

## Council

17 May 2016

### Education and Learning (Schools) Capital Programme 2016/17

#### Recommendations from Cabinet

- (1) That Council approves the addition of £8,275,000 to the Capital Programme to deliver the schemes outlined in Section 3 of the report.
- (2) That Council approves the addition of £5,950,000 to the Capital Programme for the schemes set out in Section 4 of the report, subject to the Strategic Director for Communities being satisfied that the required levels of external funding have been received and on terms and conditions acceptable to the Strategic Director for Resources.

#### 1.0 Key Issues

- 1.1 This report was considered by Cabinet on 14 April who supported the proposals for allocating resources in the Education and Learning (Schools) Capital Programme for both specific projects (firm proposals as set out at section 3 below) and for schemes that are conditional (set out at section 4 below).
- 1.2 Large areas of Warwickshire have seen a significant increase in the birth rate over recent years which has resulted in pressure on existing primary school places. Although additional capacity has already been built at a number of schools, however; further expansion is required to meet the forecast demand and the demands due to the housing developments across the various areas. We are also committed to ensuring we achieve 4% surplus of places to enable movement and midyear in-migration to the county.
- 1.3 Where possible, and where economies of scale allow, expansions and building works will address other factors such as encouraging infant and junior to become primary, addressing pre-school requirements in an area, providing specialist SEN provision, and addressing any outstanding DDA requirements.
- 1.4 The increased birth rate has seen an associated rise in the number of children with special educational needs and we already secure places for a significant number of pupils at establishments outside the county. The housing demand will bring further increase in demand for SEN provision.
- 1.5 Formal consultation is required on proposals that would permanently increase the capacity of a school by:-
  - (a) more than 30 pupils;

(b) by 25% or 200 pupils (whichever is the lesser)

This paper proposes alterations and extensions to schools that will require formal consultation to be carried out.

- 1.6 At the time of formal consultation, a consultation document will be sent to the parents and carers of all pupils, to prospective parents, staff, the governing bodies and the Student Council of individual schools. Copies will also be distributed to other schools in the area, the local County Councillor, the District or Borough Council, local Parish Councils, Diocesan Education Authorities, admission authorities and the Local Member of Parliament.
- 1.7 Proposals to increase the number of pupils admitted at schools across a wide area of Warwickshire are explained within this report. Furthermore, there is a need to develop new primary school provision in Rugby and Warwick to mitigate the impact of new housing development on existing schools and to add further capacity and choice for parents— details of these are also included.
- 1.8 Whilst the issue of sufficiency of provision has to take priority, it is important to ensure that schools that are not expanding are able to continue to operate within their existing accommodation. Details of proposed schemes to make improvements to existing schools are set out below. It is also important to recognise that whilst we are committed to offering good or outstanding places and invest in these schools; we are also committed to investing in schools struggling with improvements where the investment addresses, capacity, education delivery, half forms to whole forms of entry and defects.
- 1.9 Cabinet has recently approved schemes to increase the number of special school places across the County: however, the need for further projects is required to meet demand and reduce the need for out of area placements. Details of these are provided. These projects will help ensure there is sufficient provision of the right type meeting the appropriate levels of need within Warwickshire; thereby reducing both the cost of and need to send pupils to out of county placements.
- 1.10 Currently available and conditional funding is set out in section 2.2 and proposed expenditure is set out in Appendix 1.

## **2 Generally**

- 2.1 Allocations of grant funding from the Department for Education were notified to the authority in February 2016. Allocations are paid annually and are not available for expenditure until the start of the financial year within which they are received; all of the proposals in this report are able to be funded from existing, currently available resources and do not rely upon notional future grant allocations. Some of the proposals will in the first instance be funded from DfE grant funding, however; when developer contributions are collected, the DfE grant funds can be reallocated to future projects.

