

SCHOOL CAPITAL PROGRAMME - UPDATE (PART 1)

Cabinet Members	Councillor Jonathan Bianco Councillor David Simmonds
Cabinet Portfolios	Finance, Property & Business Services Deputy Leader of the Council / Education & Children's Services
Officer Contact	David Murnaghan Residents Services
Papers with report	Appendix 1: Summary of phase 2 and 3 works currently on site
Access to Information	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.

HEADLINE INFORMATION

Summary	This report provides an update on the Primary School Expansion Programme Phases 1, 2 and 3, the School Condition Programme and other potential school capital works.
Contribution to our plans and strategies	Investment in 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.
Financial Cost	<p>The current forecast of the Primary Schools Capital Programme is £147,513k compared to a budget of £157,891k. This shows a funding surplus of £10,378k. This is due to favorable tender returns and uncommitted sum on a one extra form of entry. It should be noted that there are cost risks within the overall programme, so the figure may change as the construction phases begin.</p> <p>The Secondary Schools Expansions/Replacement budget is £150,000k. The feasibility cost of £1,320k will be met from this budget.</p>
Relevant Policy Overview Committee	Children, Young People and Learning
Ward(s) affected	All wards.

RECOMMENDATIONS

That Cabinet:

1. Note the progress made with Phases 1, 2 and 3 of the Primary School Expansion Programme and the School Conditions Programme.
2. Agree that officers commence a feasibility study for the rebuilding of Northwood School.
3. Delegate authority to the Leader of the Council and Cabinet Member for Finance, Property and Business Services, in consultation with Deputy Chief Executive and Director of Residents Services, to make all necessary procurement and financial decisions, including the appointment of consultancies and the placing of building contracts for the rebuilding of Northwood Secondary School.
4. Agree the revised cost of £5,052,694 for the 2014/15 financial year to deliver the Schools Condition Programme, subject to formal agreement from all schools within the programme to make a contribution no greater than 20% of school reserves towards the total costs. The funding for the programme comes from the DFE Capital Maintenance grants 2013/14 and the new allocation for 2014/15.
5. Delegate authority to the Deputy Chief Executive, in consultation with the Leader of the Council and Cabinet Member for Finance, Property and Business Services to finalise the school condition programme of works for 2014/15.
6. In respect of subsequent procurement decisions to deliver the agreed 2014/15 School Condition Programme, delegate all necessary authority to the Leader of the Council and Cabinet Member for Finance, Property and Business Services, in consultation with Deputy Chief Executive and Director of Residents Services.
7. To note the estimated cost of up to £1.32 million to undertake feasibility studies and survey work for up to 10 sites from the Secondary School Programme, including the two secondary schools to be re-provided.

INFORMATION

School Places Forecast

The demand for school places in Hillingdon has been 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, new house building and families moving into the Borough. This demand is moving into secondary schools. Officers are also working on proposals for consideration to increase the provision of child care places for disadvantaged two-year olds and working with schools to ensure that the offer of a universal school meal for infant school age children is in place from September 2014 onwards.

Phase 1 - Permanent Expansions of Primary Schools

Phase 1 of the Primary School Expansion Programme (PSEP) consists of the expansion of 8 schools. The main expansion works have been completed at 7 schools.

Whitehall Juniors

Whitehall Juniors, the final school in this phase of works, has experienced some programme slippage with the revised completion date expected to be in June. The additional accommodation will not be required until 2015 when the additional pupils move up from the Infant School.

Grange Park Infant and Junior Remedial Works

Some fundamental outstanding remedial works, including addressing ventilation issues in the Nursery and heating in the Infant's school staircase were addressed during the February half term holiday by the contractor. Other works such as play ground resurfacing and bike sheds works which were not completed during the half term break will now be carried out during the school's Easter holiday break.

Investigations at Grange Park Infant School are ongoing with regards resolving the problems with the basement and the school is regularly receiving progress updates.

Cranford Park Drainage Remedial Works

New pumped drains, replaced by the contractor are now working satisfactorily. Roof leak issues have occurred and further remedial works are now ongoing with re-bedding of coping stones.

Brookside

The nursery block is experiencing roof leaks. There is potentially a design fault which is going to be the subject of a review by a newly appointed independent consultant paid for by the contractor.

