

Item No.	Classification: Open	Date: 15 January 2014	Decision Taker: Cabinet Member for Children's Services
Report title:		Primary Investment Strategy Update	
Ward(s) or groups affected:		All	
From:		Strategic Director for Children's and Adult Services	

RECOMMENDATIONS

1. That the cabinet member notes the forecast demand for primary places and associated need for the creation of additional capacity within Southwark's primary estate.
2. That the cabinet member notes the withdrawal of John Donne Primary School from the expansion programme since the July 2013 cabinet report.
3. That the cabinet member notes the approach to establishing new places at the site of Bellenden Old School.
4. That the cabinet member notes the schools to be included within the primary expansion programme summarised in Table 2 and the development of the programme since the report to Cabinet in July 2013 summarised in paragraphs 12-17.
5. That the cabinet member notes the statutory consultation processes that will be progressed ahead of any expansions as required.
6. That the cabinet member notes the revised financial position of the expansion programme and the continuing need for additional funding to be identified to enable the delivery of the required places.

BACKGROUND INFORMATION

7. The report to Cabinet on 16 July 2013 identified a target of 14 forms of entry of new reception places by September 2015 and 19 forms by September 2016. The report outlined a strategy of temporary and permanent expansions of existing schools alongside developing new school provision in collaboration with existing local high-performing schools and supplemented by Free Schools being progressed independently of the council.

KEY ISSUES FOR CONSIDERATION

8. 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.

9. 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.
10. 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 and a further 5FE of permanent expansions for September 2016.

Primary Investment Programme

11. Table 2 summarises the schools, sites and free schools that are proposed to deliver the required places by September 2016.

Table 2: Primary investment programme

School	Ofsted Rating	Type	Planning Area	Additional Forms of Entry by September 2016 (forecast demand shown in brackets)
Keyworth	Outstanding	Expansion	Borough, Bankside and Walworth	0 ¹
Charles Dickens	Outstanding	Expansion	Borough, Bankside and Walworth	0.5
Robert Browning	Good	Expansion	Borough, Bankside and Walworth	0.5
			Subtotal	
Southwark Free School	N/A	Free School	Bermondsey and Rotherhithe	2
Albion	Outstanding	Expansion	Bermondsey and Rotherhithe	1
Grange	Good	Expansion	Bermondsey and	0.5

			Rotherhithe	
Galleywall	N/A	New provision	Bermondsey and Rotherhithe	2
Redriff	Outstanding	Expansion	Bermondsey and Rotherhithe	1
			Subtotal	6.5 (6.5 to 8)
Bellenden Old School	N/A	New provision	Camberwell	2
Bessemer Grange	Good	Expansion	Camberwell	1
Crawford	Outstanding	Expansion	Camberwell	1
			Subtotal	4 (1.5 to 2.5)
Gloucester	Good	Expansion	Peckham and Nunhead	1
Bellenden	Good	Expansion	Peckham and Nunhead	1
Ivydale	Good	Expansion	Peckham and Nunhead	2
			Subtotal	4 (3 to 4)
Judith Kerr Free School	N/A	Free School	Dulwich	1 ²
Harris Primary Free School	N/A	Free School	Dulwich	2
Langbourne	Good	Expansion	Dulwich	1
			Subtotal	4 (1.5 to 2)
			Total	19.5 (17.5 to 23)

Notes:

- 1 – No net increase as a result of Keyworth's increase by half FE offsetting historic reduction of Townsend by half FE.
 2 – Two form entry school but assuming one form of entry for planning purposes.