## 2.2 Breakdown of available funds

Currently available education capital grant resources are	£8,383,000
Capital receipts ring-fenced for education	£750,000
Developer contributions (available)	£975,000

### Conditional anticipated external funding

Water Orton (HS2)	£3,500,000
Southam College (S106)	£400,000
Campion School (Sale of land)	£50,000
Developer contributions (expected)	£300,000

**Total of firm and conditional funding** **£14,358,000**

- 2.3 This report includes proposals that will be funded from developer contributions. However, as developer contributions are collected in stages as development progresses, the authority will be required to commit funding to these proposals before all of the relevant contributions have been collected. Within the report we have highlighted where Section 106 contributions have been received and where they are expected. The firm projects can initially be funded from currently identified resources.

## 3.0 Proposals for 2016/ 2017 Capital Programme

### 3.1 Firm proposals

**This section sets out proposals that are fully funded from received developer contributions and grant funding.**

### 3.2 Oakfield Primary (Academy)

- 3.3 Oakfield Primary School was previously expanded to create a 1.5 FE school through the provision of a new Key Stage 1 building and associated playgrounds and other external works.

- 3.4 As part of the expansion of primary school places in Rugby, it is now proposed to further increase capacity from 315 to 420 places (2 Forms of Entry). It is proposed to provide a further 2 classrooms and to increase the hard play area for Key Stage 2. This is in line with our education strategy to remove half forms of entry where possible.

- 3.5 It is proposed to fund this proposal from developer contributions and allocations from the capital programme.

3.6 It is proposed to allocate:

Developer contributions	£350,000
Education capital resources	£200,000
<b>Total allocation</b>	<b>£550,000</b>

### 3.7 Northlands Primary School

3.8 Northlands Primary School will take an additional “bulge” class from September 2016.

The school has reorganised to help accommodate the increase but will require that one room is refurbished, furnished and equipped.

3.9 It is proposed to fund the works from developer contributions received for primary school places in Rugby

3.10 It is proposed to allocate

Developer contributions **£50,000**

### 3.11 Long Lawford Primary School, temporary arrangement

3.12 The most recent expansion project at the school provided a double mobile on site to accommodate additional pupil numbers. Due to the demand for school places, Long Lawford Primary School has increased their PAN to 90 and the school will be undergoing further capital works in order to increase capacity.

3.13 Cabinet (July 2015) gave authorisation for the double mobile to be retained on site until the end of August 2016. The capital works to increase the capacity are due to commence October 2016 and finish August 2017; therefore the mobile unit will be required for a further 12 months.

3.14 It is proposed to allocate

Developer contributions **£150,000**

### 3.15 Nathaniel Newton Infant School

3.16 Nathaniel Newton Infant School currently organises for 60 infant places per year (2 Forms of Entry). The school agreed to take a bulge class of 30 pupils into year R from September 2015. Increased demand for school places will require that the school increase its intake to 90 places in September 2016, therefore taking another bulge year.

3.17 Following discussions with the school, it was agreed that the increase in capacity could be achieved without the need for significant extensions. It is proposed to reorganise and refurbish existing accommodation and to provide a small extension to accommodate the increase in numbers. If the increase is to continue to September 2017 a consultation will commence to increase the PAN permanently.

3.18 It is proposed to allocate

Education capital resources           **£250,000**

### **3.19 The Ferncumbe Primary School**

3.20 The Ferncumbe Primary School currently organises in 6 class groups with mixed age teaching across some year groups. It is proposed to provide a further classroom to allow the school to organise as a 1 Form Entry school.

3.21 A feasibility study is being carried out to establish the cost and location of a permanent solution but it will be necessary to make additional provision from September 2016 through the provision of a temporary classroom due to the number of pupils currently on roll

It is proposed to allocate

Education capital resources           **£150,000**

### **3.22 Kineton High School**

3.23 Kineton High School has been the subject of various bids to the Department for Education and Education Funding Agency seeking funding to rebuild or substantially refurbish and remodel the school. All bids have been unsuccessful and there is now an urgent need to address the schools accommodation issues.

3.24 Whilst the school as a whole requires attention, there are certain curriculum areas that are in more urgent need, these include Science, Technology, ICT and Media. Currently, class spaces for these areas are spread around the school and are often in spaces that are significantly smaller than is required.