Phase 2 - Permanent Expansions of Primary Schools

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 6 schools. The remaining 13 schools are scheduled to be completed in 2014. Appendix 1 provides a brief summary of the works being carried out for each scheme as well the current status.

With the exception of Pinkwell and Wood End Park, the phase 2 expansion construction works are progressing without any major delays or issues which could affect the September 2014 pupil intake. However a number of Extension of Time (EoTs) has been received from contractors due to the exceptional levels of rainfall over recent months. Options for mitigating the delays at Pinkwell and Wood End are being put in place.

Phase 3 - New Primary Schools

Phase 3 of the Primary School Expansion Programme comprises the construction of Primary Schools on Lake Farm and the St Andrew's Park (former RAF Uxbridge) sites, as well as a further new school at Laurel Lane.

Lake Farm Site

During April 2014, the contractor (Farrans) reported a potential 3-4 week delay, but had expectations of programme recovery during May and June 2014. Farrans are endeavouring to mitigate this delay by working extended hours for internal works only and increasing the labour on site to meet the project's original completion date in August 2014.

St Andrew's Park (former RAF Uxbridge) Site

With the exception of some risks around connection of statutory services and construction of the link road at St Andrew's Park, good progress has been made. The brick work has almost been completed, the roofs are close to being finished and the windows have started to be installed.

New Primary Location

In December 2013, the Department for Education agreed to appoint the LDBS Frays Academy Trust to operate the new school and provide additional capacity of 630 extra pupil places in the West Drayton area.

The site investigation surveys required for the feasibility exercise are nearing completion. Officers have been in discussion with representatives from the Trust to inform the design stage of the new school.

Officers are working with the appointed consultants to draft the project's design for a planning application by the end of April 2014, subject to various approvals and cost plan reconciliations.

Secondary Schools

The forecast of future demand for secondary school places predicts a shortfall in places commencing from 2016/2017. Cabinet has agreed for officers to undertake feasibility studies of selected secondary school sites to identify those that could be considered suitable for expansion. Officers are currently undertaking a desk-top exercise at this stage and will report the findings with recommendations for further surveys at specific school sites to the Leader of the Council and Cabinet Members for Education and Children's Services & Finance, Property and Business Services.

Initial findings suggest that the expansion programme will be more wide-spread and across a greater number of secondary schools. Approval is sought from Cabinet to increase the feasibility study costs to reflect the increased number of sites to be surveyed and potentially designed. The revised estimated cost of the secondary schools feasibility studies is up to £1.32m including internal fees, which represents the full costs of all surveys at ten secondary school sites, should all of these be required. Recommendation 7 seeks Cabinet approval to continue the feasibility studies as outlined above.

Table 1: Secondary Schools Feasibility Costs

RIBA Plan of Works 2013	Stage 1				
RIBA Work Stages	A & B				
Possible School Sites	Feasibility Reports	Surveys	CCT Fees	Total Fee	Grand Total
1 x 10	£30,000	£100,000	£2,000	£132,000	£1,320,000

Priority Schools Building Programme

Northwood School

Approval is sought from Cabinet to undertake a feasibility study on Northwood School, as set out directly above, as part of the larger programme of secondary school feasibilities. Consultants will need to be appointed to carry out the feasibility studies which will include site investigations, assessments and surveys. The estimated cost of the feasibility studies is £132,000 including internal fees. This figure is included within the overall feasibility allowance for secondary schools and in table 1 above.

Recommendation 2 seeks Cabinet approval to commence feasibility study outlined above.

Whereupon the feasibility study establishes the site can be rebuilt to accommodate the required provision within the cost plan and project timelines, Recommendation 3 seeks delegated approval be given to the Leader of the Council and Cabinet Member for Finance, Property and Business Services, in consultation with Deputy Chief Executive and Director of Residents Services to take all necessary procurement and financial decisions required to complete the project including the appointment of consultants and the placing of building contracts.

The provision of £132k has also been included within Recommendation 7 to undertake a feasibility study to redevelop an additional 6FE Grant Maintained Secondary School within the Priority Schools Building Programme, subject to ongoing discussions with the Department of Education about the management of the project.

