

TO: EXECUTIVE
DATE: 15 OCTOBER 2013

2013/15 CAPITAL PROGRAMME
IMPACT OF DfE FUNDING ANNOUNCEMENT
Director of Children, Young People & Learning

1 PURPOSE OF REPORT

- 1.1 The purpose of this report is for the Executive to review the Council's option to create additional school places following a number of successful bids to the Department for Education for capital grants earlier this year. The grants relate to potential funding of additional school places at Winkfield St Marys, Owlsmoor, Garth Hill and a new Special Educational Needs Facility at Eastern Road, and to agree the allocation of Basic Need Capital grant to individual schemes.

2 RECOMMENDATION

- 2.1 **That the Executive accepts the allocation of the DfE Targeted Basic Need Grant up to the amounts set out in Table Two.**
- 2.2 **That the Executive recommends to Council the inclusion of the schemes set out in Tables One and Two in the Council's capital programme for 2013/14 and 2014/15, up to the amounts shown.**
- 2.3 **To enable the temporary expansion of Garth Hill College, that the Executive delegate authority to the Chief Officer: Property in consultation with Executive Member for Finance and Transformation to negotiate a viable solution supported by external advice, as set out in the attached Confidential APPENDIX A subject to satisfactory terms.**
- 2.4 **On conclusion of satisfactory terms being agreed as set out in 2.3, that the Executive recommends to Council a supplementary capital estimate for inclusion in the 2013/14 capital programme in order to facilitate the solution as set out in the attached Confidential APPENDIX A.**

3 REASONS FOR RECOMMENDATION

- 3.1 The DfE Targeted Basic Need Grant provides the Council with £7.867m of additional funding to help fulfil the statutory duty of providing sufficient school places for the growing population at the schools facing the greatest pressures.
- 3.2 Financial Regulations require Full Council approval for funding and schemes to be added to the Council's approved capital programme.

4 ALTERNATIVE OPTIONS CONSIDERED

- 4.1 Alternative options were considered as part of the bidding process for grant funding, however only schools with a Good or Outstanding Ofsted inspection were eligible. The schemes now proposed provide the best match between the capacity requirements of the Council and the grant conditions set by the DfE.

- 4.3 An additional 0.5FE of primary school places are required in Sandhurst and, following evaluation, Owlsmoor Primary is the only school in Sandhurst capable of supporting expansion to this number. A masterplan has been drawn up for the phased expansion of the school.

5 SUPPORTING INFORMATION

Background

- 5.1 School rolls continue to rise across the Borough and in October 2012 the Executive approved the School Capacity Strategy which set out the Council's plans to create the additional school places required in the short, medium and long term.
- 5.2 In relation to secondary places the pressure is to address the imminent shortfall of places in North Bracknell. Irrespective of the SALP implementation, the central focus of the Strategy is the creation of a new secondary school at Blue Mountain and temporary expansion of Garth Hill College in the intervening period.
- 5.3 There is sustained pressure on primary places across the Borough. Additional capacity is being created in North Bracknell by way of surge classrooms until the four proposed new schools are built. Additional capacity in South Bracknell and Crowthorne & Sandhurst is being created by expansion of existing schools.
- 5.4 With regard to SEN places, the limit on pupil numbers at Kennel Lane as part of a recent planning condition has now been reached, and the school is full to capacity. Additional SEN places are required to address this pressure, and to reduce the numbers of out of Borough placements.
- 5.5 Approval of the Education Capital Programme is being sought very late this year due to time delays caused by late notification by DfE in March 2013 of Basic Need and Capital Maintenance grants.