3.25 The school has been operating with 7 temporary classrooms and has been making use of under-sized areas and rooms to deliver its curriculum. It is now proposed to undertake a planned refurbishment and re-organisation to address the most urgent needs.

3.26 The first phase is to provide a new building delivering Science, to vacate the current science laboratories and refurbish them for other uses; subsequent phases will follow the same principles of creating new suites of accommodation and re-using the space vacated.

3.27 The first phase of work is required for the academic year 2017/18. Subsequent phases of work will be the subject of future reports.

3.28 It is proposed to allocate:

Education capital resources           **£3,250,000**

### 3.29 Shipston High School (Academy)

- 3.30 Shipston High School was recently extended to address a deficit of accommodation as the school did not have all of the space it required to meet its published capacity.
- 3.31 The school has continued to grow and will require further expansion to meet forecast demand. A master plan for development was produced by the school and discussed with officers of the council.
- 3.32 It is proposed to provide additional teaching spaces by September 2018 to allow the school to meet forecast demand. The works will be delivered in phases funded by capital programme allocations. The School has admitted over its published admission number for September 2016. \*Developer contributions not yet received will be utilised in the next phase of works.
- 3.33 It is proposed to allocate:

Education capital resources	£1,950,000
Developer contributions* (expected)	£300,000
<b>Total allocation</b>	<b>£2,250,000</b>

### 3.34 Newdigate Primary School

- 3.35 Newdigate primary school was previously expanded from 210 (1Form of Entry) to 315 places (1.5 Forms of Entry). The school will require a further classroom from September 2016
- 3.36 It is proposed to provide a temporary building to meet demand for this September and to carry out a feasibility study on how the school might be adapted or expanded in future to meet further demand for places.

It is proposed to allocate:

Education capital resources	<b>£150,000</b>
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### 3.37 Race Leys Infant

- 3.38 Race Leys Infant School will require an additional classroom from September 2016 to meet demand. It is proposed to refurbish an existing temporary classroom for this purpose.
- 3.39 It is proposed to allocate:

Developer contributions	<b>£50,000</b>
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### 3.40 Heathcote Farm New Primary School

3.41 In July 2015 Cabinet gave approval to procure and build a Free School on land secured via developer contributions. The relevant financial contributions have been agreed and collected. The new school is due to open September 2017.

3.42 It was intended that the new school would be a pre-designed, modular form of construction similar to that delivered at Oakfield and Arley Primary Schools; the budget for this proposal was £3,050,000.

3.43 Following several value engineering exercises the total cost of the scheme is anticipated be £3,326,000. There are several factors which have caused the increase:

- The initial brief did not include a nursery, which will be required;
- In the long term, the school is highly likely to require expansion to 2 forms of entry. In order to build the school in the most cost efficient way, the ancillary provision e.g. School Hall will be built to cater for 2 forms of entry.

3.44 The additional funding required is £275,000

It is proposed to allocate:

Developer contributions: **£275,000**

### 3.45 Nursery and pre-school provision

3.46 Where nursery and pre-school providers operate from County Council premises, a rent is charged; the rent collected is reinvested in improvements to the nursery estate. The sum collected varies from year to year but is generally in the order of £100,000 to £140,000 per annum

3.47 It is proposed that a sum of £100,000 from the rents collected is treated as a Block-Header for expenditure purposes and that decisions regarding its use are delegated to the Head of Education and Learning and ratified by the Capital Access and Organisation Board whose members and executive are drawn from the Education, Property and Legal Services groups of the County Council.

3.48 It is proposed to use £100,000 of revenue income from nursery rents for Capital improvements and increases in nursery provision.

3.49 It is proposed to reallocate any developer contributions once collected in to this block header.

3.50 It is proposed to allocate:

Revenue contributions **£100,000**

### 3.51 19 to 25 learners with SEND

3.52 The Council is working closely with Warwickshire special schools, colleges and other stakeholders to ensure that effective progression pathways are embedded to assist more young people aged 16-25 make a successful transition to independent living and supported employment. This work is being driven forward by the Preparation for Adulthood Work Stream and the Post 16 SEND Provision Area Working Groups established across the county.

