

Report Title:	Additional capital for Lowbrook Academy
Contains Confidential or Exempt Information?	<i>NO</i>
Member reporting:	Cllr Natasha Airey, Lead Member for Children's Services.
Meeting and Date:	Council – 28 March 2017
Responsible Officer(s):	Alison Alexander, Strategic Director of Adult, Children and Health Services & Kevin McDaniel, Head of Schools and Education Services
Wards affected:	Cox Green

REPORT SUMMARY

In May 2015 Lowbrook Academy requested the Local Authority support a capital expansion programme to enable the Academy to become a 2 form entry school.

The Academy requested 4 further classrooms along with hall and staff room space. This was supported to the cost of £1,600,000 to provide the additional space required to accommodate the extra 120 pupils, taking the school to a total of 420 pupils.

Lowbrook Academy are managing the expansion through stages:

- Stage 1: 60 pupils admitted in September 2016 with pupils accommodated in converted IT space in the centre of the school.
- Stage 2: 60 pupils admitted in September 2017 with pupils accommodated in staff room under construction, if stage 3 is confirmed to follow on.
- Stage 3: 60 pupils admitted in every September from 2018 in new block with four classrooms and spaces used in stage 1 and 2 returned to planned use for IT and staffroom.

Stage 3 has not been fully designed because the estimated cost is significantly higher than the £1,600,000 allocated from council capital.

Lowbrook Academy has notified the Local Authority that if they cannot secure funding from the Education Funding Agency or the Council they will need to use the stage 2 construction as the staffroom from September 2017 and will offer only 30 places for September 2017. The school would remain as a one form entry school offering 210 places, with three spare classrooms once the current year groups of 60 pupils have gone to secondary school.

The original £1,600,000 funding was from the Council's own capital programme. The additional £750,000 being requested would come from the same source.

1. DETAILS OF RECOMMENDATIONS

RECOMMENDATION: That Council notes the report and agrees one of the two options in recommendation one and agrees recommendation 2.

- 1) **To provide Lowbrook Academy with**
 - **Option 1: To commit an additional £750,000 to the 2017/18 capital programme to raise the project fund to £2,350,000 for the expansion of Lowbrook Academy to 60 pupils per year group.**
 - **Options 2: To retain the current capital programme budget, with no increase.**
- 2) **Delegates authority to the Lead Member for Finance and the Managing Director to authorise the acceptance of the tender for the third stage of the project.**

2. REASON(S) FOR RECOMMENDATION(S) AND OPTIONS CONSIDERED

Background

2.1 Lowbrook Academy, a primary school in Cox Green, Maidenhead, has a Published Admission Number (PAN) of 30. The school has taken an additional 30 pupils into the Reception year in the past three academic years: 2014, 2015, 2016. This means Lowbrook Academy has:

- Year R: 60 pupils
- Year 1: 60 pupils
- Year 2: 60 pupils
- Year 3: 60 pupils
- Year 4: 30 pupils
- Year 5: 30 pupils
- Year 6: 30 pupils

2.2 The intake of 60 into the current Reception class (in September 2016) was agreed following negotiation in spring 2016 over the possible permanent expansion of the academy. The rationale for supporting the expansion of this year group was that many children living in the designated area but without older siblings already at the school were not being offered a place at Lowbrook.

2.3 Lowbrook is its own admissions authority, so sets its own policy for allocating places. Admissions so far have admitted any siblings as category 2, ahead of designated area pupils which are category 4. The Lowbrook designated area is shown in Appendix A.

2.4 Lowbrook Academy would only agree to take the additional 30 children (thereby admitting the designated area children) as part of a permanent expansion to two forms of entry (FE). When fully expanded, Lowbrook Academy would then have 60 places in each year group; 420 pupils in total.

2.5 The Royal Borough, through space planning, assessed that the Academy has sufficient space for 300 pupils in the existing classrooms on the site. Consequently the school would need space for an additional 120 pupils.