Programme development since July Cabinet Report

12. In August 2013 John Donne advised that they wished to withdraw from the primary expansion programme. The reasons given for this withdrawal were concerns over the impact that expansion may have on them and the availability of high quality secondary places to their pupils. In September 2013 John Donne advised Southwark that they were seeking to convert to Academy status with a target date for this conversion of 1 January 2014.
13. Previously Gloucester Primary School in Peckham had not been included in the longlist for expansion as a result of proposals to co-locate the school with a new Cherry Garden Primary Special School on its existing site. This co-location is no longer progressing as, despite both schools positive intent, a mutually acceptable co-location proposal could not be identified.
14. Gloucester Primary School was formerly a 4FE school. Their intake was reduced to 2FE in September 2011 as a result of performance concerns. The school is now performing well again, recently rated good by OFSTED, and the proposed expansion should allow the rationalisation of the accommodation on the site to better serve a smaller school while delivering much needed additional places in the area.
15. The July Cabinet report identified the need to provide additional capacity in Borough and Bankside; Peckham and Nunhead; and Bermondsey and Rotherhithe planning areas. Proposed expansions at Robert Browning, Bellenden, Redriff and Ivydale respond to these areas of pressure.

16. The July Cabinet report identified that the existing site at Bredinghurst, (now Newlands Academy), which is now available for development following the rebuilding of the school through the Building Schools for the Future programme would be developed to provide additional school places through working with a local school. On this basis it is intended that Ivydale expand onto the site enabling a 2FE expansion. Visioning work is under way with the school governing body to develop these proposals which would be the subject of subsequent statutory consultation.
17. Bellenden Primary School is a 1FE school in Peckham Rye that is rated Good by OFSTED. The school's current accommodation is constrained and the school sits in an area of high demand for places. It is intended to rebuild the school as a 2FE school. This is likely to require the decant of the school during construction works and it is proposed that Bellenden Old School is used for this purpose.
18. Dulwich Hamlet Junior School are to submit a Free School application to the Department for Education in January 2014 to open a new school on the site of Bellenden Old School from September 2015. Southwark are supporting the school in the development of this application. The developments at Bellenden and Old Bellenden will need to be carefully considered and appropriately co-ordinated to enable the delivery of the necessary works, their successful and timely opening and the delivery of a complementary offer at each school in the short and long term to the benefit of local families.
19. A co-ordinated decant and works programme that ensures the ongoing effective accommodation and timely completion of both schools will be challenging. Alternative decant arrangements may need to be considered subject to the development of design and delivery proposals.
20. It is likely that across the programme construction works that are directly delivered by the council will be complete between September 2015 and September 2016 depending on their complexity.

Temporary Expansions

21. In parallel with the development of permanent expansion proposals it may be necessary to deliver additional places in 2014 and 2015 ahead of the completion of construction works for the permanent expansions.
22. Temporary expansions for September 2014 have already been agreed at Albion, Bessemer Grange, Charles Dickens, Gloucester, Grange and Langbourne primary schools and published in the 2014 Primary Admissions booklet so that parents are aware of these additional places when they make their choices in January 2014. Officers are currently in discussion with schools and diocesan authorities to consider other possible expansions.

Key risks to delivery

23. Affordability – Notional budgets have been set against each expansion project for procurement purposes based on the information gathered through the school estate audit. These budgets were established in order to enable the delivery of integrated expansion solutions that consider wider pressures of expansion beyond just classrooms (i.e. hall spaces, dining, toilets etc) and to appropriate area guidance. The council and schools will have to work

effectively together to deliver interventions within the budgets that have been identified so as not to impact delivery of the overall programme.

24. Places to be delivered by others – 5 forms of entry of new places are to be delivered by the Education Funding Agency (EFA) at Southwark Free School, Judith Kerr Free School and Harris Primary Academy East Dulwich. Of these only Judith Kerr has a secure and permanent site putting at risk the 4FE of places planned for delivery at the other two schools. Officers continue to work closely with the EFA to support the delivery of these places to the required timescales.

Statutory proposals

25. If the capacity of a school building is being enlarged by 25% and more than 30 pupils this requires a statutory consultation process.
26. This process requires:
 - initial consultation usually of six weeks with parents, staff and governors and local education stakeholders;
 - followed by formal consideration by IDM report of the outcome of the consultation;
 - then publication of a statutory notice along with a statement of case;
 - finally the proposals have to be decided by the Cabinet.
27. Following the July Cabinet report initial consultation is under way on a number of primary school enlargements. In the light of this report, as proposals for school enlargement are developed there will be further statutory consultation.

