

MEETING:	CABINET
MEETING DATE:	13 November 2014
TITLE OF REPORT:	Capital support for federation of Aylestone Business and Enterprise College (ABEC) and Broadlands Primary School and Children's Centre.
REPORT BY:	Head of Education Development

Classification

Open

Key Decision

This is a key decision because it is likely to result in the council incurring expenditure which is, or the making of savings which are, significant having regard to the council's budget for the service or function to which the decision relates.

And

This is a key decision because it is likely to be significant in terms of its effect on communities living or working in an area comprising one or more wards in the county.

NOTICE has been served in accordance with Part 3, Section 10 (General Exception) of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) Regulations 2012.

Wards Affected

Aylestone

Purpose

To approve a capital scheme to support the federation of Aylestone Business and Enterprise College and Broadlands Primary school including co-location onto one site thus releasing a council asset for future disposal, avoiding long term maintenance costs and supporting a better use of school revenue funding. To also recommend to Council that provision be made in the capital programme to support this scheme.

Recommendation(s)

THAT:

- (a) The relocation of Broadlands Primary School and Children's Centre onto the Aylestone Business and Enterprise College (ABEC) site be approved at a cost of £1.007m ; and**
- (b) It is recommended to council that provision of up to £1.007m is made in the capital programme and;**
- (c) Subject to completion of the scheme the Broadlands site be declared redundant and disposed of in accordance with council policy.**

Alternative options

- 1 There is no additional capital expenditure. This would result in ABEC and Broadlands continuing on their existing sites. Thus the opportunity to release the capital asset of the Broadlands site would be lost and additional significant maintenance would be needed over the next three years. ABEC and Broadlands, would incur additional revenue costs linked to running larger than necessary sites and the federation arrangements between the two schools more challenging.
- 2 Spend in excess of £1.007m on capital works to make improvements at ABEC so it can accommodate Broadlands Primary School. The recommended capital expenditure provides sufficient resource to make suitable building changes so high quality provision can be made, without compromising any future options or change. The council is embarking on a comprehensive review of the school estate, which is in need of significant investment and is due to report in 2015. Without a clear agreed approach to investment in the whole school estate, spending beyond what is necessary may be considered inappropriate and deny opportunity to invest in different schemes.
- 3 Spend less than £1.007m on capital works. There would not be sufficient investment to make the buildings suitable for accommodating the Broadlands pupils.
- 4 Relocating ABEC on the Broadlands site. The site is not big enough.
- 5 Consider closing either or both of the schools. There is an identified need for the places the schools provide both now and projecting into the future.

Reasons for recommendations

- 6 The council is seeking to maximise the use of its assets. Investing in the relocation of the Broadlands Primary School onto the ABEC site would leave a vacant site which could, subject to Secretary of State approval, be sold.
- 7 ABEC and Broadlands Primary School require significant ongoing maintenance and repair work, which is costly for both the schools and the council. The schools have recently become federated and relocating onto one site would reduce the need for future expenditure. As single schools on separate sites both are incurring additional capital and revenue costs.
- 8 There is adequate space to accommodate both schools on the ABEC site but some

building work is required to ensure suitable and safe learning environments.

- 9 The council has a duty to support schools delivering the highest quality provision which will bring about the best outcomes for children and young people. The newly federated governors and managers are very clear that the learning environment for the pupils needs improvement and this proposal supports this.

Key considerations

- 10 ABEC and Broadlands are a local authority maintained schools and the council has responsibility for maintaining them.
- 11 ABEC and Broadlands schools occupy significant sites in the north of the city and the governors agreed to a formal federation from September 2014. ABEC has a roll of 478 and this is forecast to be approximately 400 into the future. Broadlands school has 169 pupils on roll and forecasts suggest it should be single form entry (30 pupils) giving a roll of 210. The ABEC site area is well in excess of that considered necessary for a 1000 place school. Broadlands has space for pupils and accommodates a nursery on site.
- 12 The immediate necessary and essential works at Broadlands and ABEC include roof repairs, fencing, replacement windows and repairs to boilers. If the schools did not co-locate, the cost of the essential necessary maintenance work at Broadlands over the next three years would be in excess of £360k.
- 13 A reasonable forecast of the likely cost of converting teaching blocks to make them suitable is £1.007m.
- 14 Both schools are incurring additional running costs linked to heating and lighting unused areas. Co-locating onto one site will reduce these revenue costs.
- 15 The estimated value of the Broadlands site as determined by the District Valuer is in excess of £2.2m less costs of £358k to enable the sale, net income of £1.84m
- 16 The scheme is to be funded through capital budgets of £647k and use of the £360k maintenance grant.
- 17 The project would be delivered through robust project management arrangements approved by the council. The project group would be responsible for determining the best procurement route for delivery of quality facility, to time and to budget.
- 18 The Secretary of State approves the disposal of all school sites and would be keen to be satisfied that there was not an opportunity for a future free school. Sport England would also have a view about any loss or replacement of playing fields when it comes to disposal.
- 19 A comprehensive estates strategy for education across Herefordshire is being developed and is expected to be available in June 2015. Many of our schools have significant maintenance issues, rely on temporary buildings or will need work to make them more suitable in the short and medium term. The strategy will take a long term view (5 to 20 years). The proposals in this report do not compromise what might be in a Herefordshire Schools Estate Strategy and provide opportunity to demonstrate the type of initiative that will bring overall improvement to condition and suitability of schools.