- 2.6 A budget of £1.6m figure (£13,300 x 120) was approved at Council in June 2016. This capital resource was to provide four classrooms, a replacement staffroom and a second large space (hall) of 167m². This figure is slightly below the national benchmark of £13,755 per primary school place (re-builds and extensions) published by the Education Funding Agency and represents good value in school expansion terms.
- 2.7 During the negotiations for the £1.6m capital investment, Lowbrook Academy expressed the opinion that that the budget would not be sufficient for the scheme. At the Governor's meeting where agreement was reached, attended by the constituency MP, there was a discussion about any potential shortfall. The Local Authority understood that the school didn't have any contingency funding beyond the £50,000 it was putting into the project and therefore carried the unknown risk. In addition to the £1.6m committed to the school, the Local Authority made a Part II provision of £50k contingency (equivalent to 3% of the project cost) into the capital programme.
- 2.8 In addition, the Council reserved a further Part II contingency sum that includes fees for amending the leases of both Academies, as Cox Green had agreed to surrender some of their leased land to enable Lowbrook Academy to expand.
- 2.9 The school requested, and was given project management, design and contracting accountability within the agreed budget, via a steering group that includes the borough's Head of Schools and Educational Services.

Progress

- 2.10 The work was split into three stages, to enable 60 pupils to be admitted to the reception year groups during the two academic years that it would take to complete the expansion work. Stage 1 is complete and Stage 2 is underway. Stage 3 has been designed sufficiently to submit for planning approval, and is nearly ready to tender for a Design and Build contract. If additional budget is approved, completion is likely to be Autumn 2018.
- **Stage 1 (complete):** Some remodelling to convert some small spaces into a large enough space for a temporary classroom - this would eventually become the school's IT/ library area.
 - **Stage 2 (underway):** A new classroom to be built between the kitchen and the car park – this would eventually allow the staffroom to be reinstated.
 - **Stage 3 (being designed):** A new block on land between Lowbrook school and Cox Green school, to accommodate four classrooms and a second school hall of 167m².
- 2.11 As the design work for the main new block developed, it became clear that the desired requirement of the Academy was for one large hall space rather than two smaller separate hall spaces. The steering group and the consultant architect considered the possibility of extending the existing school hall, but this turned out to be impractical. The existing hall is in the centre of the school building, is a circulation route for moving around the school, and would be very difficult to manage safely during construction. It would cause unacceptable disruption to the academy.
- 2.12 The option of turning the existing hall into classrooms was also considered, but is not achievable – it would entail remodelling most of the classrooms as

well, to allow light into the centre of the school. It would be most unlikely to achieve the standard building requirements for natural light and ventilation in schools.

- 2.13 The steering group agreed that the only way to achieve a large enough hall to meet the desired requirements of the Academy would be to build a separate block, alongside the four classroom block. Although guidance shows that a hall of 167m² would be more than adequate for the needs of a two form entry primary school alone, it soon became clear that a large hall could also be used by the community - so it was designed as a sports hall style building, large enough for two badminton courts that would meet Sport England standards (300m²)
- 2.14 The estimated cost of the third stage (hall and four classrooms) is £1.93m, including fees. This is cost effective for the elements proposed, although with the £421k already spent raises the cost of the whole scheme to £2.35m, which is £19.6k per place.
- 2.15 Council is being asked to fund a further £750k to complete a scheme to expand the second most popular primary school in the borough. As a condition of granting further budget, final authority to accept a tender for the third stage would be given to the Managing Director, even though Lowbrook Academy are managing the project and entering into the legal contract.

Table 1: Scheme estimates

	First Estimate £000s	Latest estimate, incl. fees & contingencies £000s	Difference £000s
Stages 1&2	375	421	46
Stage 3	1225	1939	704
Total	1600	2350	750

