

## SCHOOL CAPITAL PROGRAMME - UPDATE (PART 1)

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<b>Cabinet Portfolios</b>	Finance, Property & Business Services Deputy Leader of the Council / Education & Children's Services
<b>Officer Contact</b>	David Murnaghan Residents Services
<b>Papers with report</b>	Accompanying report in Part 2 of this agenda and appendix 1.
<b>Access to Information</b>	<b>This report detailing progress on the school capital programme is public. However, any commercially sensitive information will be included in the private part of the agenda.</b>

### HEADLINE INFORMATION

<b>Summary</b>	This report provides an update on the Primary School Expansion Programme Phases 1, 2, 3 and 4 and the School Condition Programme.
<b>Contribution to our plans and strategies</b>	Investment in primary schools to adequately address the impact of the population increase, within the London Borough of Hillingdon on existing school places. This project also forms part of the Hillingdon Improvement Programme.
<b>Financial Cost</b>	The current forecast of the Primary Schools Capital Programme is £146,779k compared to budget of £159,391k. This shows a funding surplus of £12,612k. This is due to favourable tender returns and the uncommitted sum on a one extra form of entry. It should be noted that there are costs risks within the overall programme which may impact on this figure as the construction works progress.
<b>Relevant Policy Overview Committee</b>	Education and Children's Services
<b>Ward(s) affected</b>	All wards.

## **RECOMMENDATIONS**

**That Cabinet:**

- 1. Note the progress made with Phases 1, 2 and 3 of the Primary School Expansion Programme.**
- 2. Approve the inclusion of Grange Park drainage works to the School Condition Works Programme.**

## **INFORMATION**

### **School Places Forecast**

The demand for school places in Hillingdon is rising and is forecast to continue to rise in line with national and London-wide predictions. Demand for reception places at primary school level is being driven by rising birth rates and new house building. In the three months since 1st June 2013 there has also been an unprecedented increase in the number of new families moving into the Borough; almost a four-fold increase compared to the same time last year.

The increased number of new families moving into the Borough is increasing the demand for school places in all primary school year groups in certain locations across the Borough. Officers are monitoring the number of new 'in-year' applications for primary school places on a daily basis. In Hillingdon it is predicted that the pressure for primary school places will move into secondary schools by 2016/2017.

The latest ten-year forecast for school places in Hillingdon is being finalised and will be reported to Cabinet in the autumn. The report to Cabinet will set out a proposed plan for meeting the forecast need over and above the existing successful schools expansion programme. This will include options for ensuring the provision of additional secondary school places.

### **Phase 1 - Permanent Expansions**

Phase 1 of the Primary School Expansion Programme (PSEP) consists of the expansion of 8 schools. Construction works at Brookside, Colham Manor, Cranford Park and William Byrd were completed for September 2012. Construction at a further 3 schools Whitehall Infants, Grange Park Infants and Grange Park Juniors were completed for September 2013. Whitehall Juniors is the last school in this phase of work is due to be completed in 2014.

#### **Whitehall Junior**

Work is continuing at the Whitehall Junior School and is scheduled to complete the remaining works in 2014.

#### **Grange Park Infant School New Kitchen**

The school has raised concerns about the reach requirements for some of the smallest children and they have elected to offer a cold-meal service in the interim. Officers from Environmental Health have visited the school and confirmed that, subject to a suitable management plan, a hot

meal service can resume. Officers are applying pressure to Leadbitter to quickly resolve remaining concerns raised by the Infant School kitchen management team.

### Cranford Park Remedial Works

Following the completion of the construction works to expand the school in 2012 and follow up remedial works during the school summer holiday in August 2013, sections of the old drainage have been found to be in poor condition. Officers are working with Phase 1 consultants and Leadbitter to investigate the full extent of the potential remedial works that will be required.

### Phase 2 Permanent Expansions

Phase 2 of the Primary School Expansion Programme will permanently expand 18 schools and add a bulge year to 1 further school. To date, construction works have been completed at 5 schools with 1 further school due to be finished this autumn. The remaining 13 schools are scheduled to be completed in 2014. Table 1 provides a brief summary of the works being carried out for each scheme as well the current status.

