



Executive
11 November 2013

**Report from the Strategic Director of
Regeneration and Growth Acting
Director of Children and Families**

For Action

Wards affected:
ALL

**School Expansion Programme - Phase 2 Permanent
Primary School Expansion Works Contract and General
Schools Capital Portfolio Update**

**Appendices 1 and 2 of this report are not for publication
(‘below the line’)**

1.0 Summary

- 1.1 This report provides an update on progress against the approvals given in earlier Executive committee meetings on the Schools Capital Portfolio/School Expansion Programme.
- 1.2 This report specifically seeks approvals for delegated authority to award works contracts for projects in the Phase 2 Permanent Primary School Expansion Programme and a consultancy services contract for the Schools Capital Portfolio.

2.0 Recommendations

The Executive is recommended to:

- 2.1 Note the update on school place planning and pupil projections.
- 2.2 Note the update on the current status of the Temporary Primary School Expansion Programme 2013/14.

- 2.3 Note the update on the current status of the Phase 1 and 2 Permanent Primary School Expansion Programmes.
- 2.4 Delegate authority to the Strategic Director of Regeneration & Growth in consultation with the Director of Legal & Procurement and the Lead Member for Regeneration & Growth to award the works contracts for the following Phase 2 Permanent Primary School Expansion projects: Harlesden Primary, St Josephs Primary, Wembley High Technology College and Preston Park Primary.
- 2.5 In the event that the current procurement process referred to in paragraphs 3.16-3.24 fails to provide a tender that can be accepted, approve a further procurement process via an open or restricted tender procedure through an OJEU advertisement as set out in Appendix 1, and agree to the pre-tender considerations for this as set out in Appendix 2.
- 2.6 Note the update on the current status of the Phase 3 and 4 Permanent Primary School Expansion Programmes, in particular the inclusion of Islamia Primary School within the Phase 3 expansion programme.
- 2.7 Note the update on the Secondary School Expansion Programme, including the Priority Schools Building Programme and free schools
- 2.8 Note the update on the current status of Schools Capital Portfolio including SEN programme.
- 2.9 Delegate authority to award a services contract for Project Management/Employers Agent services for the Schools Capital Portfolio using a framework to the Strategic Director of Regeneration & Growth in consultation with the Director of Legal & Procurement and the Lead Member for Regeneration & Growth.
- 2.10 Authorise the Borough Solicitor to finalise and complete all required legal documentation in relation to the Phase 2 Permanent Primary School Expansion projects outlined in the report and in relation to the external project manager referred to at recommendation 2.9.

3.0 Detail

Update on School Place Planning and Pupil Projections

- 3.1 In a report to the Executive in July 2013, officers reported that the council had been able to offer all on-time reception and secondary transfer applicants a school place for September 2013. Members were advised however that a significant number of late and in year applications had been and continued to be made for the 2013-14 academic year for reception and other primary year groups. There have been 683 late reception applications for the 2013-2014 academic year compared with 460 last year; the vast majority of which are new entrants to the borough. Across all year groups, there continue to be around 50-70 in year applicants per week.

- 3.2 As at the census day of 4 October 2013, there were 161 reception children who had not had offers of school places against 41 vacancies. In order to meet this significant demand, a programme of Temporary School Expansion for 2013-14 is underway in line with Executive approvals from July 2013. Officers anticipate that this will enable the council to ensure that all children that have already or who will continue to apply in year can be offered a school place. Although places are extremely tight and the high rate of in-year applications shows no sign of abating officers do anticipate being able to make offers to all children. An update on progress on temporary school expansion projects is provided later in this report.
- 3.3 In addition a large permanent primary school expansion programme is underway in line with Executive approval from August 2012. This will serve to meet demand from September 2014 onwards and an update on progress is provided later in this report.
- 3.4 Officers will receive the new GLA roll projections early in November. These will need to be reviewed alongside local intelligence of the pattern over recent years, as well as the impact of recent welfare reform and other contributory factors such as Bulgarians and Romanians gaining the same rights to work in the UK as other EU citizens as from January 2014. Early indications suggest that additional reception and year 1 places will be required for September 2014 in addition to those permanent places that will be provided in that year. This number will increase should any of the Phase 2 projects listed below become undeliverable for any reason. A business case on proposals to meet this demand will be presented to the Schools Capital Portfolio Board in January 2014 with associated Executive approvals being requested after that date as required based on the proposed solutions. Members should note that in order to achieve this officers will lobby government for additional funding.