DfE Basic Need Grant 2013/15

- 5.6 DfE have previously allocated £5.874m of Basic Need grant to Bracknell Forest across the two financial years 2013/15, which was less than half of the level allocated in previous years. The basic need grant will be used for creating the additional school places required to meet the Council's statutory duty in accordance with the Capacity Strategy approved by the Executive in October 2012. The proposed allocation of this grant is set out on Table One below with individual project commentaries detailed from paragraph 5.12:

Table One: Basic Need Grant 2013/15

Project	2013/14 £000	2014/15 £000	Total £000
Cranbourne Classrooms	0	141	141
Harmans Water Surge Classroom	25	0	25
The Pines Expansion	650	650	1,300
Garth Hill Expansion	834	834	1,668
Owlsmoor Expansion	1,158	1,053	2,211
Amen Corner Primary School	25	25	50
North Warfield West Primary School	25	25	50
North Warfield East Primary School	25	25	50
TRL Primary School	25	25	50

Blue Mountain Learning Village	170	159	329
Total:	2,937	2,937	5,874

Successful Grant Applications

- 5.7 For 2013/14 Bracknell Forest received only £2.937m of Basic Need grant which is less than half of what we had received in previous years. DfE did however provide an opportunity to bid for additional grant funding under their Targeted Basic Need (TBN) programme. Only schools with 'good' or 'outstanding' Ofsted inspection results were eligible for this grant however, reflecting the Governments wish to shift to a building process that favours the expansion of good and outstanding schools
- 5.8 Bids were submitted for TBN grant in June 2013 for all capacity projects at eligible schools, and in August 2013 we were notified that Bracknell Forest had been awarded a further £7.867m of TBN funding for school places. This success constitutes a significant investment into the school estate, and unless the Council now wishes to turn down the Government support, the education capital programme now needs to be re-aligned to match the total available funding.

Targeted Basic Need Grant (TBN)

- 5.9 The additional TBN grant of £7.867m runs across the two financial years 2013/15. The allocation has been based on EFA contractor rates which reflect average costs of build and regional variations. It does not reflect individual scheme costs which will need to be determined through the normal procurement process. At this stage it is anticipated that sufficient funding is available for construction and fit out. The specific projects to create additional school places that have been allocated TBN grant are set out in Table Two below, with individual project commentaries detailed from paragraph 5.12:

Table Two Targeted Basic Need Grant 2013/15

Project	2013/14 £000	2014/15 £000	Total £000
Winkfield St Marys Surge Classroom	114	200	314
SEN Facility Eastern Road	495	1,309	1,804
Owlsmoor Expansion	285	653	938
Garth Hill Expansion	1,283	3,528	4,811
Total:	2,177	5,690	7,867

- 5.10 DfE have attached conditions to the TBN, most notably that:
- The projects submitted must be delivered substantially in accordance with the bids
 - In particular, the additional number of places detailed against each scheme must be delivered
 - Grant must be spent within the financial year allocated, plus 1 term. This means that all schemes must be finished by 31 August 2015
 - Grant can only be spent on eligible capital expenditure
 - Grant cannot be used to purchase land

- Unspent grant will be reclaimed
- The grant amount is provisional and has been calculated based on all schemes being new build. A funding reduction can be expected for the mostly refurbishment project for the new SEN facility at Eastern Road.
- The Section 151 Officer needs to certify an outturn statement that the grant has been spent on the intended purposes.

5.11 Bids had to be accepted by 16th August and this was provisionally done, subject to Executive approval.

Project Commentaries

- 5.12 Amen Corner Primary School: Is a 2FE school which is currently planned to open in September 2016 on a site that has been negotiated through the Council's S106 process as part of the Amen Corner South housing development. A budget for £0.050m for advance design fees has been included on Table Three below.
- 5.13 Blue Mountain Learning Village: This project is for a new secondary school, primary school and SEN facility to be provided on the same shared site as a "Learning Village". This was previously programmed to be open in 2020 but the site for the new secondary school is currently being negotiated with the housing developer to bring this forward with a view to the secondary school coming on line for September 2018. The timing of this project is critical to the provision of adequate places in the north of the Borough even with the temporary Garth expansion. As a result, a budget for £0.329m for advance design fees has been included on Table Three below.
- 5.14 Cranbourne Classrooms: The replacement of two old asbestos-roofed modular buildings housing the Nursery and Reception classes, plus construction of a new surge classroom. Planning permission for the surge is dependent on construction of offsite parking on Winkfield Parish Council land to mitigate highways, and the Parish are expected to make a decision on this matter during the 2013 Autumn term. Total project cost is £0.843m for 3 classrooms as set out on Table Three below, and includes the capital receipt from the disposal of the former schoolhouse as approved by the Executive in July 2012.
- 5.15 Temporary expansion of Garth Hill. This project is for the temporary creation of 350 additional places at Garth Hill College. This will be achieved by decanting Post 16 into a purpose built stand alone post 16 centre and converting the vacated post 16 spaces in the main building to general teaching/specialist practical.

