
SECONDARY SCHOOL CAPITAL INVESTMENT

**Responsible Cabinet Member – Councillor Chris McEwan, Children's Services Portfolio
Responsible Director – Margaret Asquith, Director of Children's Services**

Purpose of Report

1. This report proposes an investment strategy for secondary schools in Darlington. It identifies some key decision areas relating to school organisation (i.e. school numbers) that Members will need to consider to ensure long term certainty in the education sector and allow for planned capital investment to be made or further sourced.
2. The report provides information to support a five year plan relating to:
 - (a) Future secondary school organisation; and
 - (b) Proposed secondary school investment strategy

Background

3. Darlington Borough Council has taken a very bold and extremely successful approach to securing capital investment into school buildings. Since 2003 eight schools have moved into new premises in the Borough, with funding secured for a further three replacement school projects. This means that over 27% of Darlington schools are, or soon will be, in brand new 21st century accommodation.
4. The main route for directing investment into secondary schools is called “Building Schools For The Future (BSF)”. In 2003, Darlington Borough Council submitted a paper to DfES seeking financial support for the development and implementation of such proposals across all secondary schools within the Borough.
5. Whilst the Council was not selected for one of the earlier programme slots or ‘waves’ and can only expect to enter the main programme in 2013, other opportunities have been taken to secure the funding required. This paper outlines the Authority’s proposals for meeting the capital needs of the remaining three secondary schools who currently do not have a long-term strategic capital development plan, Branksome, Hurworth and Longfield respectively.

The Changing Position On Surplus Places

6. Analysis of the projections provided by the Tees Valley Joint Strategy Unit (JSU) shows the anticipated long term number of surplus places projected in 2006 has reduced significantly from those predictions made in 2003. For example, the JSU projections published in 2003 anticipated that, by 2014, there would be 1,429 or 21.5% surplus places in Darlington’s secondary schools. The corresponding projection in JSU’s latest figures published in July 2006 show an anticipated surplus in 2014 of 746 places or 12.2% in Darlington’s secondary
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schools. This change reflects the proposal to remove 225 surplus places (as detailed in the table at paragraph 14), and an increase of pupil numbers from the JSU 2014 projection of 5,205 secondary pupils in 2003 to the 5,392 in 2006. It does not, however, reflect the full potential of the current uncertainty on pupil numbers (see paragraph 7) particularly in relation to birth rate and migration. If trends continue as at present, the total pupil numbers could increase by a further 300 to 400 pupils, placing long term surplus places at around 346-446 (5.6%-7.2%).

7. There is some uncertainty concerning future pupil projections for the Borough. In 2003/04, there was an increase of 100 births above that anticipated. Statisticians regarded this as a “blip” and continued to provide projections based on the lower birth rate profiles. In 2004/05 births were again just over 100 above projections. Statisticians regard this as a “coincidence” and again continue to show long term projections based on lower birth rates. Only if the increase repeats for a third time in 2005/06 will this actually be regarded as a trend and therefore materially affect JSU long-term projections.
8. Additionally, and not reflected in JSU’s projections, the Admissions Team has recently experienced high levels of inward migration into the Borough. Since January 2006, 294 new primary aged, and 79 new secondary aged, pupils have moved into Darlington and requested places in maintained schools (conversely, only 61 primary and 21 secondary pupils have left the Authority’s schools). Migration into the Borough is predominately from other areas of the UK, although there are also a number of foreign nationals. The changes in capacity, pupil numbers and projections are attached as **Appendix 1**.

Policy

9. The Authority aims to provide a local secondary school of choice to all parents. To achieve this, secondary schools must remain in existing geographical locations within the Borough, but not necessarily continue to operate at their current size or within their current category.
10. Clearly, this policy cannot be simply based on providing 21st century, high quality accommodation but must be underpinned and supported by excellent teaching and learning practice. This paper however, concentrates on the Authority’s options to provide the high quality learning environments needed for all the Borough’s secondary schools.

Information & Analysis

11. The Authority has seven secondary schools and one all-through special school. The current capacity and actual number on roll at Darlington’s seven secondary schools is as follows:

School	Net capacity	Number on roll
Branksome	900	742
Eastbourne	900	691
Haughton	900	909*
Hurworth	638	655*
Hummersknott	1225	1236*
Longfield	900	917*
Carmel	900	905*
Total	6363	6055

* denotes actual pupil numbers exceeds capacity

12. Currently, Darlington’s secondary schools have 4.85% surplus places. It must be noted, however, that all surplus places are to be found in just two schools, Eastbourne and Branksome. The projections provided by JSU anticipates that any increase in surplus places levels will have a disproportionate effect on these two schools.

Recommended Organisation

13. Given the current uncertainty on births and migration, the Local Authority must apply some caution in promoting a future secondary school organisation. JSU currently anticipate long-term secondary pupil numbers to be around 5,400. However, if births continue to rise at 100 additional pupils per year, an additional 500 secondary school places may ultimately be required.
14. As a result, and taking into account both current school numbers and potential changes in birth and migration forecasts, a secondary school organisation as shown below is recommended. This organisation gives **long term** certainty to all existing seven secondary schools and allows a strategic capital investment plan to be considered for the three schools that have not been the subject of a recent major replacement / renewal programme.