Update on Temporary Primary School Expansion Programme 2013/14

- 3.5 In July 2013, Members approved a programme of temporary school expansion projects to refurbish and remodel three council properties: Anansi, Douglas Avenue and Strathcona in addition to previous approvals to develop the Gwenneth Rickus Building. Officers have since progressed design and procurement of the works contracts for each project. Initial work on Gwenneth Rickus to allow two reception classes to start in September 2013 was completed as phase 1, while the remainder of the works to Gwenneth Rickus (phase 2) and the three other properties will provide school places from January 2014.
- 3.6 During the design development period, on receipt of existing building condition surveys and following tender specification, the estimated costs of the projects for Gwenneth Rickus Phase 2 and the other three properties increased. This meant that the previously anticipated procurement route of obtaining quotations could no longer be used in line with existing Council Standing Orders as the larger two of the four contracts had become Medium Value as defined in Council Standing Orders, for which a formal tender exercise is required. The Director of Finance approved an exemption from CSOs on the grounds of

extreme urgency in order to allow the following of a quotation exercise for these two Medium Value projects in the same way as for the other two smaller projects. An invitation to quote was sent out for each project to a prepared list of contractors known to the council plus two others. Each invitation was sent to at least three contractors to maintain a competitive process and ensure value for money, and to comply with the minimum standing orders process for quotes.

- 3.7 Tenders were returned for all four projects on 26 September 2013 and evaluated by officers to reach recommendations to award each of the four contracts to four different contractors. The Strategic Director of Regeneration and Growth approved the award of contracts on 30 September 2013. The received tenders were within the overall Temporary School Expansion Programme budget allocation of £3.75m.
- 3.8 Work has now started on site on each of the four projects and is due to complete in time for the start of term in January 2014.
- 3.9 Table 1 below provides a summary update on all temporary class projects as reported to the Executive in July 2013:

Table 1

School/Site	Total no. of classes to be provided (across year groups)	Date for classes to be provided	Status
Gwenneth Rickus Building – Phase 1 (Managed by Leopold Primary School)	2	September 2013	Completed on time, building occupied
Gwenneth Rickus Building – Phase 2 (Managed by Leopold Primary School)	13	January 2014	Works on site, on track for completion on time
Make use of existing classrooms at Brentfield Primary	1	September 2013 Revised to October 2013	School agreement required
Ashley Gardens	2	September 2013 Revised to November 2013	Delay in obtaining planning approval for use of existing buildings – anticipated to be decided at November 2013 planning committee
Douglas Avenue	3	January 2014	Works on site, on track for completion on time
Anansi (Managed by College Green Nursery)	3	January 2014	Works on site, on track for completion on time
Strathcona	7	January 2014	Works on site, on track for completion on time

Total	31		
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Phases 1 and 2 Permanent Primary School Expansion Programmes

- 3.10 In August 2012 Members approved a four year rolling school expansion programme to address the demand for primary school places up to 2016-17. Subsequent reports have provided updates on that programme. This report provides a further update and makes explicit reference to including schools within the programme that have previously been dealt with differently.
- 3.11 Following the appointment of a Programme Manager and a dedicated Schools Capital Programme team, it has been possible to review the entire schools capital portfolio to re-confirm the previous approvals and plans and to update where necessary. Additional capital funding (Targeted Basic Need Programme) has also enabled more work to be brought forward to earlier years than previously reported; the current strategy and associated portfolio business case supports that. The Schools Capital Portfolio is clearly broken down into Programmes of work covering multiple projects. Each Programme describes a sector of work and is linked to completion date e.g. Primary schools for completion in September 2013.
- 3.12 **Phase 1 Permanent Primary School Expansion** covers four projects and has provided a total of 4.5FE. In each case for permanent primary school expansion, classes are added at reception level one year at a time until new places are all filled over a seven year period. Three projects (Fryent, Mitchellbrook and Barham) were due for completion in September 2013. Unfortunately the completion of some works was delayed and full completion is now planned for the end of October 2013. In spite of this, sufficient work was completed to enable the new intake to start as planned at the start of the school term in September 2013. The remaining project (St Robert Southwell) is part funded by Brent but commissioned and managed by the Diocese of Westminster, as reported to the Executive in August 2012. The project is on track for completion in March 2014 as planned, although places were available from September 2013. Table 2 is provided below as a summary:

Table 2

PHASE 1 PERMANENT PRIMARY SCHOOL EXPANSION			
Project	Size of Expansion (FE)	Planned End Date	Status
Fryent Primary	2	31/10/2013	Delivery
Barham Primary	1	31/10/2013	Delivery
Mitchell Brook Primary	1	31/10/2013	Delivery
St Robert Southwell RC Primary	0.5	30/03/2014	Delivery
Total	4.5 FE		

- 3.13 **Phase 2 Permanent Primary School Expansion** covers seven projects as summarised below in table 2. The permanent expansion of these schools will

take place from September 2014, although some works will be completed after that date.

Table 2

PHASE 2 PERMANENT PRIMARY SCHOOL EXPANSION			
Project	Size of Expansion (FE)	Planned End Date	Status
Uxendon Manor Primary	2	Dec 2014	High risk, Governing Body does not agree to proceed
Preston Park Primary	1	Dec 2014	Delivery
Wembley High	4	Dec 2014	Delivery
Vicar's Green (Ealing)	0.5	Dec 2014	Delivery
Harlesden Primary	2	Dec 2014	Delivery
St. Josephs RC Primary	1	Dec 2014	Delivery
Princess Frederica CE VA Primary	1	April 2015	Delivery
Total	11.5 FE		

- 3.14 Alongside the design, planning and procurement work required to deliver these expansion projects, a statutory consultation process is required in relation to the expansion of the school. Members approved in July 2013 the expansions at Preston Park and Harlesden following completion of the consultation process. Members will be asked to consider a report in this November meeting seeking approval to expand St Josephs. As Wembley High is an Academy, Members are not required to approve that expansion as the process is managed directly by the DfE. The process to expand Vicars Green is being handled by LB Ealing as it is their school, but with 50% Brent funding as set out in a funding agreement. Officers expect to seek approval from the Executive in January 2014 to expand Princess Frederica following a statutory consultation which is currently in the final stages. The Governing Body of Uxendon Manor Primary School met on 3 October to decide whether to proceed to the final stage of the statutory consultation process and decided against doing so, unless the Council were to provide additional investment of c. £800k to provide a whole school assembly/sports hall for the school. The Acting Director of Children and Families is to meet with the school to discuss ways to progress the scheme and overcome the governors' reservations within the existing budget envelope.
- 3.15 The planning application and procurement process for four of the schemes is described below in paragraphs 3.16- 3.25 in relation to the recommendation to delegate authority to award works contracts. The remaining two schools; Uxendon and Princess Frederica, are behind this timescale. For reasons described in 3.14 above the planning application has not been submitted for Uxendon and it has not been included in the procurement package covering the group of Phase 2 projects. The decision to commence the statutory consultation process at Princess Frederica was made later than all the other schools in the programme. It left a very tight timescale for design consultation with the school and as a result of the Governing Body's requirement be fully engaged in the design process the design has taken longer to achieve than on

other schemes. This has also been linked to the Governing Body's wish to take on board comments made by parents, staff and local residents through the statutory consultation process into the design process even though the two are not directly linked. The design has now been signed off by the Governing Body and a planning application is expected to be submitted at the end of October. It is anticipated that this will be decided at the January 2014 planning committee. The project will be separately procured. This is anticipated to be through a framework although officers will review and utilise the most suitable route, seeking approvals as necessary.

