

# EXECUTIVE BOARD DECISION



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| <b>REPORT OF:</b>     | Executive Member for Children, Young People and Education<br>Executive Member for Growth and Development<br>Executive Member for Resources |
| <b>LEAD OFFICERS:</b> | Director of Children's Services & Education<br>Director of Growth and Development  |
| <b>DATE:</b>          | Thursday, 14 January 2021  |

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| <b>PORTFOLIO(S) AFFECTED:</b> | Children, Young People and Education |
| <b>WARD/S AFFECTED:</b>       | (All Wards);                         |
| <b>KEY DECISION:</b>          | Y                                    |

## SUBJECT:

Schools capital programme variation to support the creation of new school places.

## 1. EXECUTIVE SUMMARY

To present for consideration and approval a variation to the capital programme for Schools and Education for the 2020-2021 academic year and a request to enter into an extended premises lease arrangement for the purpose of pupil place growth.

## 2. RECOMMENDATIONS

That the Executive Board:

1: Approves the following financial variations to the Schools and Education capital programme for the 2020-2021 academic year:

- £550,000 from Schools Basic Need Funding for the planned expansion programme at Lammack Community Primary School
- £660,000 for the planned relocation of Longshaw Nursery School, of which £265,000 is requested from Schools Basic Need Funding
- £380,000 from Schools Basic Need Funding to undertake lease ready works and support a planned refurbishment programme at The Sunnyhurst Centre.

2: Delegates authority to Director of Children's Services & Education and the Director of Growth and Development, in consultation with the Executive Member for Children, Young People and Education, to negotiate terms and enter into a 30-year lease with The Champion Academy Trust for The Sunnyhurst Centre.

## 3. BACKGROUND

Each of the priorities referred to within this report have previously been approved through Executive Board:

EBD March 2019 – Schools Capital Programme 2019-2020

EBD March 2020 – Creation of new school places to meet demand of pupil growth from planned housing developments across Blackburn with Darwen

EBD Sept 2020 – Schools Capital programme 2020-2021

Though these priorities are established in the Schools & Education Capital programme, feasibility works were required to determine the estimated costs of each project. These feasibilities are now complete.

Each of the schemes will result in the creation of new school places across the early years, primary, secondary and/or specialist phases of education, whilst also realising added benefits in respect of ensuring fit for purpose buildings for the future and reducing the ongoing and excessive repair and maintenance costs at some sites.

#### **4. KEY ISSUES & RISKS**

To ensure that the Council is able to meet its statutory requirements, both for normal school admissions rounds and ongoing significant In Year admissions, there is a need to create new pupil places across the primary, secondary and specialist phases of education in both Blackburn and Darwen. The analysis of required places is based on historical birth-cohort effects that are working through the school-age population, in combination with the effects that planned housing development may have on the size and distribution of the school-age population in Blackburn with Darwen.

##### Primary Phase

For the Primary phase of education, demand for new places is a priority in the North Blackburn due to the extensive housing growth. It is anticipated that the area will require up to 203 new primary school places.

A paper presented to and approved by Executive Board in March 2020 outlined the plans for school expansion at Lammack Community Primary School, increasing the school capacity from 490 to 630 (140 new places). Full feasibilities have been undertaken, and an estimated schedule of costs detailed.

The estimated cost of the project is £2,100,000. Funding for the scheme will predominantly be met through Section 106 funding, of which £1,550,000 has been secured. The remaining £550,000 of funding to secure commencement of the expansion is requested from the Schools and Education Basic Need Funding Stream (Appendix A).

Some of the spend on this scheme is expected to be incurred in advance of the receipt of the Section 106 funding. The Council will finance this spend in the short term by main programme borrowing, which will be replaced once the Section 106 contributions are received.

##### Secondary Phase

For the secondary phase of education, demand for new mainstream places is in Blackburn. This demand is due to increased birth rates between 2009 and 2012, alongside planned housing growth. The borough has also seen an increasing demand for more specialist provision for secondary aged pupils, specifically pupils requiring additional support to meet their social, emotional and mental health needs.

Papers presented to and approved by Executive Board in March 2019, and September 2020 advised of a project involving the relocation of Crosshill School from its existing site (co-located with Blackburn Central High School) to The Sunnyhurst Centre, Darwen. This relocation will provide accommodation for up to 42 additional pupils at Crosshill whilst also enabling Blackburn Central High School to expand mainstream provision by an additional 100 places. The Sunnyhurst Centre is currently considered a surplus asset to the council, this proposal will potentially see the Council benefit from additional investment by The Champion Trust and Government. The planned programme will see a significant financial investment resulting in a building being brought back into use and impacting positively on the immediate community in which it is located.

The overall funding package required for the refurbishment of The Sunnyhurst Centre is estimated at £2,000,000. The refurbishment can be phased, with phase one of the project requiring the higher investment to ensure that the premises meets all necessary building compliances. The current funding package includes £358,837 allocated from the Schools and Education SEND Capital Fund alongside investment of £500,000 (across the 2 phases) from The Champion Trust.

To progress the project, a further investment of £380,000 from the Schools Basic Need budget (Appendix A) is required to undertake works to make the premises lease ready and to secure the first phase of the planned project. The required lease ready works (£180,000) will be procured and managed directly by the Council. The refurbishment works (£200,000) will be led and managed directly by The Champion Trust.