Special Educational Needs (SEN) - Bulge Year Classes for September 2014

Analysis of future demand of school places for children with special educational needs has previously been reported to Cabinet. The analysis shows the need in Hillingdon is rising, in line with the growing number of children in the Borough. From recent discussions with some schools, there are opportunities to provide additional local pupil places for September 2014.

Officers are developing proposals at Hedgewood Primary, Cherry Lane Primary and Meadow Secondary Special schools and finalising the scope of the works, prior to implementation.

Schools Conditions Programme

Cabinet at its meeting in June 2013 made decisions to progress surveys in respect of developing a comprehensive cyclical condition survey programme moving forward, jointly funded by schools and requested this be reported back to Cabinet for approval.

Since then, officers have undertaken the various surveys to ascertain the condition and priority order of works that need to be carried out. Costs for proposed condition works during 2014/15 came back higher than anticipated following the detailed survey information. As such, Cabinet is asked to agree the necessary budget changes.

As the programme needs to be put into priority order so the most critical works are undertaken first, Cabinet is requested to delegate authority to the Deputy Chief Executive, in consultation with the Leader of the Council and Cabinet Member for Finance, Property and Business Services to finalise the programme for 2014/15 so that procurement can commence.

Furthermore, in respect of subsequent procurement decisions, to expedite delivery between Cabinet meetings, Cabinet is requested to grant delegated authority.

Universal School Meals

From September 2014, schools are required to offer infant school children (from reception to year 2 inclusive) with a universal school meal. Officers have collated information from Hillingdon infant schools about their current arrangements for school meals and their provision of kitchen and dining facilities, to assess the ability of schools to meet this new requirement.

The information received from the schools has provided a basis to understand the readiness of schools to meet this new requirement. As agreed at the February Cabinet meeting, officers are preparing a proposal for consideration by the Leader of the Council and Cabinet Members for Education and Children's Services & Finance, Property and Business Services.

Two Year Old Funded Child Care Places

Local Authorities are required to ensure the provision of sufficient child care places to meet the needs of the most disadvantaged two year olds in their area. From September 2014, the Local Authority is expected to provide an extra 677 part-time child care places for disadvantaged two year olds in Hillingdon. Officers have reviewed options to meet this expectation. As agreed at the February Cabinet meeting, officers are preparing a proposal for consideration by the Leader of the Council and Cabinet Members for Education and Children's Services & Finance, Property and Business Services to agree the action required.

Financial Implications

Financial overview of Primary School Expansions Programme

Actions described within part 2 of this report relating to council managed schemes, are not expected at this stage to incur a financial cost beyond existing budgets.

The £1,320k feasibility costs mentioned in recommendations 2 & 7 will be met from the Secondary Schools Expansions (£1,188k) and Replacement budgets (£132k), as shown in Table 3 below. The secondary schools expansion programme will provide additional 16FE. The original programme envisaged that this could be provided from 6 expansion projects it is now viewed that the provision may have to come from more but smaller expansions from more sites. In the event that the expansions could be provided from fewer sites there may be a risk of some abortive costs, this has been estimated to be in the range of up to £100k. This would be a charge to revenue and would have to be managed from the Residents Services budgets as a whole.

As shown in table 2 below, the current overall forecast surplus is £10,378k (no change on previous month). It should be noted that there are cost risks within the overall programme so the £10,378k may change as the construction phase continues.

Phase 1: The current forecast is £23.57m as advised in the Cabinet Report in October 2013, against a budget of £22.56m. The increase of £1.01m is due to increased costs for Whitehall Infants and Juniors Schools. (No change on previous month).

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 and the final accounts, there is now an expected under spend of £493k (£242k). £271k is on Phase 1A. £222k is on Rosedale, where savings have been made in the contract costs. Part of the work is now being contained in the Phase 2 Rosedale extension. (No change on previous month)

Phase 2: There is a current forecast surplus of £8,278k. (No change on previous month).

Phase 2A: There is forecasted pressure of £44k (no change). This is as a result of terminating the original contract to ensure the accommodation was completed in time for the September 2012 pupil intake. There are two accounts remaining that need to be closed 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, mainly due to a £2m 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 ongoing 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 Primary School Expansion Programme is funded from EFA grants, £99,040k, S106 £20,420k, and council resources of £38,431k.