Phase 2 Permanent Primary School Expansion Programme – Works Contract

- 3.16 The seven schools that form the Phase 2 Permanent Primary School Expansion Programme were reported to the Executive in May 2013 (see table 2 above). At the same meeting, the Executive approved the appointment of consultants to develop the designs for each of the projects in the programme. Since May, officers have been working with the consultant design team and the schools to develop the designs for the school expansions in order to submit planning applications and to procure works contracts. This work sits alongside the statutory consultation processes to expand the schools which have already been detailed elsewhere in this report.
- 3.17 In line with the agreed timescales the schools in the Phase 2 programme will permanently expand from September 2014. In order to achieve this challenging timescale planning applications were submitted for the main package of schemes, being Preston Park Primary, Harlesden Primary, St Josephs Primary and Wembley High Technology College primary provision on 20 September 2013. An update on the remaining projects in the Phase 2 Programme is provided in paragraph 3.15 above. The procurement process is operating alongside the planning approval process.
- 3.18 Officers undertook a review of the procurement options available for this main package of four projects, the contract values for which are estimated to total approximately £22m (from a total £44.5m budget allocation to the overall Phase 2 Permanent Primary School Expansion Programme). The constrained timescale meant that a conventional procurement of the works contractor was not feasible and therefore it was decided that a framework option was preferred. LBB Legal Services reviewed the various framework options available to the Council and concluded that the London Housing Consortium (LHC) Framework provided the most appropriate procurement route.
- 3.19 It is intended that one contractor will be appointed under the LHC Framework to manage each and all of the projects, with the works to be carried out under a programme of simultaneous construction, using the Framework and four JCT Design & Build contracts (Revision 2011).
- 3.20 In line with Council Standing Orders, Legal Services approved the use of the Framework as legally permissible and Chief Officer approval to use the framework was obtained.

- 3.21 The procurement of the works contracts for these four projects commenced on 7 October 2013 with the issue of the Invitation to Tender to four contractors on the available Lot within the Framework.
- 3.22 Tenders for this procurement will be returned on 13 November 2013. A period of tender evaluation will be required after tender return before a recommendation for the award of contract can be made. No contract can be awarded unless planning approval is granted and it is anticipated that these projects will be decided at the 11 December planning committee. In order to maintain the programme for delivery by September 2014 works contracts need to be awarded in December 2013. As the planning committee falls just after the Executive committee in December, an Executive decision to award the works contracts would ordinarily have to wait until the meeting in January 2014.
- 3.23 In order to maintain programme, the Executive is asked to delegate authority to the Strategic Director of Regeneration & Growth in consultation with the Director of Legal & Procurement and the Lead Member for Regeneration & Growth to award the works contracts for the four projects listed in 3.17 above to one contractor following a tender evaluation process and only if planning approval is obtained. This is anticipated to be in December 2013. The report recommending award of contracts in exercise of this delegated authority would be a key decision and will go on the Forward Plan and published via the Council's website with at least 5 clear days' notice.
- 3.24 A summary timetable is provided below for ease of reference:

Table 3

Task	Date
Submitted Planning Applications	20 September 2013
Issued Invitation to Tender	7 October 2013
Tenders Returned	13 November 2013
Key Decision to Award Contract Published	5 December 2013
Executive Committee	9 December 2013
Planning Committee	11 December 2013
Approval by Strategic Director of Regeneration & Growth in consultation with the Director of Legal & Procurement and the Lead Member for Regeneration & Growth to award the works contracts subject to planning approval	12 December 2013
Contractor Design and Lead In Period	Minimum 6 weeks required from award of contract 12 December 2013 – 3 February 2014
Contractor Start on Site	3 February 2014
Completion of Section 1 on each project (Section 1 is the minimum accommodation requirements for the expansion in September 2014)	22 August 2014
Phase 2 Schools Open with operational Permanent Expansion	4 September 2014

- 3.25 As this main Phase 2 works package carries a high degree of risk associated with the programme and in relation to available budgets (detailed later in financial implications), officers consider it prudent to seek approval to a further procurement process for these works contracts via an open or restricted tender procedure through an OJEU advertisement in the event that the current procurement process fails to provide a tender that can be accepted. Further details are provided in appendix 1 about the legal situation (not for publication) and in appendix 2 (pre-tender considerations for approval).

Update on Phases 3 and 4 Permanent Primary School Expansion

- 3.26 **Phase 3 Permanent Primary School Expansion** covers five projects as summarised below in table 4. The permanent expansion of these schools will take place from September 2015, although some works may be completed after that date.