Analysis

- 2.16 The main additional cost arises from the school’s wish to have a much larger hall than the originally agreed 167m² space, allowing the whole school to meet in one space. The hall will be of an appropriate height to meet Sport England national guidance for recognised matches in, for example, Badminton.
- 2.17 A 300m² hall is more than double the size required to make the school compliant with the government’s Building Bulletin 103 guidance on space within schools. For a 2FE primary school, the guidance recommends two large spaces, totalling 235m². This allows for flexibility of timetabling lesson time and dining. Hall sizes are usually either 150m² plus 80m², or 180m² plus 50m².
- 2.18 Lowbrook already has a hall of 167m², although it does include circulation routes to other parts of the school as is the case in many other schools. In recent expansion schemes at maintained schools, halls sizes have been guided by the building bulletin recommendations – although there is always some flexibility when extending a school rather than designing from new, as existing hall spaces rarely match the current guidance. For Lowbrook Academy, an additional hall of circa 80m² would relate well to the guidance. The original budget of £1.6m was based on a hall of 167m², however,

approximately double the guidance. The current proposal of a 300m² second hall is even larger.

- 2.19 It is not unusual for 420 place primary schools halls to be too small for the whole school to gather at once. The recent rebuild of Oldfield Primary School, for example, has two hall spaces adjacent to each other and they total 234m².

Table 2: Hall sizes of other Royal Borough schools for 420 pupils.

	Total pupils	Main hall	2nd hall	Total hall space	Ofsted
Lowbrook Primary (proposed)	420	167	300	467	Outstanding
Courthouse Junior	420	177	153	330	Good
Oldfield Primary	420	151	83	234	Outstanding
Riverside Primary	420	166	71	237	Good
St Edmund Campion	420	153	91	244	Outstanding
Wessex Primary	420	173	169	342	Good
Wraysbury	420	148	74	222	Good

- 2.20 The Royal Borough has recently agreed to fund secondary schools expansion work with halls that are larger than Building Bulletin recommendations at Furze Platt Senior School and Dedworth Middle School. At Furze Platt Senior school the guidance suggested that the school did not need a new hall, but the Academy's stated requirements were different. A hall of 400m² replacing a 240m² gym was finally agreed by Cabinet in July 2016. At Dedworth Middle school, there was a need for a 2 court size hall, but Cabinet agreed to a 3 court sized hall. Sport England have said that unless a 4 court hall is provided, they will object to the planning application. It is possible, subject to funding availability, that Dedworth Middle will have a hall twice the size recommended by guidance.
- 2.21 The academy does not have sufficient funds to cover the increased cost of the preferred scheme, despite having access to an income from the private nursery on site. The Royal Borough receives grant funding for the provision of new school places where there is a local shortfall, via the Basic Need grant. This can be spent on academies. In addition, academies can apply for grant from the government Condition Improvement Fund (CIF) for building works - including expansions, where schools are expanding to meet parental preference, as is the case at Lowbrook Academy.
- 2.22 Discussions with the Education Funding Agency (EFA) about the CIF indicated that a bid from Lowbrook Academy for this scheme is unlikely to be successful in the current bidding round, which ended on 9 December 2016. Nevertheless, the school have submitted an application for the full cost of the scheme, with a decision from the EFA due in spring 2017. If this bid is successful, then Royal Borough capital funding would reduce accordingly. As early indications are that it is unlikely to be successful, the school need be assured that the Royal Borough will fund the scheme before progressing to tender.
- 2.23 Based on recent experience of costs for expansion work, the remaining budget of £1.2m should be sufficient for the provision of four classrooms and a small

second hall – circa 80m², which would be in line with guidance and would give the school a similar amount of space to Oldfield school, although the two spaces would not be adjacent to each other while Oldfield can open up both spaces together for larger gatherings. For the agreed hall size of £167m², it is less likely to be sufficient unless tenders for the work are very competitive.

- 2.24 Lowbrook Academy can proceed no further with the preferred scheme without certainty of budget availability.

