

Cabinet – 25 April 2018

Revised Budget Estimates for Proposed expansion of Leighswood Primary School, Manor Primary School, Old Church CofE C Primary School, Salisbury Primary School, Short Heath Federated Schools, St Michael’s CofE C Primary School, Old Hall School, Shepwell Short Stay School, The Jane Lane School, Oakwood School, Mary Elliot School and Castle College of Business & Enterprise

Portfolio: Councillor Nawaz, Children’s Services and Education

Service: Children’s Services

Wards: All

Key decision: Yes

Forward plan: Yes

1. Summary

- 1.1 The Council has a duty to ensure there are sufficient school places for resident children who want a school place. A local authority has a general duty, under Section 14 of the Education Act 1996, to secure that there are available in its area sufficient schools “in number, character and equipment to provide for all pupils the opportunity of appropriate education”.
- 1.2 Cabinet received a report in October 2017 on the proposed enlargement of six primary schools from September 2019.
- 1.3 In December 2017, Cabinet received a report on the proposed enlargement of six special schools – four from September 2018, and two from September 2019.
- 1.4 Cabinet approved the recommendations to enlarge the schools as detailed in each of the reports outlined above, to procure the alteration works to support the enlargement, and to delegate to the Executive Director for Children’s Services in consultation with the relevant Portfolio Holder, authority to award contracts for the school alteration works, and to enter into contracts, by using the most appropriate procedures and to subsequently authorise the sealing or signing of any deeds, contracts or other related documents.
- 1.5 The Cabinet reports presented in October and December 2017 included budget estimates for each of the schemes at RIBA (Royal Institute of British Architects) Stage 1 (see **Appendix A**), which is a ‘light’ architect only investigation into the capacity of the site to accommodate expansion works. The development of schemes through subsequent RIBA Stages is an iterative process, requiring the updating of costs at key intervals as designs become

more developed and requirements of both the site and buildings are captured and interpreted, and with the benefit of input from other construction disciplines – mechanical and electrical engineering, structural engineering, etc. These projects are currently within RIBA Stage 3 with planning applications being submitted and, consequently, budget estimates have been reset in line with normal practice to take account of new and emerging information that would not have been available at Stage 1. These are included in more detail in section 3 of this report.

2. Recommendations

- 2.1 That Cabinet notes the progress of the expansion schemes through the RIBA project development stages, as explained in **Appendix A**, and approves the revised budget estimates set out in Section 6 of this report.

3. Report Detail

- 3.1 The Local Authority has a statutory duty to assess the local need for primary and secondary school places and to ensure that sufficient places are available for children and young people in the area.
- 3.2 The Council forecasts future demand for places across the Borough on an annual basis using live birth data, pupil yield from housing developments and data on pupil migration, and these projections are provided to the Department of Education each year via the School Capacity Return (SCAP).
- 3.3 The Walsall Council Children's Services 5-year Pupil Place Planning Sufficiency Strategy Plan (updated December 2017) sets out the context and approach to Pupil Place Planning for the Authority, and provides data on current and projected pupil numbers to inform the future pattern and configuration of school places and identify where development is required. It sets out the process by which the demand for pupil places is forecast and outlines how principles and criteria by which additional places and school expansion are managed, outlining how the Council will use capital resources to meet future demand for school places.
- 3.4 When it is necessary to create additional places on a permanent basis, a number of factors are considered to inform the decision on which schools to expand. The factors include:
- location relevant to need – is there a requirement at the school to justify expansion
 - parental preference and popularity of schools – are the schools continually over-subscribed in the area? Are there large waiting lists at the schools?
 - site related issues – can the site facilitate an expansion? Does the school already have capacity to accommodate an increase?
 - cost efficiency – is the expansion cost effective and does it provide value for money (National School Delivery Cost Benchmarking data is used to test this criterion)
 - reducing mixed age teaching – a key priority for the Local Authority is to reduce mixed age teaching by expanding school with half forms of entry, to raise standards and improve pupil outcomes in identified areas of need. Schools with half forms of entry already organise their year groups to teach

them separately where possible but this causes financial pressures. Expanding to whole forms of entry enables more robust financial planning and the better use of resources