3.53 Warwickshire General Further Education (GFE) colleges have responded very positively to the Council to provide opportunities for high needs students (support costs £6k+) to access provision within their local communities rather than out of county. The colleges have identified a need for facilities to provide learning for independent living skills (to include bedroom/kitchen, etc.) and improved progression routes from school to GFE colleges and from college to supported employment/independent living. If Warwickshire GFE colleges are not supported these facilities for Warwickshire high needs students to develop independent living skills within their communities may not be available as part of the local offer.

3.54 The Education Funding Agency (EFA) 16-19 Demographic Growth Capital Funds are no longer available. Coventry and Warwickshire Local Enterprise Partnership (CWLEP) are responsible for supporting significant capital bids for the FE estate to meet skill needs. These refurbishment costs could be a prudent investment by the Council if it resulted in less high needs student placements in out of county provision which can be costly.

3.55 A disposal of part of the former Manor Park School (Nuneaton) site has been agreed between Education and Learning and People Group resulting in a £750,000 capital receipt.

It is proposed that part of this receipt be used to meet the cost of new and enhanced provision for 19 – 25 learners with SEND at North Warwickshire and Hinckley College (£364,606) and Warwickshire College (£292,375). The remainder will be available for other capital purposes set out in this report.

3.56 It is proposed to allocate education capital resources:

Capital receipts for SEN	<b>£675,000</b>
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### 3.57 Race Leys Infant School

3.58 As part of the Universal Infant Free School Meals programme (UIFSM), schools were invited to submit bids for additional funding to address the impacts or deficits created by the introduction of UIFSM. Race Leys Infant School has secured additional funding to provide a new kitchen. However, the amount of the grant is insufficient to meet the cost of the new provision and it is therefore proposed to allocate £75,000 to enable this proposal to proceed. This sum is forecast to be reimbursed through savings on previous years projects now nearing completion which will be reported fully in the outturn report in June 2016.

3.59 It is proposed to allocate

Education capital resources	<b>£75,000</b>
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### 3.60 Access works

- 3.61 A programme of adaptations at mainstream schools to support pupils with special educational needs.

It is proposed to allocate

Education capital resources      **£300,000**

### 4.0 Conditional proposals

**This section sets out proposals that are conditional upon future approvals, permissions, income from external grant/developer contributions or events as described. These proposals will be subject to authorisation from Strategic Director of Communities on terms and conditions acceptable to Strategic Director for Resources.**

#### 4.1 Water Orton Primary School relocation

- 4.2 Members will be aware that as part of the proposed route of HS2 it will be necessary to relocate Water Orton Primary School and that a negotiated package of compensation was agreed with the promoters of HS2.
- 4.3 The settlement with HS2 includes the provision of a site for a new school and a contribution of £3.5 million towards the cost of the replacement school. The new school is likely to cost in the order of £5.5 million, the balance of £2 million being found from the disposal of the current school site.
- 4.4 The agreement with HS2 requires that, soon after Royal Assent for the additional provisions of the Bill, the council must demonstrate that it has an approved scheme, that necessary permissions are in place and that it has selected a contractor and is ready to deliver the new school.
- 4.5 In order to achieve the level of readiness required by HS2 it will be necessary to have all approvals in place, including approval for capital expenditure. As part of the capital works there is the need to undertake site investigations, design work and procurement. It is therefore necessary to expend professional fees and incur other charges before the Bill receives assent. The delivery of this proposal is conditional upon the Bill receiving Royal Assent and the Promoter issuing notice to the County Council of its intention to proceed.
- 4.6 It is proposed to allocate £2 million to demonstrate our ability to meet the requirements of HS2. If, for any reason the Bill fails to achieve Royal Assent and the scheme is aborted, expenditure incurred on fees and investigations carried out up to that point will fall to Education and Learning revenue and would be the subject of a separate report at that time.

It will be necessary to provisionally allocate

Education capital resources      **£2,000,000**

4.7 It is proposed once the grant has been received (£3.5 million) authority to enter in to contracts up to the value of £5.5 million, is delegated to the Directors of Communities and Resources Groups.