Need for additional places at Lowbrook

- 2.25 The national date for announcing places for Reception children is 18 April, so parents will then know whether their child has been allocated a place at Lowbrook or not. It is therefore important to know by 3 April 2017 whether the admissions team will be allocating 30 or 60 Reception places for Lowbrook for September 2017 so that there is a smooth process for all parents.
- 2.26 Demand for primary school places in Maidenhead for September 2017 is higher than projected last year, however it is anticipated that there will be a surplus of around 65 places - 2.2 forms of entry (6.6% surplus) for the Reception intake in Maidenhead in September 2017 if Lowbrook remains at 30 Reception places. If Lowbrook Academy does take 60 pupils, then the surplus in Maidenhead should rise to around 95 places - 3.2 forms of entry (9.4%)¹.
- 2.27 Lowbrook Academy have changed the order of their admissions criteria for September 2017, giving designated area siblings and other designated area applicants priority over non designated area siblings. Although it is not possible to confirm exactly what will happen with school place offers until the allocation process is completed, early analysis of the applications made for September 2017 suggests that with an intake of 30:
- Two social/medical applicants will get a place.
 - All of the designated area siblings will get a place.
 - One-third of the other designated area applicants will get a place.
 - Two-thirds (18) of the other designated area applicants will not get a place.
 - No non-designated area siblings (9) will get a place.
 - No 'other' applicants will get a place.
- 2.28 Of those children not likely to get a place at Lowbrook Academy, initial analysis suggests that 11 are likely to get a place at another of their preferred schools. 19 are likely to be 'diverted' to a school that they have not chosen, because they have only indicated one preference – Lowbrook Academy – or their other choices are very popular schools that they do not live close to. Experience suggests that the closest schools likely to have the space to take the diverted children will be Knowl Hill C of E Academy (Ofsted: 'Good') and Woodlands Park (Ofsted: 'Good').
- 2.29 If Lowbrook Academy takes 60 pupils, then all the designated area siblings, designated area applicants and non-designated area siblings are likely to get a place. A small number of other applicants (3) should also get a place.

¹ These calculations assume that Knowl Hill CE Primary and Bisham CE Primary Schools will both continue to offer 30 places at Reception

- 2.30 Projections for Maidenhead suggest that the demand for September 2018 and September 2019 should be lower than the 2017 demand, so continued surplus of 5-10% places should be expected. This lower demand is a result of a falling birth rate, which is only partially being offset by newer housing stock.
- 2.31 Future pupil yield estimates are being used in the preparation of the education section of the Infrastructure Delivery Plan. This work is underway, but it is becoming clear that a significant amount of new primary school provision will be needed in Maidenhead to meet the demand arising from the expected new dwellings over the period 2020-2032. It is also clear that there is now very limited capacity on existing school sites to absorb additional demand, and expansion on all of these, including Lowbrook, will still require the borough to secure primary school places on new sites.
- 2.32 There are limited sites available for new schools, so it is likely that Lowbrook Academy would need to be expanded in the longer term, if the housing trajectory is as set out in the draft Borough Local Plan.
- 2.33 See table 3 for the options for how to proceed with Lowbrook expansion.

Table 3: Capital investment options

Option	Comments
Increase the capital investment by £750,000.	<p>This would allow the preferred scheme with the large hall space to proceed. This will give the school the scheme they want, and ensure that more parents who want a place for their child at Lowbrook Academy are given one in 2017 and beyond.</p> <p>This would, however, increase the pressure on the borough's capital programme. It could also set a further precedent, making it more difficult to achieve cost-effective expansions at other schools in the borough.</p>
Retain the agreed budget of £1.6m.	<p>Costs could be reduced by reverting to a typical size hall for a primary school, much closer to the building bulletin guidelines set out by the government.</p> <p>It is unlikely that Lowbrook Academy would agree to this option, and would refuse to take 60 children in 2017 and subsequent years. Their reception in-take numbers would revert to 30. In 2017, 9 siblings and 18 DA pupils would not obtain a place at Lowbrook.</p> <p>The remaining capital budget would revert to the Royal Borough.</p>

3. KEY IMPLICATIONS

Table 4: Key implications

Outcome	Unmet	Met	Exceeded	Significantly Exceeded	Date of delivery

Outcome	Unmet	Met	Exceeded	Significantly Exceeded	Date of delivery
Lowbrook academy permanently expands to take 60 pupils per year group from 2017 onwards.	Beyond 1 st Sept. 2017.	1 st Sept. 2017.	April 10 2017	April 1 2017	1 st Sept. 2017.