The Champion Trust are progressing an application for Condition Improvement Funding to support the second refurbishment phase. The entire relocation of Crosshill School is not dependant on completion of the second phase; this will however further improve the premises and result in the potential for the school to provide additional specialist places should this be required. The security of a long lease will positively support The Champion Trust in their application for grant funding. It is requested that the Council approves a full repair and insure lease for the premises at The Sunnyhurst Centre for a period of 30 years with a peppercorn rental agreement.

Heads of Terms documentation has been issued to The Champion Trust for review and includes detail around the tenant being responsible for internal and external repairs and decoration, paying Business Rates and utilities, complying with all statutory obligations, regulations and orders applying to the premises or to the operations carried on therein. With the tenants only option to break being on the fifteenth anniversary of the term, subject to giving no less than 12 months' notice in writing.

### Early Years

On a borough wide basis, there are sufficient places to meet the demand for Early Years Education (EBD November 2020, Childcare Sufficiency Assessment). There are however, some areas of Blackburn where supply does not currently meet demand, and/or planned housing growth is expected to result in increased demand. Early Years provision in the Longshaw and Highercroft areas is currently in low supply, and existing provision within these areas has limited capacity to expand. It is anticipated that the planned housing growth will attract families with younger children and create increased demand for Early Years provision in the area.

A paper presented to and approved by Executive Board in March 2020 advised of a planned programme to relocate Longshaw Nursey School from its current site and co-locate it with Longshaw Infant School. The current Nursery School premises is in a poor state of repair and no longer fit for purpose. The planned project will allow for increased capacity of places to meet anticipated demand, and create a fit for purpose environment that secures qualitative early years provision in the area. The estimated cost of the project and variation requested for the 2020/21 capital programmes is £660,000, of which £395,000 has been secured from s106 funding and the balance of £265,000 is requested from the Schools Basic Need budget (Appendix A).

## **5. POLICY IMPLICATIONS**

National Policy Context - The Council has responsibility to ensure that all allocated funding for maintained sector schools is used in accordance with the associated grant terms and conditions.

Performance Implications - The capital programme, will be closely monitored against agreed performance indicators representing measures of quality, cost and timescale.

## **6. FINANCIAL IMPLICATIONS**

### Unallocated funds

- School Condition budget – £311,500
- Basic Need budget – £3,136,625 (includes confirmed 2021/22 allocation)

### Variation requests

- £550,000 from Schools Basic Need Funding for the planned expansion programme at Lammack Community Primary School

- £660,000 for the planned relocation of Longshaw Nursery School, of which £265,000 is requested from Schools Basic Need Funding
- £380,000 from Schools Basic Need Funding to undertake lease ready works and support a planned refurbishment programme at The Sunnyhurst Centre.

All costs set out are currently estimated based on feasibility studies, concept design and benchmark exercises, they include industry standard contingency figures but will not be firm costs until they have been procured.

Some of the spend on the Lammack Community Primary School scheme is expected to be incurred in advance of the receipt of the Section 106 funding. The Council will finance this spend in the short term by main programme borrowing, which will be replaced once the Section 106 contributions are received.

Schemes financed by S106 Commuted Sums monies are subject to the state of the economy and reliant on proposed developments progressing. If developments do not progress as planned the schemes may need supplementing with additional Basic Needs monies or from additional borrowing on behalf of the Council.

## **7. LEGAL IMPLICATIONS**

The report has been compiled with regard to the Council's Constitution, in particular the Financial Procedural Rules and the Contract Procedure Rules. All procurement and contract activity in connection with this programme must be carried out in accordance with the relevant parts of the constitution and legislation.

All contracts prepared in relation to the programme must be in conjunction with Legal Services/CAPS team.

The proposed granting of a lease to the Champion Trust must be in accordance with the constitution, council policies & procedures and in conjunction with Legal Services and Property Management.

## **8. RESOURCE IMPLICATIONS**

Resource requirements for managing and coordinating the capital programme will be met from within the current Building Consultancy structure and Schools and Education team. Support will be required from Legal services.

## **9. EQUALITY AND HEALTH IMPLICATIONS**

**Please select one of the options below.**

Option 1  Equality Impact Assessment (EIA) not required – the EIA checklist has been completed.

Option 2  In determining this matter the Executive Member needs to consider the EIA associated with this item in advance of making the decision.

Option 3  In determining this matter the Executive Board Members need to consider the EIA associated with this item in advance of making the decision.

## **10. CONSULTATIONS**

A robust analysis of pupil places has been undertaken and informs of the anticipated year-on-year demand for school places based on birth rate projections and increased pupil yield from planned housing growth.

## 11. STATEMENT OF COMPLIANCE

The recommendations are made further to advice from the Monitoring Officer and the Section 151 Officer has confirmed that they do not incur unlawful expenditure. They are also compliant with equality legislation and an equality analysis and impact assessment has been considered. The recommendations reflect the core principles of good governance set out in the Council's Code of Corporate Governance.

## 12. DECLARATION OF INTEREST

All Declarations of Interest of any Executive Member consulted and note of any dispensation granted by the Chief Executive will be recorded in the Summary of Decisions published on the day following the meeting.

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| <b>DATE:</b>             | 14 December 2020   |
| <b>BACKGROUND PAPER:</b> | Appendix A –Variation report   |