**Table1:** Summary of Phase 2 works and status

School Name	Summary of Works	Status
Harefield Infants	Single storey extension to a Year 2 classroom and replacement of windows and external walls in the reception, together with associated works.	All works complete
Harefield Junior	Construction of a single-storey classroom to accommodate two classrooms and associated facilities	All works complete
Field End Infants	1 FE* Expansion: Construction of new single storey building and associated facilities.	All works complete
Field End Junior	1 FE Expansion: Construction of single storey building and associated facilities.	All works complete
Bourne Primary	(Bulge Year) Single storey extension to existing school to provide two new classrooms with associated facilities.	All works complete
Highfield Primary	1 FE Expansion: Construction of a two storey building and associated facilities.	Expansion works will be completed in autumn 2013
Harlyn Primary	1 FE Expansion: Construction of part two storey/part single storey extension to existing school and a stand alone two storey classroom block.	Expansion works will be completed in 2014
Glebe Primary	1 FE Expansion: Demolition of existing school and construction of a new 3 FE school including nursery.	Expansion works will be completed in 2014
Ruislip Gardens	1 FE Expansion: Construction of a new two storey extension and associated facilities.	Expansion works will be completed in 2014
Hermitage Primary	1 FE Expansion: Demolition of existing school and construction of a new 2 FE school including nursery.	Expansion works will be completed in 2014
Hillingdon Primary	1 FE Expansion: Part demolition of existing school and construction of a new two storey classroom block and associated facilities.	Expansion works will be completed in 2014
Rabbsfarm Primary	1 FE Expansion: Demolition of existing school and construction of a new 3 FE school including nursery.	Expansion works will be completed in 2014
Rosedale Primary	Demolition of school sports hall/gymnasium and construction of a new 2 FE school including nursery.	Expansion works will be completed in 2014
Wood End Primary	1 FE Expansion: Construction of 2 stand alone buildings and associated facilities.	Expansion works will be completed in 2014

School Name	Summary of Works	Status
Heathrow Primary	0.5 FE Expansion: Part demolition of the existing building, construction of a two storey extension and associated facilities	Expansion works will be completed in 2014
Cherry Lane Primary	1 FE Expansion: Construction of a two storey building and associated facilities	Expansion works will be completed in 2014
West Drayton Primary	1 FE Expansion: Construction of two storey building and associated facilities.	Expansion works will be completed in 2014
Pinkwell Primary	1 FE Expansion: Construction of a stand alone classroom block and associated facilities.	Expansion works will be completed in 2014
Ryefield Primary	1 FE Expansion: Construction of a single storey building, a two storey block and associated facilities.	Expansion works will be completed in 2014

Note: \*A Form of Entry (FE) is a group of 30 pupils. Expanding a school by 1 FE will add accommodation sufficient for 30 additional pupils for every year group.

With the exception of the schemes discussed in the following section, works are progressing without any major delays or issues in the Phase 2 expansion programme. A summary of risks and current issues that may affect the overall completion dates as well as mitigation measures can be found in appendix 1 to this report.

### Phase 2 Schemes with Major Issues and Risks or Delays

#### Highfield Primary School

- Following the completion of the ground floor in the new classroom block, in time for the September pupil intake, work on the first floor and external areas are continuing and are scheduled to be completed by the October half term break. The extra capacity provided by the classrooms on the first floor will not be required until September 2014.

#### Rosedale

- During the due diligence exercise that was completed by the contractor the original buried services survey carried out has been found to be inaccurate. The level of inaccuracy meant that the design for the school required reconfiguration.

The contractor has completed the redesign of the scheme and has been instructed to recommence constructions works. Currently the programme impact is approximately 10 weeks. The initial estimated additional costs have now been reviewed and are now subject to further discussion between the Employers Agents (Mace) and the contractor (Mansells). An update on the cost increase will be included in the November Cabinet Report.

#### Pinkwell

- Building works on this scheme have been progressing more slowly than anticipated and the Council's concerns have been raised with the contractor.

#### Ryefield

- Due to a delay with supply of the building system being used on this scheme, the main contractor (Farrans) is reporting an overall programme delay of 7 weeks. Once the necessary materials have been delivered Farrans are planning to put additional resources onto the scheme in an attempt to reduce the overall delay. As the scheme's revised completion date will be in mid June 2014 the delay will not impact the new intake of pupils in September 2014.

### **Phase 3 - New Schools - Lake Farm and St Andrews Park (former RAF Uxbridge site)**

Phase 3 of the Primary School Expansion Programme comprises of the construction of two new Primary Schools on Lake Farm and St Andrew's Park (former RAF Uxbridge site).

The main contractor (Farrans) is currently finalising the detailed design and setting up the sites. The ground-works are due to start during October. The scheduled completion date for both projects is the end of August 2014.

On 14 October, the Council was notified of an order from the High Court refusing permission for a judicial review application on Lake Farm to proceed, holding the application to be 'totally without merit', demonstrating that every step that the Council has taken in relation to Lake Farm has been lawful.

In respect of previously identified archaeological works in advance of the construction phase at Lake Farm, English Heritage have been in recent contact with the Council and have asserted that no further archaeological fieldwork was required within the entire footprint of the new school building and that they saw no reason why works could not commence to the building footprint and to the north of the site. Officers are therefore working to ensure that construction works on Lake Farm start on time. A zone to the south of the building footprint has been fenced and will not be disturbed pending further archaeological studies.