Table 4

PHASE 3 PERMANENT PRIMARY SCHOOL EXPANSION			
Project	Description	End Date	Status
Islamia Primary	Expand by 1FE	Dec 2015	Start Up
Elsley Primary	Expand by 2FE	Dec 2015	Delivery
Stonebridge Primary	Expand by 1FE	Dec 2015	Start Up
Malorees Infant & Junior	Expand by 1-2FE	Dec 2015	Start Up
Oriental City	New 2FE school	Dec 2015	Start Up
Total	7-8 FE		

- 3.27 The schools listed in Phase 3 are as previously approved, with the exception of Islamia Primary School which was not included. The proposed development and expansion of Islamia Primary School has been discussed and reported to the Executive on various occasions over recent years. The acquisition of additional capital funding from the DfE (as detailed in the financial implications section of this report) means officers have brought this existing project into the schools capital portfolio with a target completion date in September 2015, in line with the funding deadline. It is essential that the Council utilises all capital funding available in order to create additional school places and fulfil the statutory duty, formalising this project as part of this programme helps to ensure that happens.
- 3.28 In general, work on phase 3 projects is progressing at an appropriate rate. Members should note that agreements are yet to be made in full with Governing Bodies so there remains a risk that one or more of these projects may become undeliverable and have to be replaced with alternative schemes. The Governing Body of Elsley Primary has agreed in principle to statutory consultation but will further confirm the commencement of the statutory consultation process in a meeting in November. Some design work has already been undertaken with Elsley Primary alongside this. The Governing Bodies of Malorees Infant and Juniors will meet again in the Autumn term to review proposals and decide to commence statutory consultation or not.

Similarly the Governing Body of Stonebridge Primary will meet in November to make that decision.

- 3.29 In relation to the new school at the Edgware Road/Oriental City site; officers are progressing the development of a school design and planning submission for the site to ensure a well-designed school delivering two forms of entry school can be provided alongside the other developments. Decisions about how to provide the school are yet to be made, but Members are reminded that in order to open a new school the Council would need to open a competition to school providers interested in setting up a new free school/academy. At present, no capital funding is allocated to the development of this school.
- 3.30 **Phase 4 Permanent Primary School Expansion** will need to provide 1FE in order to meet requirements (assuming that all projects listed above are delivered). Currently officers envisage that this would be provided by the relocation and expansion of the two schools in South Kilburn as part of the South Kilburn masterplan, however this is at an early stage of discussions with Governing Bodies.
- 3.31 The four permanent primary expansion programmes would deliver in excess of the requirement for 21FE. This means there is a 4FE contingency in the strategy (assuming the demand/pupil projections do not change). In the event that any of the projects listed above becomes undeliverable and there remains a requirement to provide those places, officers will review those projects which were presented to the Executive in earlier reports as future possible projects, alongside any new opportunities that may have arisen. Further recommendations would then be made to the Executive as a revised strategy as required. The same applies for developments after 2016/17 such as the sites for new schools within the Quintain development land.

Update on Secondary School Expansion

- 3.32 In January 2013, Members approved the strategy for providing sufficient secondary school places subject to availability of funds. The requirement is to deliver 19FE by 2020/21. This report provides an update on that position.
- 3.33 The Council was successful in securing places for both Alperton and Copland Community Schools in the Government's Priority Schools Building Programme. In January 2013 this was announced by the DfE to be a PFI programme and the new school buildings (with 1FE expansion each) were not anticipated for delivery until September 2017. In the spending review of June 2013, the Government decided to fund the programme via allocation of capital funding rather than PFI and to bring delivery forward by one year. The rebuild and 1FE expansion of both Copland and Alperton Community Schools is now expected to be completed by the DfE/EFA for September 2016. Initial start up meetings have been arranged by the EFA with the two schools direct. Whilst the Council will have little formal engagement except, in due course, via the Planning application process officers are assisting the EFA with information and are prepared to support the schools with technical and educational advice if required.

- 3.34 Three secondary free schools have now been approved to open in Brent. In January 2013, officers reported that it was likely that two applications for secondary free schools would be made for opening in September 2014. This was anticipated to provide 10FE. This was in addition to an already approved free school providing 6FE. The following free schools are approved for Brent shown in table 5 below:

Table 5

School	No. of FE	Year of Opening	Status
Michaela Community School	4	September 2014	Site secured (Arena House, Wembley Park)
Gladstone School	4	September 2014	No site identified
Gateway Academy	4	September 2014	No site identified
Total	12		

- 3.35 The routes for providing secondary schools places detailed above will provide 14FE by September 2016. This meets the projected requirement for that time period. The first council commissioned capital project to deliver secondary school places will take place at Queens Park Community School, which was listed in the January 2013 report as Phase 1. This is planned to complete in September 2015 and will provide a further 2FE. According to current projections, these places will not be required until after 2016 however the uncertainty around free schools having sites to open from in September 2014 suggests that investing available capital in providing the additional 2FE at QPCS is a sensible strategy. The way in which the remaining 3FE that would still be required between 2016 and September 2020 are to be provided will be reviewed by officers in the context of national policy developments and available capital funding. Worst case scenario assumptions have been made about the cost of providing these places in the financial implications section below.