4.8 It is necessary to commence the consultation to relocate the school

#### **4.9 Champion School**

4.10 As part of the planned expansion of secondary provision serving South Leamington and Warwick it is proposed to expand and remodel Champion School.

4.11 The strategy for secondary school expansion provides that Champion School will be allowed to fill to its current capacity before being expanded to meet additional demand arising from increases in the primary school population and demand arising from new housing development.

4.12 It will be necessary to develop and agree a master plan with Champion School to ensure that the school is expanded appropriately and in sufficient time to meet demand as it arises.

4.13 The works will be funded through Developer Contributions and through a proportion of a capital receipt for disposal of an easement for the installation of a new road to serve adjacent housing sites.

4.14 In order to provide the master plan for the site it will be necessary to carry out some initial design work and site investigations. It is proposed to allocate up to £50,000 from Developer Contributions for this purpose. This allocation is conditional upon receipt of sufficient contributions.

It is proposed to allocate:

Developer contributions:                    **£50,000**

#### **4.15 Southam College**

4.16 Southam College is currently being expanded to help meet current and future demand arising from an increase in pupil numbers from appeals decisions and local housing developments. The current expansions are being paid for from Education and Learning resources in anticipation of contributions being received as the housing developments progress.

4.17 There is significant housing growth planned in the area which will increase further the demand for places at Southam College. The council is working with the school to devise and agree a master plan for growth over the next few years to meet the forecast increase in demand.

4.18 It is proposed that once sufficient developer contributions arising from new housing developments in the area are collected, £400,000 will be allocated to a further phase of works at Southam College.

It is proposed to allocate:

Developer contributions: **£400,000**

## **5.0 Consultations**

### **5.1 New School at Shottery (relocation of Shottery St Andrews CE Primary School)**

- 5.2 As part of the s106 agreement for a new housing development at Shottery Fields, Stratford on Avon, contributions of land and capital from the developer have been agreed.
- 5.3 Preliminary discussions have taken place with the Church of England to relocate and expand Shottery St Andrews Primary School to a new site, in a new building, to serve the new development.
- 5.4 Cabinet has agreed to carry out consultations on the proposal to relocate and expand Shottery St Andrews CE School to a new site at Shottery Fields.
- 5.5 The outcome of that consultation will be the subject of a future report

## **6.0 Finance**

- 6.1 Details of currently available capital funding is set out below; proposed expenditure in 2016/17 is set out in Appendix 1
- 6.2 There is £10,108,000 of resources currently available to support the schools capital programme, as outlined in paragraph 2.2
- 6.3 It is also proposed that, conditional upon the collection of further developer contributions and external grant, a provisional programme of additional works be undertaken as detailed in section 4 and that authority to order this provisional programme be delegated the Strategic Director of Communities.
- 6.4 Proposed programme:
- 6.5 The following table sets out the proposed firm and conditional programmes of work. Firm proposals at £8,275,000 are affordable within identified and available resources of £10,108,000.
- 6.6 Conditional proposals are reliant on other events (HS2) and on the receipt of further developer contributions.
- 6.7 It is proposed that the firm programme be implemented from available resources and that conditional proposals are implemented only once sufficient other resources have been received.

Proposed Programme	Income £	Expenditure £	Balance £
Available resources set out in section 2	£10,108,000		
FIRM proposals set out in section 3		£8,275,000	£1,833,000
Additional (expected) income	£4,250,000		
Additional (conditional) proposals		£5,950,000	£133,000
<b>Total of Proposed programme</b>	<b>£14,358,000</b>	<b>£14,225,000</b>	<b>£133,000</b>

## 6.6 Revenue Implications

6.7 Where schools are expanding at the request of the Local Authority, there is often a revenue implication in that additional teaching staff are required in the September but the schools budget does not reflect this until the following April. The Schools Forum have agreed a policy to provide interim funding to schools to account for this and resources are provided from within the Dedicated Schools Grant (DSG). The schools noted in this report for expansion will be included in the relevant DSG budgets presented to the Forum for approval.