Condition

28. A draft condition investment programme has now been developed that will be consulted on with schools early in 2014. Where it will achieve best value, condition works will be integrated into the expansion projects with the appropriate allocation of condition budget to enable this.

Policy implications

29. 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

30. 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.
31. 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 permanent expansion and only a small number are represented on the longlist.

32. 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.
33. 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

34. The July Cabinet report identified an overall available budget for the programme of £50.6m. This included £4.3m of grant expected to be received following a submission to the Department for Education for Targeted Basic Need. This funding was not approved as the immediate basic need for the places was seen as less of a priority than other authorities and the application was also given a lower priority because of the difficult nature of the site and therefore the ease of deliverability for the project.
35. Following a review of the Children's Primary Capital Programme the revised available budget for the programme is £52.3m made up of grant, Southwark's own funding and Community Infrastructure Levy and S106 payments. This increase is as a result of revised outturns to existing projects and programmes and the reallocation of funds to the expansion programme. On the basis of consistency of grant with that received in 2013/14 the anticipated available funds for the programme to the end of financial year 2015/16 is £64m.
36. Subject, as expected, to the delivery of the free schools within the programme being funded from the Department for Education's own budgets the overall liability to Southwark for the programme to September 2016 is anticipated to be £80m. This results in an anticipated shortfall in funding of £16m.
37. The council will continue to pursue maximum funding from other non-council sources. The anticipated contribution from S106 funding of £5m by 2015 has already been secured and is due to be added to the programme subject to the quarter three capital monitoring report to Cabinet. The council will continue to seek funding from the DfE for maintenance, basic need and will bid should there be any further rounds of targeted basic need.
38. The identified shortfall of funding for future years of £16m is the subject of a capital bid for further corporate resources in the forthcoming refreshed capital programme.
39. 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.

40. The July cabinet report delegated the authority to the Strategic Director of Children's and Adults' Services to allocate the budgets for individual school expansion programmes from within the existing available resources.
41. The schools will be responsible for any ongoing revenue implications as a result of the expansions.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Director of Legal Services

42. The Cabinet Member can accept the updating recommendations outlined in the report under the Council's Constitution.
43. The Cabinet Member is referred to the legal advice provided in the Cabinet report of July 2013 recommending the primary investment strategy. s.14 Education Act 1996 places a duty on local authorities to ensure that there are sufficient primary and secondary schools in their area. 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. 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 and therefore may look to existing provision to expand or to free schools and academies to meet demand.
44. The threshold for the requirement to consult on statutory proposals is found in the School Organisation (Prescribed Alterations) Regulations 2007 and the relevant statutory guidance on the reorganisation process is 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.
45. The Cabinet Member is reminded of the duty to have due regard to the public sector equality duty under s.149 Equality Act 2010 in noting the recommendations in particular those identified in the Community Impact Statement.

Strategic Director of Finance and Corporate Services (CAP13/067)

46. This report updates the cabinet member for children's services on progress on the primary school investment programme. The financial implications are detailed in paragraphs 34 to 41.
47. The strategic director of finance and corporate services notes the continued efforts to obtain Department for Education grant funding. In the event that this is unsuccessful, alternative funding will be sought. This will be secured through a bid of £16m to cabinet as part of the 2013/14 capital programme refresh.
48. Award of contracts to support this programme will be subject to financial appraisal and the council's procurement processes. The continued monitoring of these budgets will be included in the quarterly capital programme monitoring reports to cabinet.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Primary Strategy for Change	http://moderngov.southwarksites.com/documents/s1106/Primary%20strategy%20for%20change.pdf	Merril Haeusler, London Borough of Southwark
Primary Investment Strategy – Report to Cabinet July 2013	http://moderngov.southwark.gov.uk/documents/s39446/Report%20Primary%20Investment%20Strategy.pdf	Merril Haeusler, London Borough of Southwark

AUDIT TRAIL

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	15 January 2014
Key Decision?	Yes
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER	
Officer Title	Comments Sought
Director of Legal Services	Yes
Strategic Director of Finance and Corporate Services	Yes
Cabinet Member	Yes
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