Overview of Schools Capital Portfolio

- 3.36 The rebuild and 1FE expansion of both Crest Boys and Crest Girls Academies are in addition to the requirement for 19FE in secondary described above i.e. the projections already take into account that these places will be provided. However, this major capital project is now coherently managed as part of the schools capital portfolio to ensure that the project is completed on time, within budget and that the benefits are achieved. Any council capital funding allocated to the Crest Academies project which remains unused at completion of the project in 2015 will be re-directed into the schools capital portfolio to achieve the wider objectives.
- 3.37 The rebuild and expansion of The Village School is now completed and the school (and Short Break Centre) fully occupied by children and young people. The project is forecast to complete within budget and any unused council capital funding will be re-directed into the schools capital portfolio to achieve wider objectives.
- 3.38 The requirement to provide 192 SEN places (in addition to the places provided at The Village School) is also captured within the schools capital

portfolio. Currently, the programme will provide 80 places at Woodfield (40), Oakington Manor ARP (20) and Alperton ARP (20). A strategy to meet the shortfall of places is being reviewed by officers in Education, Health and Social Care and will be presented to the Executive. Worst case scenario assumptions have been made about the cost of providing these places in the financial implications section below.

Project Management and Employer's Agent Consultancy Services

3.39 In August 2012 the Executive agreed capital funding for the establishment of a Schools Capital Programme Team. In order to supplement internal resources, officers have a requirement to procure external consultants to provide project management and on-site employer's agent services (Brent being the employer under the works contracts). This role will be in addition to the already appointed design team, cost consultant and CDMC and will ensure the contracts are administered thoroughly on behalf of the council. This reflects the value of works contracts to be awarded within the schools capital portfolio and the importance of meeting programme dates. It is anticipated that this will be best achieved through procurement via a consultants framework, although a review will be undertaken with LBB Legal Services. The value of the contract is expected to be in excess of £250,000 and therefore would, under recent amendments to Contract Standing Orders taking effect on 1st October 2013, be classified as a High Value contract under CSOs. This means that Executive approval for both pre-tender considerations and to award the contract is normally required. Given the urgent requirement to appoint consultants to assist with the Phase 2 programme, Members are asked to delegate authority to award a services contract for Project Management/Employers Agent consultancy services for the Schools Capital Portfolio from a framework to the Strategic Director of Regeneration & Growth in consultation with the Director of Legal & Procurement and the Lead Member for Regeneration & Growth. Use of a framework means that the Executive are not required to approve the pre-tender considerations either.

4.0 Financial Implications

4.1 A summary of the anticipated costs to meet the required demand described above alongside secured and unsecured funding for the portfolio is shown in table 6 below:

Table 6 - Summary of the Costs and Funding Allocation 2012-18

		Provision Type					Total
		Primary (FE)	Secondary (FE)	SEN Primary & Secondary (Places)	Temporary School Expansion 2013-14 (Classes)	Schools Capital Portfolio Team	
School Places Required by 2020-21							
	Forecast Demand	21.0	19.0	192	27	N/A	

	New Places Proposed (all Phases)	25	16.0	80	31	N/A	
	Balance	+4	-3	-112	+4	N/A	
	Forecast Cost of New Places Proposed and Average Cost of Places where no proposal (£m)	103.30	20.5	15.39	3.75	2.40	145.34
	Secured Funding (£m):						
	Basic Need Settlements	93.73	4.90	0.42	3.75	2.40	
	Capital Maintenance Grant	0.74	0.00	0.00	0.00	0.00	
	School Contributions	0.75	0.00	0.30	0.00	0.00	
	Unsupported Borrowing - Self Funded	0.00	0.00	1.30	0.00	0.00	
	Targeted Basic Need Programme Funding	2.33	0.00	0.00	0.00	0.00	
	Total Secured Funding (£m)	97.55	4.90	2.02	3.75	2.40	110.62
	(Surplus)/Deficit of Funding over Expenditure	5.75	15.6	13.37	0.00	0.00	34.72
	Unsecured/Forecast Funding (£m)						
	Capital Programme/Basic Need Settlement (Forecast at £7.41m/pa for 2014-15 to 2017-18)	29.64					
	Capital Maintenance Grant	3.30					
	S106 (Quintain in 17-18)	7.15					
	Total Unsecured Funding (£m)	40.09					