## 7.0 Risk

7.1 There are a number of risks arising from the proposals in this report, they include, allocating funding in anticipation of decisions by third parties (see Water Orton); expenditure in anticipation of a capital receipt; expenditure in anticipation of s106 contributions (various).

7.2 However, unless WCC can demonstrate its readiness to deliver, the proposal to relocate Water Orton Primary School will be at risk.

## 8.0 Timescales associated with the decision and next steps

8.1 Cabinet has authorised the Strategic Director for Communities to award and enter any agreements to give effect to the proposals in section 4 of the report on terms and conditions acceptable to the Strategic Director for Resources.

8.2 In March 2016 the Government issued an education white paper "Educational Excellence Everywhere" which requires all schools to become academies by 2022 and two complimentary consultation papers on the introduction of a national funding formula for schools and a revised approach (and formula) to high needs funding. Collectively, if introduced, these proposals will fundamentally change the relationship between local authorities and schools in their area. The Government intends to review the responsibilities of local authorities in relation to children, although responsibility for

ensuring every child has a school place, ensuring the needs of vulnerable learners are met and the provision of school transport are expected to remain. Any implications for the proposals in this report that may arise as further details of these future proposals emerge will be brought back to Elected Members.

## Background papers

None

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Strategic Director	David Carter & Monica Fogarty	
Portfolio Holder	Councillor Cockburn & Councillor Hayfield	

This report was circulated to the following members prior to publication:

Cllr Les Caborn  
Cllr Colin Hayfield  
Cllr Dave Parsons  
Cllr Julie Jackson  
Cllr Clive Rickhards  
Cllr Chris Williams

Ref	Proposal	Available from Sept	cost	WCC Capital Allocation 2016 -17	External funding (secured)	External; funding (expected)
	Available resource					
3.2	Oakfield Primary School	2017	£550,000	£200,000	£350,000	£0
3.7	Northlands Primary School	2016	£50,000	£0	£50,000	£0
3.11	Long Lawford Primary School	2016	£150,000	£0	£150,000	£0
3.15	Nathaniel Newton Infant School	2017	£250,000	£250,000	£0	£0
3.19	The Ferncumbe Primary School	2016	£150,000	£150,000	£0	£0
3.22	Kineton High School	2018	£3,250,000	£3,250,000	£0	
3.29	Shipston High School	2018	£2,250,000	£1,950,000	£0	£300,000
3.34	Newdigate Primary School	2016	£150,000	£150,000	£0	£0
3.37	Race Leys Infant School	2016	£50,000	£0	£50,000	£0
3.40	Heathcote (new school)	2017	£275,000	£0	£275,000	
3.45	Pre-school	2016	£100,000	£0	£100,000	£0
3.51	19 - 25 learners with SEND	2017	£675,000	£675,000	£0	£0
3.57	Race Leys Infant School	2016	£75,000	£75,000	£0	£0
3.60	Access works	2016	£300,000	£300,000	£0	£0
<b>SUB-TOTAL Firm Proposals</b>			<b>£8,275,000</b>	<b>£7,000,000</b>	<b>£975,000</b>	<b>£300,000</b>
4.1	Water Orton Primary School	2018	£5,500,000	£2,000,000	£0	£3,500,000
4.90	Campion Secondary School (ph 1)	2018-2020	£50,000	£0	£0	£50,000
4.15	Southam College	2016 -2017	£400,000	£0	£0	£400,000
<b>SUB-TOTAL Conditional Proposals</b>			<b>£5,950,000</b>	<b>£2,000,000</b>	<b>£0</b>	<b>£3,950,000</b>
5.1	Shottery St Andrews CE	2018	£0	£0	£0	
<b>SUB-TOTAL Consultations</b>			<b>£0</b>	<b>£0</b>	<b>£0</b>	<b>£0</b>
<b>TOTAL</b>			<b>£14,225,000</b>	<b>£9,000,000</b>	<b>£975,000</b>	<b>£4,250,000</b>