Approval has been received for Pick Everard Ltd to act as Project Managers and Mouchel to provide Architectural, Structural, Mechanical and Electrical consultancy support. The contract terms and scope of services for Pick Everard and Mouchel are still being finalised.

### **Phase 3 Extension - New Primary School in West Drayton/Yiewsley**

The future forecast for school places indicates a continued growth in primary aged pupils in the Yiewsley and West Drayton Area. The update on school places planning presented to Cabinet on 25th April 2013 showed a need for at least an additional 2 FE (forms of entry) in the West Drayton Area and 1 additional FE in the Yiewsley Area. This need is over and above that which will be met by the increased primary school places on track to be delivered in these areas. An appraisal of existing primary school sites in these areas shows that they have very little scope to accommodate any further expansion.

In August 2013 the Department for Education (DfE) announced that additional funding has been made available following Hillingdon's bid for Targeted Basic Needs Programme funding. Funding for 17 projects, totalling an additional 4,015 places, has been approved including the 3 new schools at Lake Farm, St Andrews Park and the proposed new school in the Yiewsley and West Drayton Area.

Officers are continuing to appraise the suitability of sites for the new primary school to serve the Yiewsley / West Drayton area of the Borough and will report back findings to the Leader of the Council and the Deputy Leader / Cabinet Member for Education and Children's Services for consideration and agreement to the preferred option.

## **Process for Establishing New Schools**

The process to appoint the organisations to run the three new primary schools in Hillingdon is underway following a timetable prescribed by the DfE. Full proposals have been received from 10 organisations to run one or more of the three new schools. Following an appraisal of the organisations during October, involving the Deputy Leader of the Council / Cabinet Member for Education and Children's Services, the London Borough of Hillingdon will confirm to the DfE which organisations it would prefer to run these schools. The final decision will be made by the Secretary of State in December 2013.

## **Schools Conditions Programme**

The School Condition Programme is a programme of work to improve the condition of the current school estate. This includes replacing or carrying out remedial works on items such as boilers, roofs and drainage.

### **Abbotsfield Boilers**

Following failure of the central heating boiler, approval has been received for the installation of a temporary modular emergency boiler. The installation of this has been scheduled for the School's October half term school holiday.

### **Harefield Children's Centre and Nursery Roof**

There have been long-standing issues with the roof over the Children Centre and Nursery within Harefield Infant School, which was constructed in 2009. A joint inspection took place on 3 October 2013 with a Council Building Surveyor, the school and Frencon the original building contractor to examine the roof leakages in detail. Frencon have agreed to work with the Council to determine a rectification strategy. Approval is currently being sought for the Council to supply and install a temporary roof to prevent further damage to the structure of the building whilst Frencon consider the extent of the remedial works required.

### **Laurel Lane Water System**

The works on this scheme have now been completed, including the minor remedial repairs which were being undertaken over weekends at the school's request. Final inspection of the remedial repairs was completed on 10 October.

### **Grange Park Drainage**

During the recent construction works at the school as part of the Primary School Expansion Programme it was found that the underground foul and surface water drains are in a poor state of repair. A comprehensive CCTV survey of these drains was undertaken in 2012, which confirms that several drains are fractured, cracked, broken and encrusted. The blocked surface water drains are causing localised flooding and have recently caused flooding to the basement boiler house.

## **Other Projects**

### **Abbotsfield Specialist Resource Provision**

Building works are progressing on Abbotsfield School to convert a former toilet block into an Autistic Unit. The School Conditions Team are acting as the executors of the scheme and are managing EFM the consultants, to ensure value for money is maintained throughout the works. So far, with regular meetings being arranged with the school to ensure programmes are adhered to.

## **Financial Implications**

### **Financial overview of Primary School Expansions Programme**

As shown in the table 2 below, the current overall forecast surplus is £12,612k. This is due to favourable tender returns, however it should be noted that there are cost risks within the overall programme which may mitigate this position as the construction phase begins.

For Phase 1 the current forecast is £23.57m for the six school permanent expansions against a budget of £22.56m. The increase of £1.01m is due to increased costs for Whitehall Infants and Juniors Schools.

Regular meetings are still being held with contractors in order to continue to challenge any performance issues and response times.

Phase 1A Temporary and Rosedale Temporary - This project was completed in September 2011. The budget carried forward contains the retention which will be released this year when defects are rectified. Following a review of the forecast figure there is now a potential under spend of £242k.

For Phase 2 there is a current forecast surplus of £9,763k (previously £9,799k). This is due to achieving lower contract sums for the schools tendered than those estimated for in the budgets, as well as the difference between approved budgets, based on consultants projects estimates at 'Stage D' and the revised 'Stage L'. A detailed analysis of this variance by project is set out within part 2 of this agenda.

