programme is being developed balancing priority of investment and economic phasing and bundling of works. This programme is due to be developed to enable investment to start in 2014/15 in line with the expansion investment programme in order that both are funded as part of a co-ordinated investment programme.
52. An assumption at this time of £3.5m of investment in building fabric issues outside of the expansion programme per year is considered to be sufficient for financial planning purposes ahead of the development of a detailed programme.

Policy implications

53. The primary planning and investment strategies are fully aligned to local planning and policy frameworks including the Council Plan, and Children and Young People's Plan. These outline the council's continued commitment to supporting schools to be outstanding, with children and young people able to achieve their full potential, and parents able to exercise real choice in a high-performing local schools system.

Community impact statement

54. The impact on communities of the issues and recommendations within this report has been considered in line with Southwark's Approach to Equality. Generally the recommendations will have a positive impact on communities with increased provision of primary places in areas where they are needed enhancing community cohesion.
55. Upon review (and in consideration of protected characteristics), the recommendations within this report have an equal impact on communities except in terms of faith. Although the approach to identifying primary expansion opportunities has been open and equal the outcome has been that currently no faith schools are identified for expansion in Phase 1 and only a small number are represented on the longlist.
56. This is not directly as a result of faith but as a result of other factors and constraints (location, building and site constraints, school's own desire and capacity to expand). Some expansion of faith schools has taken place as part of earlier expansion programmes.

57. In light of the above it is considered that although the outcomes appear to be unequal in regard to the recommended investment in faith schools there are other factors informing these outcomes that make it reasonable to adopt these recommendations.

Financial implications of expansion programme

58. Subject to the Free Schools within Phase 1 being funded directly by the Education Funding Agency the overall expansion programme is considered deliverable within a budget of £40m with investments in individual schools ranging from between £2m and £8m. A further £7m of condition funding should be set aside for investment in condition in 2014/16 and £3m for temporary expansions in September 2014. As such the total required investment in the primary estate up to September 2015 is estimated to be £50m.
59. It is the intention to maximise funding through other sources in particular pertaining to land receipts and local regeneration to create synergy. It is likely that this would be the case with the Albion expansion project.
60. Funding for the programme is shown in Table 4:

Table 4: Primary Investment Programme Phase 1 funding

| Funding Stream | Existing (£m) | 2013/14 (£m) | 2014/15 (£m) | 2015/16 (£m) | Total (£m) |
|----------------------|---------------|--------------|---------------|-----------------|------------|
| DfE Basic Need grant | 9.2 | 6.7 | 6.7 | Not announced | 22.6 |
| DfE Condition Grant | | 2.5 | Not announced | Not announced | 2.5 |
| Targeted Basic Need | 0 | 0 | 4.3 | 0 | 4.3 |
| Southwark Funding | 3.2 | 3 | 10 | 0 | 16.2 |
| S106/CIL | 0 | 2 | 1.5 | 1.5 (projected) | 5 |
| Total | 12.4 | 14.2 | 22.5 | 1.5 | 50.6 |

Phase 2

61. The delivery of Phase 1 is likely to leave only a small amount of residual funding for the second phase of expansion required to meet anticipated demand for 2016. For planning purposes an assumption for the delivery of a further 5 FE of places in a second phase would effectively mitigate the risk of a shortfall of places and funding. A reasonable assumption based on the expansion costs of the longlisted schools would be a liability against each project of between £2 and £8m and an overall cost of between £20 and £25m with a further allowance for condition. Subject to funding from the DfE staying broadly consistent with the 2013 settlement, and a similar availability of s106 and CIL funding, steps must be taken to identify the remaining £11-16m required in 2016/17.
62. In order to address this need we will seek to source additional grant from the Department for Education. This will require both political and officer engagement at the appropriate levels within the Department for Education. Should further

grant not be available, or such additional grant be insufficient to fully meet this shortfall, any such shortfall would need to be met from relevant S106 or CIL or through Southwark's own funding.

63. In both phases schools shall be responsible for any ongoing revenue implications arising from expansion.

Delegation of financial authority

64. It is recommended that the Strategic Director of Children's and Adults' services be given authority to approve the budgets for individual permanent expansion projects within the programme budgets identified within this report.
65. This delegation will enable projects to progress expediently following more detailed design that will identify more precisely the liabilities against each project. It is proposed that an annual update report to Cabinet in regard to the primary investment programme and specific budgets, contingencies, progress and outcomes is considered by Cabinet.

Procurement

66. The necessary construction works and services for the expansion and new provision that will be delivered directly by the council are proposed to be procured through a combination of:
- the London Construction Procurement Framework (an OJEU compliant consultancy framework managed by the London Borough of Haringey)
 - IESE (an OJEU compliant consultancy and contractor framework successfully used to deliver projects at Queen Road and currently in use to delivery the direct delivery housing programme),
 - Southwark's Local Education Partnership (procured to deliver Southwark's Building Schools for the Future programme but with capacity to deliver further education works and services)
 - Open Tender
67. It is expected that projects will be bundled for procurement purposes with each bundle subject to a Gateway process. This bundling and the preferred route for each bundle will be informed by the value, complexity, building type, timing, location and risk characteristics for each project.

