

CABINET



Report subject	Capital expenditure to enable bulge classes at the Avonbourne Schools
Meeting date	15 December 2021
Status	Public Report
Executive summary	The report proposes that Cabinet approve up to £500,000 capital expenditure to enable the Avonbourne Schools to undertake remodelling so that they can take up to two bulge classes. Pupil place planning projections suggest there may be insufficient places available in the local area in the admissions years 2022 and 2023. Providing for bulge classes would ensure that the council meets its statutory responsibility to provide sufficient school places for all school age children living within the area.
Recommendations	It is RECOMMENDED that: Recommendation 1 – Cabinet approves removal of the £.977m from the 2021/22 capex budget initially provisioned to erect a new building to provide 300 temporary places to accommodate bulge classes at Avonbourne Schools. Recommendation 2 – Cabinet approves expenditure of up to £500k to facilitate the provision of bulge classes at the Avonbourne Schools for 150 temporary places.
Reason for recommendations	Recommendation 1: Feasibility study established that no new building is required; instead, only some remodelling and refurbishment is needed Recommendation 2: To ensure the council can meet its statutory obligation to provide sufficient school places for school age children resident in the borough.
Portfolio Holder(s):	Councillor Nicola Greene, Portfolio Holder for Council Priorities and Delivery
Corporate Director	Elaine Redding, Corporate Director, Children's Services
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Wards	All Wards
Classification	For Decision

Background

1. The council has a statutory obligation to provide sufficient places for school age children resident within the borough.
2. To facilitate this duty, there is a well-established process to forecast pupil numbers for the whole of the statutory school age. Forecasts are regularly updated as data change.
3. For the secondary cohort, transferring at age 11 (for Year 7), this relies on the known number in primary schools and historic trends of take-up, including pupil movements in and out of the borough.
4. This is then mapped onto the existing school estate to ensure there is sufficient capacity within local schools, including 'headroom' to provide options for parental preferences. This is modelled on high, medium and low take-up scenarios, where parental preferences are used as a variable.
5. This is done within planning areas to ensure no pupils are forced to travel long distances to access a school place.

2022 Secondary transfer

6. Pupil number forecasts show that there will be a "bulge" in demand for secondary school places from 2021 to 2023. The total number of Year 7 children in BCP is forecast to rise from 4053 in 2020 (Jan 2021 Census figure) to a peak of 4278 (4395 high take-up scenario) in 2022 before falling back to 4082 in 2024.
7. The planning areas with the greatest pressure on places will be Poole Central and Christchurch. The Christchurch Planned Admissions Number (PAN) is decreasing from 2022. This is because schools that are their own admissions authority can set their own PAN.
8. The actual numbers will reflect parental preference in future admissions rounds. Over 1,500 secondary age pupils living in Dorset and Hampshire attended secondary schools in BCP in 2020/21, and 950 BCP pupils attended schools in neighbouring authorities.
9. There are 4416 Year 7 places currently available in BCP for 2022. In order to optimise parental preference, it is intended to add temporary places in 2022 and further temporary places in 2023. These additional places will move through the school system with the associated cohort.
10. Discussions have been taking place with schools since before local government reorganisation in April 2019. It was originally thought that as many as 300 (including 150 at the new Livingston Free School) temporary places would be required to accommodate the bulge. That figure has now been reduced to 150. This number will both assure sufficient places are available even in a high take-up scenario, and facilitate parental preferences. The United Learning Trust (ULT) has agreed in principle to the temporary expansion of Avonbourne Boys Academy and Avonbourne Girls Academy. A feasibility study has established that no new building is required to accommodate the bulge classes; however, some remodelling and refurbishment is required to ensure that the correct teaching and ancillary spaces are available.

11. In order to deliver the remodelling, it is proposed to provide up to £500k to support construction works to be managed by ULT at the academies, on the understanding that:
 - (a) that the sum will be spent exclusively on remodelling to add capacity
 - (b) that a full account of expenditure will be provided
 - (c) that all relevant public procurement regulations will be followed
 - (d) that up to 30 temporary Year 7 places in 2022 and a further 30 temporary Year 7 places in 2023 will be made available. These additional places will move through the school system with the associated cohort.
12. The sum of £.977m for the bulge expansion is included in the Children's Services capital programme for 2021-22. The proposed expenditure was inherited from the legacy Bournemouth Borough Council approved budget. Original plans were for an additional 300 students and this would be met through the provision of a new modular four classroom block that it was estimated would cost c. £.950m
13. The BCP client side project manager will report progress on the project through the Children's Capital Projects Board to the Director of Education and the Director of Children's Services, the High Needs Board and to elected members as required.
14. There will be a legal agreement with ULT setting out the requirements on the completion of the feasibility study. This will include a funding agreement capping the contribution of the council at a maximum of £500,000.