- Ofsted rating – in the main, schools with an Outstanding or Good Ofsted rating would be selected, however this is not prohibitive. When the process for expanding the schools listed in this report first commenced, all schools had an Ofsted rating of either Good or Outstanding. Since that time Leighswood Primary School has been inspected and judged to be ‘Requiring Improvement’. However, as this school still meets all other criteria and is on an upward trajectory to achieving a Good Ofsted judgement, it was decided to keep Leighswood Primary School in the proposed expansion programme. Leighswood Primary School is in Primary Planning Area 8, and an additional 15 places in this area are required (half form of entry). Leighswood is the only school in the area to still have a half form of entry, therefore an additional 15 places would expand the school from 2.5 to 3 forms of entry. To increase any of the remaining three schools in the area would introduce a half form of entry which undermines the key Children’s Services priority to reduce the need for mixed age teaching.

3.5 Cabinet received a report in October 2017 proposing the expansion of six primary schools (Leighswood Primary School, Manor Primary School, Old Church CofE C Primary School, Salisbury Primary School, Short Heath Federated Schools, St Michael’s CofE C Primary School) from September 2019.

3.6 In December 2017, Cabinet received a report proposing the expansion of six special schools (Old Hall School, Shepwell Short Stay School, Castle College of Business & Enterprise, and The Jane Lane School from September 2018, and Oakwood School and Mary Elliot School from September 2019). In addition, the designation of Castle College of Business & Enterprise is being altered to better reflect the type of special educational needs provision they provide.

3.7 Cabinet approved the recommendations to enlarge the schools as detailed in each of the reports outlined above, to procure the alteration works to support the enlargement in conjunction with Integrated Facilities Management, and to delegate to the Executive Director for Children’s Services in consultation with the relevant Portfolio Holder, authority to award contracts for the provision of school alteration works, and to enter into contracts, by using the most appropriate procedures and to subsequently authorise the sealing or signing of any deeds, contracts or other related documents.

3.8 Whilst the formal expansion of the primary schools comes into effect from 1st September 2019, all of the schools will admit above their published admission number from September 2018 as detailed in the October 2017 Cabinet report. Construction work will commence on the primary programme in 2018, and will be phased to take into account particular priorities and deliverability opportunities/constraints. All schools have confirmed that they are able to take the additional pupils in September 2018, if their projects are not complete. The exception to this is Rosedale Infant School (part of the Short Heath Federation) and Leighswood Primary School where the need for temporary accommodation for one year is currently being confirmed.

3.9 The Cabinet reports presented in October and December 2017 included budget estimates for each of the schemes at RIBA (Royal Institute of British Architects) Stage 1 (see **Appendix A**), which is a 'light' architect only investigation into the capacity of the site to accommodate expansion works. The development of schemes through subsequent RIBA Stages is an iterative process, requiring the updating of costs at key intervals as designs become more developed and requirements of both the site and buildings are captured and interpreted, and with the benefit of input from other construction disciplines – mechanical and electrical engineering, structural engineering, etc. These projects are currently within RIBA Stage 3 with planning applications being submitted and, consequently, budget estimates have been reset in line with normal practice to take account of new and emerging information that would not have been available at Stage 1. This has included the following:

3.9.1 The appointment of consultants (commissioned and procured through Integrated Facilities Management and the Council's Procurement Team) to further develop the Stage 1 high level proposals into more detailed schemes that can be submitted for planning permission.

3.9.2 Design User Group meetings with schools and their governors to review the schemes in more detail and further develop the initial brief.

3.9.3 Meetings with the Diocese of Lichfield to understand their priorities and ensure projects at Old Church CofE C Primary School, St Michael's CofE C Primary School and Rosedale Infant School (part of the Short Heath Federation) receive Trustee approval.

3.9.4 Meetings and discussions with Planning and Highways, within the Council, and Sport England, as appropriate, to ensure that schemes take into account any required mitigation works.