- 20 The sooner a move could be made the greater the revenue cost savings. The time taken to design, commission and complete the work is a minimum of 6 months. All work would need to be scheduled to provide minimum interference to the working of the school. A good time to start in new buildings is the beginning of a term. The aspiration therefore would be to have the works completed by September 2015.

Community impact

- 21 The condition and suitability of a school may be a consideration parents and carers make when choosing a school. The ABEC and Broadlands governors have developed a clear vision for improving education in the area. The proposals are supportive of the federation's vision and will provide a much enhanced learning environment free from significant major building and maintenance works.
- 22 The proposals are supportive of the Councils corporate plan aim of ensuring children and families have access to excellent education and learning opportunities at all levels to improve outcomes for children and young people.

Equality and human rights

- 23 The proposals have been considered for all with protected characteristics under equalities legislation. In particular regard to the impact on children and young people with disabilities has been considered. The new primary classrooms are across two storeys which may disadvantage children, staff and young people with mobility difficulties. The new arrangement does however bring additional space to accommodate people in wheelchairs. It is considered that reasonable adjustments could be made to accommodate a person with disabilities and they would not be disadvantaged by these proposals. An initial equalities impact assessment is attached. This will be amended as the building work design is progressed.

Financial implications

- 24 The cost of the works is £1.007m (details included in Appendix 1) this will be funded using £360k of maintenance budget and sale of the Broadlands site £2.2m less costs of £358k, providing a surplus fund of £1.195k. The timing of the building work and sale causes a short term cashflow issue.
- 25 The financial risk of the project is if the sale of the Broadlands site is not granted by Secretary of State, the capital costs of £647k (costs less the maintenance budget) would need to be funded by prudential borrowing. The cost of this is £39K pa over 25 years.
- 26 The combined site will enable both schools to reduce fixed overheads thus increasing spending in support of teaching and learning.

Legal implications

- 27 The council has a duty to provide and support places of education that are both fit for purpose and health and safety compliant. Broadlands is a maintained school, specifically a community school for which the council has responsibility for the land, buildings and relevant funding. Under Section 22 of the School Standards and

Framework Act 1998 the LA has a duty to maintain such schools and in relation to Community Schools that duty includes “(a) the duty of defraying all the expenses of maintaining it, and (b) the duty of making premises available to be used for the purposes of the school.”

- 28 There is also a statutory obligation pursuant to section 14 of the Education Act to secure sufficient schools for the provision of primary and secondary education in the area. Such schools must be separate. Therefore whilst co-location is possible the schools themselves must be in separate buildings.
- 29 There are procurement risks that will need to be addressed before any scheme proceeds. Issues to be addressed include how the contractors for design and build will be sourced. A proper tender process will need to be followed unless use of an existing framework is feasible.
- 30 There are no guarantees that the Broadlands Site will be able to be sold. Sport England and the secretary of state will need to consent to a disposal for non-educational use. In addition legal will need to review the title for the site to ensure that there are no further matters preventing a sale taking place.

Risk management

- 31 Additional revenue costs incurred by schools which may jeopardise the school's ability to pay off a loan and/or the quality of teaching and learning.
- 32 The actual costs are in excess of the forecast costs of the work. This is always a risk as the final tender price is susceptible to market forces and the market at the time. The project management arrangements described in paragraph 17 would seek to mitigate this risk.
- 33 The costs overrun the tender price. These are to be managed through high quality project management. A contingency factor is built into the forecast figures and the project management arrangements described in paragraph 17 would seek to mitigate this risk
- 34 The Secretary of State refuses to allow the release of the Broadlands site for sale. In this eventuality the cost of the scheme would be borne by the capital programme. Herefordshire continues to have surplus school places so there is not foreseeable need to reserve the site for educational purposes. Having a clear estates strategy should further enhance this position.

Consultees

- 35 The governors and senior managers of the ABEC and Broadlands School have been consulted on proposals and are supportive. The wards members have been consulted and raised no objections. All parents/carers of pupils at Broadlands Primary school were invited to attend a meeting setting out the ideas and those that attended concluded it was a supportive and positive move for the school. Further communication with all parents and carers, and pupils are planned to take place during this process, with the full engagement of the schools.

Appendices

Appendix 1- Finance Schedule

Appendix 2 - Site plans of Aylestone and Broadlands

Appendix 3 - Initial Equalities Impact Assessment

Background papers

None identified.