Summary

This report provides an update on capital funding and further updates on pupil place expansion requirements.

Recommendations:

I recommend the Forum to:

Note the confirmed allocation of capital maintenance grant funding for 2019-20 and the deployment of this capital.

Note the summary of developments in respect of the Secondary Expansion Programme.

Note the summary of developments in respect of the Primary Expansion Programme.

1. Basic Need Capital Funding – Summary

1.1 The overall expansion programme costs (below) have increased since the last report in February. This is largely due to the impact of a contractor going into administration prior to the completion of the expansion of Hackbridge Primary School expansion.

<table>
<thead>
<tr>
<th></th>
<th>Previous estimate (Feb '19)</th>
<th>Current estimate (June’19)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary expansions</td>
<td>77.63</td>
<td>80.59</td>
</tr>
<tr>
<td>Secondary expansions</td>
<td>81.28</td>
<td>81.36</td>
</tr>
<tr>
<td>SEN expansions</td>
<td>9.96</td>
<td>9.96</td>
</tr>
</tbody>
</table>
1.2 Confirmed funding to April 2021 has increased slightly due to the application of some S106 funding at year end and now amounts to £175.142m. Total planned expenditure including the additional funding required to complete the Hackbridge project has increased to £171.922m. This leaves a small balance of funding of around £3.2m of which £1.98m has been set aside to support SEN.

2. Capital Maintenance Programme

2.1 The programme for 2019-20 was approved at the last Schools’ Forum meeting in February with a value of just under £558,000.

2.2 Since then the grant allocation has been confirmed by the DfE as £838,283, leaving an unallocated contingency sum of £280,000. As the grant was larger than estimated it was agreed to allocate an additional £15,000 to support a project at High View Primary to create a Multi-Use Games Area. This project had been overlooked when the Healthy Pupils’ Capital allocations were agreed and since it was of equal merit to those bids that were supported, it was agreed to fund this from the capital maintenance grant. This leaves an unallocated contingency sum to support any emergency works that may arise during the year of £265K.

2.3 It should be noted that there is also an unallocated sum of £190K for the overall capital maintenance programme. Due to the pressures on Basic Need capital funding, it is recommended that this is kept in reserve against any further education capital needs that may emerge.

3. New Secondary Provision

3.1 Works commenced on site in November 2017 for the main Harris Academy school build, with completion scheduled for 10 July 2019.

3.2 The school admitted the first year group in temporary accommodation in Cumbrian House in September 2019 and will open in the new school building in September 2020. There are no changes to capital contributions being made by the London Borough of Sutton and the project remains on time and on budget.

3.3 The DfE is responsible for the delivery of the proposed new 8FE secondary free on the Rosehill site. The DfE submitted their planning application for the proposed school on 5 June 2019. Assuming the application has been validated, the DfE is expecting the application to be considered at planning committee sometime in October. On the DfE’s current programme the school would be complete by January 2022. LBS is working with the DfE to enable an option for temporary accommodation to be provided from September 2020 to enable the new school to open in advance of the permanent accommodation being provided. This is in line with the expected demand for additional places from
September 2020. Buildings at 3 Robin Hood Lane have been identified for this use as well as possible use of the existing Sutton Youth Centre. Remodelling of the existing building would be sufficient for year 1 with additional temporary accommodation being required in Year 2. Costs for this provision are estimated at around £1.6m and negotiations with the ESFA around contributions towards the cost are in progress.

3.4 The place planning position at both primary and secondary remains quite tight. With respect to reception places for September 2019, no additional places were commissioned this year and the latest position at the time of writing was that there were 42 unplaced children (29 of whom have made themselves unplaced by refusing their offers) and 58 vacancies - out of 2602 available reception places. Officers are expecting to have sufficient reception places this year with a very small surplus.

3.5 With respect to Year 7 places for September 2019, Sutton’s Secondary schools over offered by 248 places made up of (i) 143 places that were to ‘roll back’ to PAN - i.e. places that are offered above PAN on offer day in March but not ‘reoffered’ once pupils decline offers, and (ii) 100 additional places that are expected to ‘stick’ - i.e. places that are reoffered and are considered permanent additional year 7 places. At the time of writing there were still 12 unplaced pupils with 18 vacancies available. With 130 additional year 6 pupils coming through Sutton primary schools for September 2020, demand next year is expected to be even greater than this year.

4. Primary school expansion programme update

4.1 Hackbridge Primary expansion is the only primary project still in the delivery phase. Building work commenced in May 2017 but the contract was terminated with the contractor, Lakehouse, due to breach of contract. Authorisation has now been secured to appoint a third party contractor to complete the works. Completion of this project is now anticipated towards the end of 2019.

5. Special Provision Fund

5.1 As mentioned above, there is a sum of £1.98m set aside to support recommendations that emerge from the High Needs Review with regards to specialist provision and any capital needs to support this. This funding could also be used to support inclusion through funding improvements to school buildings to provide additional spaces or equipment. As with Basic Need grant, this funding is available to support both VA schools and Academies as well as maintained schools.

6. Financial Implications
6.1 This report provides an update on capital issues that have arisen since the last meeting of the Forum.

7. Influence on the Council’s Corporate Core Values and Objectives

7.1 One of the core values is working with partners. Setting the capital budget, and considering related issues, is an important part of the budget process that fully involves schools as partners and particularly recognises the important role of the Schools Forum.