Options Appraisal

15. Options to meet the statutory responsibility are:
 - (a) Make no provision for bulge classes. The advantage of this is that there will be no requirement for capital expenditure and no additional revenue funding (payable from the DSG). The disadvantages are that there may be insufficient places, or that those places that are available will occasion considerable travel for young people. This will contribute to road congestion and possible statutory home to school travel costs for the council, and some children may not be able to attend the same school as their siblings. This will also constrain considerably parents' preferences for secondary schooling. Therefore, this option is not recommended.
 - (b) Make larger provision for bulge classes. The advantage of this is that it will increase opportunities for parents to gain places at the Avonbourne Schools and would not only ensure sufficient places but give considerable headroom. The disadvantages are that the capital costs will be greater (although provision for supported borrowing of £900,000 is in the capital programme), as will revenue costs to the DSG. On past trends, it is unlikely that the Avonbourne Schools are sufficiently popular with parents to fill additional places. Therefore, this option is not recommended.
 - (c) Invest up to £500,000 in the Avonbourne Schools to ensure provision for up to two bulge classes. The advantage of this is that it will, on current pupil forecasts, ensure sufficient provision is available to meet the statutory duty and those places are available in a location to minimise pupil travel. The disadvantages are that there will be a requirement for up to £500,000 capital expenditure, funded through supported borrowing and revenue costs, funded by the DSG. This option is recommended.

Summary of financial implications

16. The potential maximum cost of £500k has been determined on the basis of previous estimates of the costs of providing additional WCs and converting existing spaces to general teaching classrooms. As the works are internal remodelling and refurbishment there are no planning issues and the potential cost of up to £500k will cover all aspects, including surveys, construction works, project management and any contingencies. The project will be delivered by ULT according to a fully costed scheme of work and paid for on submission of invoices. The work will be monitored by the Council's School Estate Development Team.

Funding sources

17. The full £500k will be funded by Supported Borrowing in addition to any available residual unspent capital grant funding. The S151 officer has delegated authority to swap funding between these two sources of financing.

Revenue funding

18. There would be an additional revenue demand on the growth funding element of the schools block of the DSG. The formula for this is agreed by Schools Forum. A two form expansion is forecast to cost £158,760 over the fiscal years 2022-23 and 2023 - 24. This is already accounted for in the proposed growth fund policy of the DSG.

Value for Money assessment

19. A spatial and site assessment by Cube Design identified serious deficiencies with the existing provision. These include shortages of science and general teaching accommodation, as well as WCs and a number of H&S risks in some existing buildings which are being addressed by an extensive programme funded by ULT. Adding necessary refurbishments to the existing programme will bring some economies of scale. In addition, the latest national benchmarking costs for secondary school places show the cheapest cost per place for rebuilds is £15,431 per place. For 150 places this would equate to £2.3m. For refurbishments it is £16,196 per place (although there are few of these) and for 150 places it would equate to £2.4m.

VAT Implications

20. The Council has a statutory duty to ensure there are sufficient school places available within the borough and any VAT incurred by the authority in meeting this requirement is fully reclaimable under section 33 of the VAT Act.
21. A funding agreement will be reviewed to ensure correct VAT treatment is applied.

Summary of legal implications

22. The proposal for building works at the Avonbourne Schools would be the subject of a legal agreement between the council and ULT prior to the commencement of works.

Summary of human resources implications

23. The legal agreement with the ULT would be processed by legal services as part of their usual business.
The School Estate Development team leader would act as the client side project manager for the council as part of her usual business.
Processing applicants for the bulge class places would be part of the usual business of the admissions team.

Summary of sustainability impact

24. Creating extra capacity at the Avonbourne Schools will reduce the potential for longer journeys to school for young people resident in the surrounding areas. Council officers will also work with the schools to review the schools' travel plan to identify any mitigations for reducing the impact of possible additional travel.

Summary of public health implications

25. Increasing access to schools parents prefer reduces the stress accompanying transition from primary to secondary school, as does the reducing the necessity for longer journeys to school. Reducing traffic in this way also reduces air pollution, and encouraging children to walk or cycle to their local school has health benefits

Summary of equality implications

26. There is no EIA as increasing the capacity of the Avonbourne Schools simply ensures that existing requirements on the council to provide sufficient school places are discharged.

Summary of risk assessment

27. The risk with building projects is that they may not be delivered on budget, on time or according to specification. The risk will be mitigated by specifying a total budget for the projects and passing the responsibility to the ULT to manage the delivery of the project while the client side project manager would monitor that the project was on track.

Payment would only be made on receipt of invoices for completed work checked by the project manager.

There is also a risk that there will be insufficient applicants to fill the bulge places.

However, the revenue finance risk is borne by the growth fund of the schools block of the DSG, as agreed by Schools Forum, and would not fall to the council.

Background papers

School Place Planning Strategy Cabinet report.

Appendices

None.