Expansion of Garth Hill College will remove the need for bussing and will address the forecast deficit of North Bracknell Secondary school places for the next 2-3 years. Expansion by 350 places would result in the PAN at Garth Hill College temporarily rising from its current 270 to 300 and then to 330 in order to achieve this.

The programme for the proposed new Blue Mountain secondary school is currently being reviewed with the expectation to bringing this forward, and the earliest the new school could open is September 2018. The school is expected to open to 4-5FE and expand to up to 9FE over the following years to keep place with rising pupil numbers.

The total project cost to temporarily expand Garth Hill is estimated at £7.6m as set out in Table Three below, and we are currently exploring construction of the Post 16 accommodation on the existing school site.

- 5.16 Harmans Water Surge Classroom. A surge classroom to be created at Harmans Water Primary school for Year 1 to provide additional headroom for that year group. Currently the only vacant Y1 places are in Sandhurst which will involve bussing pupils from North and South Bracknell. This situation has been caused by an increase in in-year applications into that year group. Cost are currently being obtained but a budget of £0.025m has been identified as set out on Table Three below, to locate the surge in a former classroom now used as an after school club.
- 5.17 North Warfield West Primary School is a 2FE school which is currently planned to open in September 2015 on a site that has been negotiated through the Council's S106 process as part of the North Warfield housing development. A budget for £0.050m for advance design fees has been included on Table Three below.
- 5.18 North Warfield East Primary School is a 2-3FE school which is currently planned to open in September 2016 on a site that has been negotiated through the Council's S106 process as part of the North Warfield housing development. A budget for £0.050m for advance design fees has been included on Table Three below.
- 5.19 Owlsmoor Expansion. Expansion of this school by 0.5FE plus a surge classroom will bring the school fully up to 3FE in all year groups. The project as currently designed requires demolition and rebuilding of the KS1 building to create the additional car parking required to support the expansion. The total cost is estimated at £3.6m as set out on Table Three below, which is completely untenable. However, a re-design of the scheme by the Council's new capital programme partner, Atkins, will be undertaken with a view to significantly reducing the project cost. In the event that this is not possible, discussions will be needed with the planning committee to try and find an acceptable solution that is financially sustainable.
- 5.20 The Pines Expansion. The project to expand The Pines Primary from 1FE to 2FE includes decant of the Professional Centre to Bracknell OLC and refurbishment of the vacated space back into school use to create 210 additional primary places. The total cost is estimated at £1.765m as set out on Table Three below.
- 5.21 SEN Facility Eastern Road. This is the conversion of the former BROCC building into a secondary ASD SEN facility. The project includes a general refurbishment plus small extensions to the rear and first floor. Maintenance elements are included such as the roof and M&E which have been identified from the condition surveys. Total project funding is £2.037m as set out on Table Three below. Programme is estimated to be 14 months from instruction on confirmation of the final budget.
- 5.22 TRL Primary School is a 2FE school which is currently planned to open in September 2016 on a site that has been negotiated through the Council's S106 process as part of the TRL housing development in Crowthorne. A budget for £0.050m for advance design fees has been included on Table Three below.
- 5.23 Winkfield St Marys Surge Classroom: An application was made for Targeted Basic Need (TBN) funding for a surge at Winkfield in case the surge at Cranbourne might not get planning permission. Winkfield was eligible for TBN because of its Good Ofsted score. The surge at Winkfield is also subject to challenges at planning but a project will be developed as part of a masterplan for the ongoing development of the school site in order to meet increasing pupil numbers. The estimated project cost is £0.319m as set out on Table Three below.