School	Current Net Capacity	Current Number on Roll	Revised Net capacity
Branksome	900	742	750
Eastbourne	900	691	700
Haughton	900	909*	900
Hurworth	638	655*	638
Hummersknott	1225	1236*	1200
Longfield	900	917*	900
Carmel	900	905*	1050
Total	6363	6055	6138

15. This organisation is recommended based on the following factors:
- (a) A reduction in capacity at Branksome Comprehensive School to 750 which better reflects the anticipated school population;
 - (b) The Local Authority has obtained approval from DfES for a feasibility study to be undertaken into the development of a 700 place Academy to replace the existing Eastbourne School;
 - (c) The PFI contract relating to Haughton Community School necessitates the school’s net capacity should not fall below 900;
 - (d) As agreed with the Governing Body of the school, capacity at Hurworth School, Maths & Computing College to remain at 638;
 - (e) New construction works planned at Hummersknott School & Language College will create a net capacity of 1200 places at the school;
 - (f) Longfield Comprehensive to remain at existing capacity of 900; and

- (g) Building works currently underway at Carmel RC College will result in the net capacity at the school increasing to 1050.

Capital Investment

16. In response to the BSF announcement, the Council sought to secure investment into two of Darlington's schools: Carmel and Hummersknott. This funding was secured in 2005 and will ensure both schools have high quality accommodation suitable to deliver the 21st century curriculum.
17. In addition, the Authority is undertaking with Sponsors and the DfES a feasibility programme to establish an Academy to replace the existing Eastbourne School. The Authority received approval to proceed to feasibility stage in October 2006. The Academy will provide a fresh start for Eastbourne School, giving certainty, solidity and a new direction to a school that has faced a number of difficulties over recent years.
18. A fourth school, Houghton Community School, along with Beaumont Hill (the Authority's only special school), has already been replaced moving into new accommodation at the Education Village which opened in April 2006.
19. This leaves the Authority with three secondary schools still requiring capital investment: Branksome, Hurworth and Longfield respectively. At present, the only potential capital that may become available is when the Authority enters the BSF programme, currently anticipated to be around 2013. Clearly we would not want to wait until then and the Authority must consider alternative funding opportunities.
20. The Authority receives annual formulaic capital allocations from the DfES to undertake routine capitalised repairs and improvements to school buildings. In 2006/07 the allocation for such works at both the primary and secondary schools within the Borough totalled £3.25m. The breakdown of the funding is shown at **Appendix 2** but it must be noted that all funding is hypothecated by category of school and is allocated direct to both the Authority and individually to all schools. In 2006/07 the Authority received an allocation of £1.349m with schools receiving a further £1.9m. In 2007/08 the indicative allocations are £1.142m to the Authority and £1.193m direct to schools.
21. All funding is directed at priority issues identified within the schools' asset management plans with most projects supported by a mixture of Local Authority and school capital funding.

Funding Information and Analysis

22. Discussions with DfES have identified two potential major capital funding opportunities that may become accessible. The first is a new round of Targeted Capital Funding (TCF) support due, we understand, to be made available in 2007. This programme has been successfully accessed by the Authority in previous years to bring new schools' investment into Firthmoor Primary, Alderman Leach Primary, Skerne Park Primary, St George's Primary, Hummersknott School & Language College and Carmel RC College. The fund is bid based and does not provide any certainty of investment.

23. The last bidding opportunity in 2005 allowed Local Authorities to submit one bid for a maximum of £15m support (80% funded by DfES and 20% by the Authority), or two bids of up to £7.5m (again funded on an 80:20 split).
24. The next round of TCF application will include specific criteria against which the Authority can submit any bids and these criteria will not be known until bid guidance is issued by DfES in Spring 2007. In recent years criteria has included tackling condition and suitability needs, standards and curriculum improvements, standards focused reorganisation, improved SEN in mainstream and special schools and extended schools and community use. The expansion of successful and popular schools, and workforce reform have also featured as sub topics. The Authority must decide if a TCF bid for any of the remaining 3 schools: Branksome, Hurworth or Longfield, should be considered.
25. The only alternative funding opportunity available is through the Academies programme but, given the Authority is currently establishing an Academy at Eastbourne School, it is not felt appropriate to give detailed consideration to a second Academy at this time.
26. Finally, it is difficult at this time to comment on any other potential funding opportunities (for example Trust School pilots), as only limited information is currently available. It appears, however, that even if schools actively pursue Trust status, the responsibility for capital investment at such schools will still rest with the Authority via the funding routes described earlier.