3.9.5 The commissioning of a range of surveys (including arboricultural, archaeology, ecology, drainage and CCTV, traffic, building services and utilities, flood risk, soil investigation, site and buildings dimensions, ground penetration radar, asbestos, mine working survey) to ascertain risk and highlight any issues across the sites that may impact on cost and programme.

3.9.6 The identified need, as a result of surveys included in 3.9.5 above, to divert services or to revise designs to accommodate existing and future requirements.

3.9.7 Review of curriculum requirements emerging since the Stage 1 high level studies were undertaken.

3.9.8 The need to apply for Section 77 (Schools Standards & Framework Act 1998) approval from the Secretary of State to build on 'school playing field land' which is defined as 'land in the open air which is provided for the purposes of physical education or recreation' and includes grass pitches and artificial surface pitches, hard surface games courts, informal and social areas, marginal areas, habitat areas, and local authority parkland or other open space that is used or has been used in the last 10 years, for the purposes of a maintained school. An

assessment of the application process has been undertaken and mitigating works proposed, as appropriate. Site drawings to demonstrate size and type of playing field space to accompany Section 77 applications have also had to be commissioned.

- 3.10 The schemes are currently part way through Stage 3 of project development, informed by the range of work undertaken in 3.9.1-3.9.8 above, and are moving through the planning permission process.
- 3.11 In parallel to this, Integrated Facilities Management and Walsall's Procurement Unit are progressing the procurement of Design & Build Contractors to deliver the programme of work, via a suitable OJEU compliant Framework.

4. Council Corporate Plan Priorities

- 4.1 The proposed expansion programme supports the following Council's strategic priorities:
- economic growth for all people, communities and businesses;
 - people have increased independence, improved health and can positively contribute to their communities;
 - children have the best start and are safe from harm, happy, healthy and learning well;
 - communities are prospering and resilient with all housing needs met in safe and healthy places that build a strong sense of belonging and cohesion.
- 4.2 The creation of good quality school places most directly contributes to the priority that children have the best start and are safe from harm, happy, healthy and learning well. .

5. Risk Management

- 5.1 The provision of additional places will enable the local authority to meet its statutory duty to ensure there are sufficient primary school and specialist school places to meet increasing local demand. A shortage in specialist school places means that children may not be able to access a place at their nearest appropriate school, with placements being made in out-of-Borough schools, including independent non-maintained schools.

6. Financial Implications

- 6.1 Budget estimates have been reset, in line with normal practice, as projects move through the RIBA stages, to include new and emerging information and activities highlighted in Section 3 above. Budget estimates continue to include the 20% contingency margin for each scheme. Budget estimates for each of the schemes are detailed below:

Table 1

School	Stage 1 budget estimate	Stage 3 budget estimate	Variance £	Variance %	Key variance reasons
Leighswood Primary	726,197	866,445	140,248	19.31	Design development; additional toilet provision required; FF&E and IT equipment requirements; external works to improve pedestrian safety onto the site; S77 application costs; QS due diligence. If the expansion project cannot be delivered by September 2018, the school may require a temporary classroom and this has been included in detailed costs.
Manor Primary	1,029,106	1,511,536	482,430	46.88	Design development; additional classroom due to changing IT curriculum requirements; location of new extension as part of Sport England consideration; FF&E and IT equipment requirements; addressing specific school priorities (for which the school is contributing £50k additional Devolved Formula Capital, over and above that detailed in 6.12 below); S77 application costs; QS due diligence
Old Church CofE C Primary	1,208,796	1,349,905	141,109	11.67	Design development; Diocesan engagement; Section 77 improvements and works to improve opportunities for outside play due to constrained site; allowances for costs arising from investigative ground and building surveys (specifically drainage diversion); FF&E and IT equipment requirements; S77 application costs; QS due diligence
Salisbury Primary	2,230,190	2,689,207	459,016	20.58	Design Development; extensive refurbishment which is difficult to estimate at Stage 1; FF&E and IT equipment requirements; allowances for costs arising from investigative ground and building surveys; QS due diligence
Short Heath Federation	2,774,271	3,473,331	699,060	21.09	The design development process has identified a further potential option that is currently being explored. This option could provide a more efficient overall campus approach, as well as potential revenue savings, which the school, the Diocese and the Local Authority wish to explore before making a final decision. Included in the estimates is an allowance for a mobile to ensure the additional pupils to be admitted in September 2018 can be accommodated and the Stage 1 budget estimate in Table 1 has been uplifted by the average % variance from Stage 1 to Stage 3 for the other primary schools in the programme.