As mentioned in the body of the report there are risks attached to some schools which would impact on the surplus figure mentioned above.

Phase 2A is forecasting a pressure of £44k (no change). This is as a result of moving the contract from the original contractors to a new contractor, to ensure the accommodation was completed in time for the September 2012 pupil intake. There are two accounts remaining for 'close out'; Ryebidge the contractor for Ryefield and Hillingdon Primary Schools and T&B the contractor for Charville Primary.

Phase 3 – There is a forecast under spend on the New Build element (Phase 3) of the Schools programme, which is mainly due to a £3,000k budget which is as yet uncommitted and was intended to provide capacity to expand the phase by a further Form of Entry. Currently this may not be required although it will link into the analysis of pupil place needs being undertaken. In

addition, the tender returns for the RAF Uxbridge and Lake Farm developments are £661k below budget.

The movement of £2,151k on previous month (£57,568k) in the grant figure includes £632k in respect of '2 year old Entitlement Grant', and £1519k Basic Needs grant slippage from previous. This additional grant and the increase of £1,957k in S106 will reduce on-going revenue financing costs resulting from the current expansion programme, the implications of which will be factored into the Council's Medium Term Financial Forecast.

**Table 2: Primary Schools Capital Programme – Budget vs Forecast**

Primary School Capital Programme	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	Total	Forecast	Variance
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Minor Works	559	158	166	271	0		1,154	1,154	0
Phase 1	1,080	8,106	7,101	5,739	535		22,561	23,571	1,010
Phase 1A (incl. Rosedale)	10	1,993	61	544	0		2,608	2,366	-242
Phase 2	0	1,027	7,740	46,407	38,672		93,846	84,083	-9,763
Phase 2A	0	42	2,840	0	0		2,882	2,926	44
Phase 3	0	157	743	9,274	21,366	1,200	32,740	29,079	-3,661
Phase 3A	0	0	0	814	2,786		3,600	3,600	0
<b>Total Expenditure</b>	<b>1,649</b>	<b>11,483</b>	<b>18,651</b>	<b>63,049</b>	<b>63,359</b>	<b>1,200</b>	<b>159,391</b>	<b>146,779</b>	<b>-12,612</b>
<b>Resources:</b>									
DfE Grant	1,649	9,055	16,505	21,750	9,560	1,200	59,719	59,719	0
TBNP	0	0	0	16,839	22,482	0	39,321	39,321	0
Section 106	0	2,428	2,146	9,807	4,300	0	18,681	18,681	0
Council Resources	0	0	0	14,653	27,017	0	41,670	29,058	-12,612

Recommendation 2 seeks approval for the Grange Park drainage to be added to the Schools Condition Programme. The drainage works could cost up to £500k. These costs subject to capital release would be funded from the Schools Condition Budget which currently has an unallocated sum of £650k from a total budget of £3,786k.

#### **Comments of Policy Overview Committee(s)**

None at this stage

#### **EFFECT ON RESIDENTS, SERVICE USERS AND COMMUNITIES**

Completion of both the temporary and permanent phases of the programme will result in additional school places needed for local children, which the Council has a statutory duty to provide.

## **Consultation Carried Out or Required**

In September 2012, Cabinet approved the statutory proposals to enlarge the premises at Harlyn, Glebe, Field End Infant and Junior, Ruislip Gardens, Hermitage Primary, Highfield, Hillingdon, Ryefield, Rabbsfarm, Pinkwell, Heathrow, Cherry Lane and West Drayton Schools. This approval was conditional on the planning permission for the individual sites being granted by 31 July 2013 which has now been met. The Council cannot take school organisation decisions regarding Academies. Therefore, as Wood End Park was in the process of conversion, it was not included in the statutory notice.

Consultation is also needed as part of the process of establishing new schools. A Cabinet Member Report on this process was approved in May 2013 and the process was started in August 2013.

## **CORPORATE IMPLICATIONS**

### **Corporate Property and Construction**

Corporate Property and Construction authored this report.

### **Corporate Finance**

Corporate Finance has reviewed this report, noting that the significant financial implications associated with the Primary School Expansion Programme are fully reflected in the Council's Medium Term Financial Forecast (MTFF) – including provision for financing and repayment of the significant Council contribution to the programme. As noted within the report, there is likely to be a further requirement for investment to meet demand which will be reviewed over the coming months and factored into the Council's MTFF.

### **Legal**

The Borough Solicitor confirms that the council is responsible for carrying out the necessary works and repairs to the drains of Grange Park School.

No other specific legal implications arise in this report, although the Borough Solicitor continues to advise on individual issues as they arise to ensure that the Council's position is protected at all times.

## **BACKGROUND PAPERS**

NIL