Recommended Capital Investment Strategy

27. All three schools, Branksome, Longfield and Hurworth have significant condition and suitability needs. **Appendix 3** provides a detailed breakdown of the most urgent needs at all three schools. The priority needs cover a range of areas with specific needs at individual schools.
28. Longfield's needs centre around issues not immediately apparent on visiting the school. The main investment relates to replacement and upgrading to mechanical and electrical installation which have reached or are beyond their expected life expectancy. In addition, Longfield has a need to invest in sports facilities at the school, the lack of which currently frustrates the school's drive and ambition to fully exploit their specialist sports college status.
29. Branksome needs are more visually apparent as the school has a large backlog of redecoration work which gives the school an unattractive appearance. The school has major electrical works needed, as well as poor accommodation in Design & Technology and Sports. In addition, it has a number of small cramped classrooms and other suitability issues.
30. Branksome also has sufficiency issues with the school currently providing capacity for 900 pupils but with a population of only 742 and a long-term proposal to provide 750 places.
31. Finally, Hurworth also has high condition needs with, again, the main feature being electrical and general building condition (flooring, walls, etc.) featuring prominently. The school requires investment into dining areas and performance spaces as well as external works to car parks and playgrounds.

32. Substantial investment has been made in all three schools in recent years (see **Appendix 4**). There are, however, additional factors to consider if we are to achieve the Authority's policy objective of providing parents with a local school of choice.
33. In line with the recent proposals for developing a Primary Capital Strategy, it is recommended that an option appraisal exercise be undertaken using information and data for all three schools and the criteria contained within the TCF guidance when released.
34. The key areas which should be assessed in establishing the priority for investment will include:
 - (a) Potential to meet TCF criteria
 - (b) Delivery of key local and national programmes including 14 to 19, delivery of new national diploma's etc.
 - (c) Physical condition of existing premises;
 - (d) Suitability of premises to deliver the national curriculum;
 - (e) Sufficiency – i.e the need for places at a school;
 - (f) Standards – performance attained by school (Key Stage results, value added performance, % of pupils achieving 5 A* C including English and Maths etc.);
 - (g) Information contained in recent Ofsted reports;
 - (h) The role of the school within the Community;
 - (i) Deliverability of the proposed investment project;
 - (j) Effect upon parental preference / choice;
 - (k) The ability to offer a place at a local school;
 - (l) Availability of childcare provision; and
 - (m) Extended School provision.
35. It is anticipated TCF guidance will be issued in May to June 2007 with a deadline of submission of bids generally eight weeks after issue of guidance. Children's Services will begin the collation of relevant information to support the full option appraisal upon receipt of the TCF bid guidance.
36. Officers will take a report to Members prior to the submission deadline date for TCF bids outlining the assessment process undertaken and recommending the bid or bids to be submitted.

Alternative Programme of Support

37. At present there is a football foundation bid (£1m) awaiting final confirmation to develop all weather facilities at Hummersknott. In addition, other parties such as the Lawn Tennis Association, and Sport England, are keen to see more lottery funded sports projects developed ahead of the Summer Olympics in 2012. For the three schools who currently do not have a major capital investment proposal, bids will be constructed to attempt to draw in additional capital investment to deliver early premises improvements.
38. At the same time the Authority will review how its formula allocation is distributed and targeted at present, ensuring the vast majority of secondary school specific formulaic capital is targeted at Branksome, Hurworth and Longfield.

39. Finally, if bid based investment is not pursued, the Authority must be aware that at present no alternative funding streams are available and, as a result, the Authority will need to continue to “patch and mend” Branksome, Hurworth and Longfield Schools respectively until the potential BSF investment programme arrives in 2013 (although there is clearly no guarantee that the original BSF programme will continue to its original end date).
40. The Council has a long track record of supporting investment into its schools and would need to match fund any TCF bid. Where further opportunities can be identified from the sale of assets and/or prudential borrowing, schools will continue to feature as a major investment priority.

Outcome of Consultation

41. No specific consultation was required in the production of this report. However, the School Place Planning and Assets team within Children's Services has ongoing regular dialogue with all schools over their asset management plans and regularly reviews its priorities within the annual work programme.

Legal Implications

42. This report has been considered by the Borough Solicitor for legal implications in accordance with the Council's approved procedures. There are no issues which the Borough Solicitor considers need to be brought to the specific attention of Members, other than those highlighted in the report.

Section 17 of the Crime and Disorder Act 1998

43. The contents of this report have been considered in the context of the requirements placed on the Council by Section 17 of the Crime and Disorder Act 1998, namely, the duty on the Council to exercise its functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent crime and disorder in its area. It is not considered that the contents of this report have any such effect.

Council Policy Framework

44. The issues contained within this report do not represent change to Council policy or the Council's policy framework.

Decision Deadline

45. For the purpose of the ‘call-in’ procedure this does represent an urgent matter.

Key Decision

46. This is a key decision as it affects all Wards.

Recommendations

47. It is recommended that Members :-

- (a) Agree the objective of maintaining seven successful and high performing secondary schools of choice;
- (b) Agree the approach to determining investment options for Branksome, Longfield and Hurworth Schools; and
- (c) Note that the final investment decisions will need to be made when the bidding criteria for targeted capital funding are known.

Reason

48. To maximise potential investment in Darlington's secondary school stock.

Margaret Asquith
Director of Children's Services

Background Papers

No background papers were used in the preparation of this report.

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