Table 2

School	Stage 1 budget estimate	Stage 3 budget estimate	Variance £	Variance %	Key variance reasons
St Michael's CofE C Primary	848,681	908,161	59,480	7.01	Design development; additional classroom due to changing IT curriculum requirements; Diocesan engagement; additional WC provision; FF&E and IT equipment requirements; allowances for costs arising from investigative ground and building surveys; S77 application costs; QS due diligence
Old Hall Special	1,388,700	1,758,541	369,841	26.63	Design development; allowances for costs arising from investigative ground and building surveys; S77 application costs; QS due diligence
Shepwell School	1,478,214	1,608,032	129,818	8.78	Design development; allowances for costs arising from investigative ground and building surveys; S77 application costs; QS due diligence
Castle Business & Enterprise College	1,754,463	1,461,201	-293,262	-16.72	Design development; potential cost savings identified at second cost check stage; S77 application costs; QS due diligence
The Jane Lane School	1,601,887	1,425,580	-176,307	-11.01	Design development; potential cost savings identified at second cost check stage; S77 application costs; QS due diligence; addressing specific school priorities (for which the school is contributing £30k additional Devolved Formula Capital, over and above that detailed in 6.12 below)
Oakwood School	1,107,331	2,566,336	1,459,005	131.76	Design development; additional basic need requirements in line with ESFA recommendations given the range of complex needs of young people to be accommodated at this school (currently 50% below recommended size hence the need for a larger scheme) – specification for the Stage 1 budget estimate was for the additional places only, rather than any shortfall in existing provision; S77 application costs; QS due diligence
Mary Elliot School	2,128,601	2,175,624	47,023	2.21	Design development; allowances for costs arising from investigative ground and building surveys; S77 application costs; QS due diligence
TOTAL	18,276,437	21,793,897	3,517,459	19.25	

- 6.2 The variance in budget estimates in Table 1 above is 19.25 %. The largest individual variance is for Oakwood School where, due to the school being less than 50% below the ESFA recommended size, additional basic need facilities are now being proposed as part of the expansion project, as detailed in Table 1 above. The movement in the budget estimate from Stage 1 to Stage 3 accounts for more than half the total variance across the programme, and is skewing the overall figures. Taking Oakwood School out of the table would result in a percentage variance in budget estimates across the programme as a whole of 11.26%, which is within reasonable parameters (10%-15% between Stage 1 and Stage 3 is professionally considered to be a reasonable shift).
- 6.3 Budget estimates for the primary schools are, like for like, in line with the National School Delivery Cost Benchmarking (undertaken by Local Authorities in conjunction with the ESFA) average per pupil place of £10,594 - £13,760, apart from Salisbury Primary School. This school has significant refurbishment costs to provide fit for purpose basic need facilities. These costs are, however, within benchmarking averages, on a comparative square meterage basis (£1,549m² compared with benchmarking averages of £1,891-£2,685m²).
- 6.4 For special schools, all projects are within the average benchmarking cost of £65,433 per place on a comparative basis.
- 6.5 As the Stage 3 budget estimates are within the National School Delivery Cost Benchmarking averages, the budget estimates include a contingency of 20%, the total of the budget estimates is within the Basic Need allocation to the Authority from the ESFA, and the original selection criteria still applies including the key priority of reducing primary mixed age teaching, it is recommended that capital schemes at these schools, chosen through the Stage 1 selection process, continue to progress. To consider alternative options would result in abortive costs of approximately 8%-10% of budget estimates, and there is no guarantee that schemes on other school sites would cost less, without progressing them to a similar stage. Restarting the consultation and procurement programme could result in a delay of up to 12 months, which could necessitate the need for temporary accommodation, at a cost of at least £70,000 per unit.
- 6.6 For the Short Heath Federated Schools, a decision on the final scope of works is still being determined (as set out above), hence the budget estimate is yet to be revised, and will, if required, be the subject of a further Cabinet report. In the meantime, the Stage 3 budget estimate has been uplifted in line with the average % variance from Stage 1 to Stage 3 for the other primary schools in the programme.
- 6.7 Budget estimates at Stage 3 also include allowances for fixed furniture and equipment (£4,500 per additional classroom), and additional ICT equipment (£300 per pupil).
- 6.8 As the projects enter RIBA Stage 4 - Technical Design, and costs associated with the Section 77 applications are more understood, budget estimates will be further reviewed. It is hoped that any increase in budget estimates as a result of this can be met from the 20% programme contingency.