- 4.2 Table 6 shows that based on current projections and using worst case scenario assumptions of the cost of meeting secondary and SEN shortfalls using capital funding, the schools capital portfolio has a total deficit of £34.72m. This does not include the cost of Temporary School Expansion in 2014-15 or 2015-16 as it is not yet possible to make assumptions about the cost of how those places (number yet to be confirmed) will be provided. It is anticipated that this deficit will increase unless additional funding is obtained.
- 4.3 The funding shown above does include a successful application to the DfE for Targeted Basic Need Programme capital funding for Stonebridge and Islamia Primary Schools (Phase 3 Permanent Primary Expansion Programme). This totals £2.33m.
- 4.4 Additional funding from S106/CIL has not been shown but it is anticipated that funding would be forthcoming in greater proportions to reflect the impact of significant housing development on the demand for school places. Officers will work to secure this funding and reduce the deficit.
- 4.5 There is insufficient funding to meet all of the requirements of the programme. Officers will continue to lobby the DfE for additional capital funding to meet this demand, particularly in view of the significant in year applications received this academic year. Officers will continue to review priorities within the programme to reconfirm the order of programmes being delivered.

5.0 Legal Implications

- 5.1 Under sections 13 and 14 of the Education Act 1996 (as amended by the Education Acts 2006 and 2011), a local education authority has a general statutory duty to ensure that there are sufficient school places available to meet the needs of the population in its area. The Local Authority must promote high educational standards, ensure fair access to educational opportunity and promote the fulfilment of every child's educational potential. It must also ensure that there are sufficient schools in their area and promote diversity and increase parental choice. To discharge this duty the Local Authority has to undertake a planning function to ensure that the supply of school places balances the demand for them.
- 5.2 As a contingency, to support the admission to school of children as quickly as possible, the In Year Fair Access Protocol has been revised and schools and the Unions have been consulted on a new proposed Protocol. The new Protocol is now in place and allows for the admission of children over schools planned admission numbers in the event that a school place is not available. Schools will not be required to maintain classes over the planned admission number but will revert to the usual admission number when children leave.
- 5.3 This report is seeking delegation of powers to the Director of Regeneration and Growth to award four works contracts to one building contractor forming part of the Phase 2 Primary Expansion programme, and to award a contract for external project management and employer's agent services across the whole of the portfolio. Both of these delegations are within the Executive's powers and recommended as necessary in order to meet tight timescales for getting the contractor/consultant in place. In relation to the contractor, there is concern that the selected London Housing Consortium framework is not able to deliver the required result, and so approval is also sought for a full OJEU tender process in case this is required, on the basis of the pre-tender considerations at appendix 2. Further legal comments have been incorporated into the report, including into the two appendices exempts from publication.
- 5.4 With schools increasingly being outside local authority control, such that they own their own land, a number of the projects outlined in this report will involve the Council managing building projects on land that it does not own. Where necessary, the Council will enter into agreements with the school (e.g. Wembley High and Princess Frederica) which will give the Council a licence to build, also recognises the Council's project management role and the school's right to review key stages of the works.

6.0 Diversity Implications

- 6.1 An Impact Needs/Requirement Assessment (INRA) has been prepared as part of the four year rolling programme, which will be further reviewed quarterly.

7.0 Staffing/Accommodation Implications

- 7.1 None for the immediate purpose of this report however the establishment of a significant number of new school places brings a requirement for additional teaching and non-teaching staff.

Background Papers

Contact Officers

Cheryl Painting
Programme Manager – Schools Capital Programme
Property & Projects, Regeneration & Growth
Cheryl.painting@brent.gov.uk
020 8937 3227

Richard Barrett
Operational Director – Property & Projects
Regeneration & Growth
Richard.barrett@brent.gov.uk

Andy Donald
Director of Regeneration & Growth

Sara Williams
Acting Director of Education, Health and Social Care