Consultation

68. Consultation with stakeholders is ongoing. A meeting with primary Headteachers was held in April 2013 to discuss the proposed programme and its development.
69. Parents, pupils and school staff will be fully consulted through the consultation on statutory proposals and the design development process for the new schools.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Director of Legal Services

70. Cabinet is advised it can accept the recommendations outlined in the report under the Council's Constitution.

71. Cabinet is advised that the Education Act 2011 has removed the legal power for local authorities to establish community schools to address the issue of increased demand for primary places. Therefore Cabinet is advised that the Local Authority may look to existing provision to expand or to free schools and academies to meet demand.
72. Cabinet is advised in respect of the 3rd recommendation; the Local Authority has school reorganisation duties under the Education Act 1996 and the Education and Inspections Act 2006. s.14 Education Act 1996 places a duty on local authorities to ensure that there are sufficient primary and secondary schools in their area. Cabinet is advised that the Local Authority must ensure there are enough school places to meet needs as well as working to secure diversity of provision. The Local Authority is also bound by the duty to take into account parental preference in so far as to do so avoids unreasonable public expenditure.
73. The threshold for the requirement to consult on statutory proposals is found in the School Organisation (Prescribed Alterations) Regulations 2007. Cabinet is further advised that consultation on proposals to effect permanent expansion must be carried out in line with the duration and manner as set out in the statutory guidance "Expanding a Maintained Mainstream School by enlargement or adding a sixth form – A Guide for Local Authorities and Governing Bodies" updated 1 February 2010.
74. In all of the recommendations, Cabinet will note the duty to have due regard to the public sector equality duty under s.149 Equality Act 2010. In the event that Cabinet is later asked to proceed with the publication and determination of statutory notices; the equality implications will be presented for consideration.
75. Cabinet will note the reference in the report to the Fairer Future for All promises and the Children and Young People's Plan and the compliance of the Place Planning Strategy with the aims and objectives.
76. Cabinet is reminded of the obligation to consider wellbeing and public health following establishment of the Health and Well-Being Board.

Head of Procurement

77. This report details the councils proposed investment strategy for Primary school buildings. It outlines a programme of expansion which will be delivered through a series of construction works and construction related services contracts.
78. Corporate procurement has worked with the project team to identify potential procurement routes suitable to for securing these types of contracts. All routes listed in paragraph 66 are EU compliant and satisfy the council's contract standing orders.
79. As bundles of work are created it will be necessary to assess the procurement options available. Paragraph 67 confirms that bundling decisions and recommendations regarding the procurement strategy of each bundle will depend on a number of factors. Each bundle will therefore be the subject of separate gateway reports which will follow the required routes for internal approval.

Strategic Director of Finance and Corporate Services

80. The Strategic Director of Finance and Corporate Services notes that this report identifies both revenue and capital costs for the primary school estate as a result of the proposals in this report.
81. There will be revenue costs arising through the delivery of the programme, including for internal project management costs. The report confirms that £2m of Dedicated Schools Grant will be made available to support the investment programme in this respect, and it is anticipated that this will be sufficient. Should other resources be required this will be found from within existing departmental budgets.
82. The capital costs are outlined in the section “Financial Implications of expansion programme” including the on-going investment required to keep premises in a warm, dry and safe condition. There are various sources of funding for the Phase 1 programme which is recommended in this report. To continue with the phase 2 projects, additional capital funding of around £11-16m is required, and the report identifies that the council will seek additional grant from the Department for Education. Should further grant not be available, or such additional grant be insufficient to fully meet this shortfall, any such shortfall would need to be met from alternative sources including relevant S106 or CIL or through Southwark’s own funding.

BACKGROUND DOCUMENTS

| Background Documents | Held At | Contact |
|-----------------------------|---|------------------------------------|
| Primary Strategy for Change | http://moderngov.southwarksites.com/documents/s1106/Primary%20strategy%20for%20change.pdf | Merril Haeusler, Southwark Council |

APPENDICES

| No. | Title |
|------|-------|
| None | |
| | |

AUDIT TRAIL

| | | |
|---|--|--------------------------|
| Cabinet Member | Councillor Dora Dixon-Fyle, Cabinet Member for Children's Services | |
| Lead Officer | Romi Bowen, Strategic Director of Children's and Adult Services | |
| Report Author | Sam Fowler, Project Director, Chief Executive's Department | |
| Version | Final | |
| Dated | 4 July 2013 | |
| Key Decision? | Yes | |
| CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER | | |
| Officer Title | Comments Sought | Comments Included |
| Head of Procurement | Yes | Yes |
| Director of Legal Services | Yes | Yes |
| Strategic Director of Finance and Corporate Services | Yes | Yes |
| Cabinet Member | Yes | Yes |
| Date final report sent to Constitutional Team | 8 July 2013 | |