Table Three Total Project Funding

Project	Existing Funding*	Capital Maint. Grant	Basic Need Grant**	Targeted Basic Need Grant	Capital Receipt	Total
	£000	£000	£000	£000	£000	£000
Amen Corner Primary School	0	0	50	0	0	50
Blue Mountain Learning Village	0	0	329	0	0	329
Cranbourne Classrooms	46	336	141	0	320	843
Garth Hill Expansion	1,121	0	1,668	4,811	0	7,600
Harmans Water Surge Classroom	0	0	25	0	0	25
North Warfield West Primary School	0	0	50	0	0	50
North Warfield East Primary School	0	0	50	0	0	50
Owlsmoor Expansion	451	0	2,211	938	0	3,600
The Pines Expansion	465	0	1,300	0	0	1,765
SEN Facility Eastern Road	33	200	0	1,804	0	2,037
TRL Primary School	0	0	50	0	0	50
Winkfield St Marys Surge Classroom	5	0	0	314	0	319
Total:	2,121	536	5,874	7,867	320	16,718

* Source: Education Capital Programme Summary Cashflow July 2013 Rev2

** Total £5.874m of which £3.879m relates also to TBN projects

6 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS

Borough Treasurer

- 6.1 Acceptance of the £7.867m of Targeted Basic Need grant and associated conditions provides significant funding for the Council to meet its obligations relating to providing sufficient school places. The conditions attached to grant in terms of the tight timescales to deliver the additional places and the likelihood that the amount of funding will be reduced to reflect the refurbishment content of some of the projects introduces risks and uncertainty to the overall affordability of the capital programme.

Borough Solicitor

- 6.2 No particular legal issues arise in respect of the matters raised in this report.

Chief Officer; Property

- 6.3 The temporary expansion of Garth Hill College in the interim will relieve some of the pressure regarding the negotiations and timeline for delivery of the long term solution at Blue Mountain.

Strategic Risk Management Issues

Risk	Assessment	Comments
Project Capability and Capacity Risk	LOW	The Council's new Managing Partner Atkins Ltd will be taking forward the proposed new school capacity projects.
Proposed Projects Funding Risk	MEDIUM	Grant funding has now been announced by DfE/EFA for the proposed new projects. Garth Hill College scheme costs have yet to be established and these may vary from the amount of allocated grant.
Compliance with grant conditions	MEDIUM TO HIGH	DfE has made TBN a specific grant that must be spent on specific schemes to deliver the agreed number of places by 31 August 2015. A number of external factors may impact on being able to meet the conditions.
Individual Project Risks	LOW	Each project will have its own Risk Register which will be regularly reviewed and updated by the Atkins Ltd. project manager.
Planning Risk	MEDIUM TO HIGH	Planning permission can be difficult due to the complexities of creating hundreds of new school places, with development within existing communities.
Programme Risk	MEDIUM TO HIGH	The Education Capital Programme Board oversees the implementation of the Education Capital Programme, and membership includes the Executive Member for Children, Young People & Learning and the Executive Member for Transformation and Finance. There are significant hurdles to overcome if the programme for the Blue Mountain project is to be brought forward to September 2018.
Pupil Forecast Risk	LOW-MEDIUM	The Statistical Risk is Low in the short term rising to Medium in the medium term because of the difficulties in accurately forecasting school places. The School Places Plan and Capacity Strategy are updated annually.

7 CONSULTATION

- 7.1 All of the above schools have been consulted about the proposed expansion works on their sites
- 7.2 It should be noted that the majority of projects are still subject of planning permission which itself includes statutory consultation with neighbours. The above programme may be subject to change is planning permissions are not forthcoming.

Background Papers

Confidential APPENDIX A

School Capacity Strategy

Education Estates Strategy

Contacts for further information

David Watkins Chief Officer Performance & Resources,
01344 354061 david.watkins@bracknell-forest.gov.uk

Chris Taylor Head of Property & Admissions,
01344 354062 chris.taylor@bracknell-forest.gov.uk