6.9 The expansion projects will be funded from the Basic Need Capital Fund. This capital grant is allocated by the ESFA to local authorities, based on pupil place number forecasts, to deliver the additional places in schools to meet expected demand. Table 3 below summarises the total basic need allocation, the total committed towards already approved schemes, along with the additional schemes highlighted within this report, and ensures there remains sufficient cash flow between spend and funding to be provided via the ESFA.

Table 3

	2017/18		2018/19		2019/20	
	Basic Need	DSG	Basic Need	DSG	Basic Need	DSG
Balance b/f	9,062,952	0	8,117,593	1,140,261	17,187,809	0
Allocation	3,061,135	1,500,000	21,616,745	0	11,981,629	0
DFC / S106	448,358	0	0	0	0	0
Total Available	12,572,445	1,500,000	29,734,338	1,140,261	29,169,437	0
Forecast Spend	4,454,852	359,739	12,546,529	1,140,261	10,675,018	0
Funds Remaining	8,117,593	1,140,261	17,187,809	0	18,494,419	0

6.10 The budget estimates above include a 20% contingency that will be monitored as each scheme progresses. This equates to £2.955m. Should this contingency not be required, the funds will be returned to the central Basic Needs fund and used for future eligible capital projects. The budget estimates also include statutory and project management fees, and due diligence Quantity Surveying cost checks at various stages throughout the programme.

6.11 The ongoing associated increase in revenue funding for the schools will be met from the Dedicated Schools Grant (DSG).

6.12 All schools in the expansion programme have agreed to contribute Devolved Formula Capital towards their projects. This will reduce the total cost to be met from Basic Need funding by approximately £260,000. This includes £15k DFC contribution from each school (£5k annually over 3 years) except Manor Primary who have agreed to contribute an additional £50k to address their own priorities, and Jane Lane School who have agreed to contribute an additional £30k..

6.13 In addition to this, four of the Special Schools were allocated £44k each of Section 106 funding in 2017. It has been agreed that this funding will be used towards the costs of the expansion schemes for these schools, therefore reducing the overall costs by £176k.

7. Legal Implications

7.1 A local authority has a general duty, under Section 14 of the Education Act 1996, to secure that there are available in its area sufficient schools 'in

number, character and equipment to provide for all pupils the opportunity of appropriate education’.

- 7.2 The Children and Families Act 2014 and The Special Education and Disability Regulations 2014 requires local authorities to keep the provision for children and young people with SEN and disabilities under review (including its sufficiency), working with parents, young people and providers (SEND Code of Practice, January 2015 Chapter 4).

8. Procurement Implications/Social Value

- 8.1 Integrated Facilities Management and Walsall’s Procurement Unit are progressing the procurement of Design & Build Contractors via a suitable OJEU compliant framework.

9. Property Implications

- 9.1 The proposed expansions will involve extensions, alterations, remodelling and consequential refurbishment.

10. Health and Wellbeing Implications

- 10.1 The proposed expansions will provide buildings that are ‘fit for purpose’ and more in line with current recommendations for building design. Schemes also include site modifications, where appropriate, to improve facilities for outdoor play and sport, as well as improving access to school sites for those with SEN and disabilities, and to support sustainable travel.

11. Staffing Implications

- 11.1 Additional teaching and support staff will be recruited to provide for the additional children to be admitted to each school.