4. FINANCIAL DETAILS / VALUE FOR MONEY

- 4.1 Option 1 would see the capital budget for this project increasing by £750,000 to £2,350,000. Funding will be provided from future government allocations for meeting the need for school places. Council reserves will be used to bridge the period until government funding becomes available.
- 4.2 Government capital allocations are provided on an annual basis, this year's announcement is not expected until April 2017.

Table 5: Indicative capital requirement

	Option 1 2017/18	Option 2 2017/18
Addition	£750	£0
Reduction	£0	£0
Net impact	£750	£0

5. LEGAL IMPLICATIONS

- 5.1 As an academy, Lowbrook Academy should apply to the Secretary of State to make a significant change, in this case *'an enlargement of the site so that it can provide spaces for at least 30 additional pupils'*². The school will need to consider whether this requires a fast track application or a full business case. In either case, the application will require the funding to be available, planning permission received, for the academy to demonstrate that they have carried out a fair and open consultation, and that the expansion is unlikely to have a negative impact on education standards at the academy or at other local schools.
- 5.2 Local authorities are under a statutory duty to ensure that there are sufficient school places in their area, under the Education Act 1996, Section 14, subsections 1 and 2.
- 5.3 Building Bulletin 103 sets out the national guidance on the amount of space that schools require.

² Page 6, *Making significant changes to an open academy*, Education Funding Agency, March 2016.

6. RISK MANAGEMENT

Table 6: Risk Management

Risks	Uncontrolled Risk	Controls	Controlled Risk
Further increases in the project cost arising from the design stage.	High.	Robust oversight from the Steering Group to prevent further increases in scope.	Low.
Further increases in costs and possible delays arising from the tender stage.	High.	Careful specification of the project, to reduce uncertainty for contractors. Royal Borough sign-off on accepting the tender. (This is acceptable to the school.) The borough will not increase the budget further.	Medium.
Lowbrook academy fails to expand in all year groups if higher costs of project are not met and further complaints from residents if preferences for Lowbrook are not met.	High.	Continue to support all schools to become Outstanding, reducing the pressure on Lowbrook.	Medium.
Raising expectations of funding levels at other schools in future	High	Ensure robust rationale is agreed for other projects, including budget expectations.	Medium

7. POTENTIAL IMPACTS

- 7.1 There are no staffing or sustainability impacts for the Royal Borough arising from this proposal. An Equality Impact Assessment is not required.

8. CONSULTATION

- 8.1 No consultation has been carried out by the borough on this proposal. The planning process will require local consultation on the planning application. The academy will need to demonstrate that it has carried out a fair and open consultation when it applies to the Secretary of State for permission to expand.

9. TIMETABLE FOR IMPLEMENTATION

Table 7: Timetable for implementation

Date	Details
End March 2017	Approval of additional capital budget.
April to July 2017	Design, tender and planning permission for the scheme
Sept 17 to Autumn 2018	Building work takes place.
Autumn 2018	New building opens.

- 9.1 Implementation date if not called in: immediate.

10. APPENDICES

- Appendix A – Map of designated area.
- Appendix B – Floor plan of classroom and hall block.
- Appendix C – Plan showing land to be used.
- Appendix D – Lowbrook Academy's submission to Council.

11. BACKGROUND DOCUMENTS

- *Lowbrook School Additional Classroom*, Report to Council, June 21 2016.
- *Area guidelines for mainstream schools, Building Bulletin 103*, DfE, June 2014.
- *Making significant changes to an open academy*, EFA, March 2016

12. CONSULTATION (MANDATORY)

Name of consultee	Post held	Date sent	Commented & returned
Cllr Airey	Lead Member/ Principal Member/Deputy Lead Member		
Alison Alexander	Managing Director		16 03 17
Russell O'Keefe	Strategic Director		
	Strategic Director		
Rob Stubbs	Section 151 Officer		16 03 17
Terry Baldwin	Head of HR		
	Other e.g. external		

REPORT HISTORY

Decision type: Key decision (March 2017)	Urgency item? No
Report Author: Kevin McDaniel, Head of Education and Schools, 01628 683592	