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	2,115	-493
Phase 2	0	1,027	7,740	44,907	35,447	3,225	92,346	84,068	-8,278
Phase 2A	0	42	2,840	0	0		2,882	2,926	44
Phase 3	0	157	743	6,980	21,016	2,844	31,740	29,079	-2,661
Special Resources Provision	0	0	0	0	1,000	0	1,000	1,000	0
Phase 3A	0	0	0	705	2,895	0	3,600	3,600	0
Total Expenditure	1,649	11,483	18,651	59,146	60,893	6,069	157,891	147,513	-10,378
Resources:									
DfE Grant	1,649	9,055	16,505	19,450	10,674	2,386	59,719	59,719	0
TBNP	0	0	0	17,639	21,682	0	39,321	39,321	0
Section 106	0	2,428	2,146	5,505	9,145	1,196	20,420	20,420	0
Council Resources	0	0	0	16,552	19,392	2,487	38,431	28,053	-10,378

It should be noted that the surplus in the current year forecasting will be taken out for the new year budgets so the revised schools programme will become £147.5m plus £163.5m totalling £310m. The monitoring table will be revised in the next report to reflect the revised budgets for both the primary schools expansion and the new phases for secondary expansion and re-provision. Below is an extract from the February budget report which shows the approved new phases of school expansions and re-provision.

Table 3 - 2014/15 Schools Capital Programme

	2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000	Total
New Primary Schools Expansions	0	4,190	8,365	945	0	13,500
Secondary Schools Expansions Programme	0	15,500	40,300	22,100	2,100	80,000
Secondary Schools Replacement Programme						
- Northwood Secondary School	8,680	17,360	1,960	0	0	28,000
- Secondary School	2,520	12,180	24,360	2,940	0	42,000
Total Programme	11,200	49,230	74,985	25,985	2,100	163,500
Financed By:						
Council Resources	10,684	34,190	39,661	8,595	-628	92,502
DfE Grant (Capital Maintenance)	516	1,258	1,258	1,258	1,258	5,548
Basic Needs and Targeted Basic Needs	0	13,782	34,066	16,132	1,470	65,450
Total Financing	11,200	49,230	74,985	25,985	2,100	163,500

Schools Condition Programme

The £5,052k costs for Schools Condition Programme mentioned in recommendation 4 will be met from the 2014/15 budget of £4,701k plus estimated School Contributions of £500k and slippage from 2013/14, this should leave an estimated £800k available for new projects.

The Schools contributions is based on a capping formula of a contribution and a banded percentage ranging between 50% to 75% dependent on the cost of the project and capped to a maximum of 20% of the school reserves.

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 and the financial implications set out above. School expansions remain at the heart of the Council's Capital Programme, with over £100m of local investment being funded locally. Sufficient provision has been made within the Council's Medium Term Financial Forecast to manage the on-going revenue financing costs of the required borrowing.

With respect of recommended feasibility studies on secondary school expansion sites, the financial implications above note the minimal risk that an element of these costs will not meet the threshold for capitalisation and therefore represent a one-off charge to the Council's revenue budgets. Any such charge will be managed as part of the Council's wider financial position and reported, as necessary, through the Monthly Budget Monitoring process.

Revisions to the existing programme of school condition projects will be managed within the existing budget for 2014/15 and although final levels of school contributions are yet to be determined, it is expected that there will remain approximately £800k of grant funding to support any urgent projects. From 2015/16 the Council's Capital Programme contains provision of £1,258k per annum to continue this rolling programme of works.

Legal

The Borough Solicitor confirms that there are no specific Legal Implications arising from this report. Appropriate legal advice is provided in relation to individual cases to ensure that the Council's position is protected at all times.

BACKGROUND PAPERS

NIL

Appendix 1

Summary of Phase 2 and 3 works currently on site

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.	All works complete
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
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
Lake Farm site	New 3 FE primary school, nursery, a Special Resource Provision Unit and other associated facilities.	Expansion works will be completed in 2014
St Andrews Park (former RAF Uxbridge) site	New 3 FE primary school, nursery, a Special Resource Provision Unit and other 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.