12. Reducing Inequalities

- 12.1 The proposals ensure access to suitable, high quality school places that are attractive to parents and young people, which meet their needs and improve educational outcomes.
- 12.2 A full Equality Impact Assessment was also carried out as the special school proposals were developed.

13. Consultation

- 13.1 Consultation with schools and governors on the expansion proposals has continued to take place as the schemes progress to subsequent development stages. For Diocesan Schools, there has also been consultation with the Diocese of Lichfield in respect of the proposed expansion of Old Church CofE C Primary School, St Michael’s CofE C Primary School and Rosedale Infant School (part of the Short Heath Federation), to ensure that projects receive Trustee approval. Where appropriate, consultation has also taken place with other Council Directorates, with Sport England and the DfE, and with the school’s local communities.

Background Papers

Cabinet 25 October 2017, Agenda Item 13:
Proposed Expansion of Leighswood School, Manor Primary School, Old Church CE Primary School, Salisbury Primary School, Short Heath Foundation and St Michael's CE Primary School from 1 September 2019

Cabinet 13 December 2017, Agenda Item 16:
Special Schools Expansion

Walsall Council 5-year Pupil Place Planning Sufficiency Strategy Plan (December 2017)

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Sally Rowe
Executive Director
16 April 2018



Councillor A Nawaz
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16 April 2018

APPENDIX A

Extract from RIBA Plan of Work



RIBA
Plan of
Work
2013

RIBA

The RIBA Plan of Work 2013 organises the process of briefing, designing, constructing, maintaining, operating and using building projects into a number of key stages. The content of stages may vary or overlap to suit specific project requirements. The RIBA Plan of Work 2013 should be used solely as guidance for the preparation of detailed professional services contracts and building contracts.

www.ribaplanofwork.com

	0	1	2	3	4	5	6	7
Stages								
Tasks	Strategic Definition	Preparation and Brief	Concept Design	Developed Design	Technical Design	Construction	Handover and Close Out	In Use
Core Objectives	Identify client's Business Case and Strategic Brief and other core project requirements.	Develop Project Objectives , including Quality Objectives and Project Outcomes , Sustainability Aspirations , Project Budget , other parameters or constraints and develop Initial Project Brief . Undertake Feasibility Studies and review of Site Information .	Prepare Concept Design , including outline proposals for structural design, building services systems, outline specifications and preliminary Cost Information along with relevant Project Strategies in accordance with Design Programme . Agree alterations to brief and issue Final Project Brief .	Prepare Developed Design , including coordinated and updated proposals for structural design, building services systems, outline specifications, Cost Information and Project Strategies in accordance with Design Programme .	Prepare Technical Design in accordance with Design Responsibility Matrix and Project Strategies to include all architectural, structural and building services information, specialist subcontractor design and specifications, in accordance with Design Programme .	Offsite manufacturing and onsite Construction in accordance with Construction Programme and resolution of Design Queries from site as they arise.	Handover of building and conclusion of Building Contract .	Undertake In Use services in accordance with Schedule of Services .
Procurement *Variable task bar	Initial considerations for assembling the project team.	Prepare Project Roles Table and Contractual Tree and continue assembling the project team.	The procurement strategy does not fundamentally alter the progression of the design or the level of detail prepared at a given stage. However, Information Exchanges will vary depending on the selected procurement route and Building Contract . A bespoke RIBA Plan of Work 2013 will set out the specific tendering and procurement activities that will occur at each stage in relation to the chosen procurement route.			Administration of Building Contract , including regular site inspections and review of progress.	Conclude administration of Building Contract .	
Programme *Variable task bar	Establish Project Programme .	Review Project Programme .	Review Project Programme .	The procurement route may dictate the Project Programme and may result in certain stages overlapping or being undertaken concurrently. A bespoke RIBA Plan of Work 2013 will clarify the stage overlaps. The Project Programme will set out the specific stage dates and detailed programme durations.				
(Town) Planning *Variable task bar	Pre-application discussions.	Pre-application discussions.	Planning applications are typically made using the Stage 3 output. A bespoke RIBA Plan of Work 2013 will identify when the planning application is to be made.					