



Leicester
City Council

WARDS AFFECTED
All Wards

FORWARD TIMETABLE OF CONSULTATION AND MEETINGS:

**Children & Young People Scrutiny
Cabinet**

**24th September 2009
5th October 2009**

Proposal for the part or total rebuilding of Mellor Primary School

Report by the Strategic Director, Children

1. Purpose of Report

- 1.1 The purpose of this report is to seek approval for the part or total rebuilding of Mellor Primary school, Clarke Street, Leicester, which is within the Rushey Mead Ward, and is presented in 3 separate options and recommendations.

2. Summary

- 2.1 Due to structural problems in the infant block, a structural survey of the whole school was commissioned in 2008. This survey confirmed that the infant building is in poor condition, and in need of replacement, with an anticipated life expectancy of 3 years. In addition, the survey also identified that the junior block is in reasonable structural condition, with its life expectancy being approximately 14 years.
- 2.2 As part of the Children's and Young People's Capital Programme Report 2009-10 to 2011-12, approved by Council at the end of March 2009, up to £6.6 million was ring fenced, for either part or total rebuilding of Mellor Primary school. Within this report it was stated that the final approval would be subject to a future Cabinet report.

3. Recommendations (or OPTIONS)

- 3.1 Cabinet is recommended to agree one of the options and to note the outcome of the recently completed options appraisal detailed below.
- a. **Option 1:** Rebuilding of the infant block, at the existing Mellor Primary school, incorporating links to the new Children's Centre, which will be an approximate cost of £3.3 Million.

- b. **Option 2:** Rebuilding of both the infant and junior buildings in accordance with BB99 to 2 form entry, with links to the new Children's Centre, which will be an approximate cost of £6.6 Million.
- c. **Option 3:** Rebuilding of both the infant and junior buildings, with links to the new Children's Centre, and 3 form entry infrastructure (number of classrooms to suit 2 form entry), which will be an approximate cost of up to £8.6 Million giving the potential for approximately 200 further places to be added at a later date.

4. Report

4.1 Background

The Primary Capital Programme (PCP)

A national primary school rebuilding programme, the Primary Capital Programme (PCP), commenced from April 2009. The aim of the PCP is to rebuild or replace half of all primary schools in the country, over a 14-year period. The Leicester City Council Primary Strategy for Change, submitted to Government in June 2008 to support our proposals for the Primary Capital Programme, included an indicative prioritisation of all schools in the City for investment, based on the current condition and suitability of buildings, levels of deprivation and need to raise standards.

- 4.2 As part of our Primary Strategy for Change (PSfC) submitted in June 2008, an indicative funding package was included, which brought together all available sources of funding following government recommendations to enable maximum transformation of learning through joining up of capital funds. This in turn formed the "Primary Capital Programme" (PCP), which highlighted the top 50% of schools in the City that would receive funding. The cash grant notified to the LCC for this programme totals £12.3m so far.
- 4.3 Mellor Primary School did not originally form part of the PCP, as it was ranked joint 51st out of 81 schools. However, within the PSfC we stated that in extenuating circumstances, such as major condition issues, schools outside the top 50% could be brought into the programme. The circumstances around Mellor Primary School indicate that it should now be in the programme.
- 4.4 It should be noted and taken into consideration that the more funding used on this project will result in less funding being available for other projects in the future phases of PCP since we have no indication from central government that the Leicester City Council allocation will increase.

The impact of each of the suggested options is highlighted below with positive and negative implications described. This will not however affect the funding of PCP projects in the first 2 years of the programme which will remain as included in the approved TLE capital programme.

- 4.5 The current infant block at Mellor Primary school was built circa 1960's, when the original Victorian brick primary school was redeveloped, and split to form 2 separate blocks for infants and juniors. It should be noted the current design incorporates the staff welfare facilities, the entire schools ICT suite, boiler room, security/fire alarm systems within the infant block, and serves both the infant and junior buildings.
- 4.6 The Woodbridge Children's Centre has recently been completed and all 3 options incorporate links to the new centre, meaning that community cohesion and extended services can be further improved. This is part of the Mellor Primary School Vision and Strategy for Change which forms part of the school's medium to long-term plans for improvement. The latest OFsted and SIP report states that the current levels of teaching and attainment are satisfactory."

Description of options

- 4.7 **Option 1:** Rebuilding of the infant block to 2 form entry and Building Bulletin 99 standards, incorporating links to the new the Children's Centre. This option only deals with the infant block renewal and associated infrastructure works and will involve relocation of the building on the site and works to the shared facilities with the junior block.
- 4.8 **Option 2:** Rebuilding of the infant **and** junior blocks to 2 form entry and Building Bulletin 99 standards, creating a new all-through school and incorporating links to the children's centre.
- 4.9 **Option 3:** Rebuilding of the infant and junior blocks to 2 form entry and Building Bulletin 99 standards, creating a new all-through school and incorporating links to the children's centre, but with the additional increase in size to a 3 form entry infrastructure. This option would allow for the future increase in size of the school overall to cater for future pupil number increases. Infrastructure that would need to be increased to cater for 3 form entry would be: the hall, staffroom, administration block, studio hall, kitchen and dining, support rooms (such as increased SEN provision), F1 (possibly depending on early years provision) and F2.
- 4.10 Option 3a, is the option for the total rebuild of infant and junior blocks to 3 form entry and Building Bulletin 99 standards, creating a new all-through school, and incorporating links to the children's centre. This is not a recommended option.

Pupil number forecast information

- 4.11 Statistical data indicates there will be a substantial increase in pupil numbers across the whole city at the moment predicted to be 4,000 to 5,000 pupils, over the next 10 years.
- 4.12 An exercise to forecast the number of pupil places across the city has indicated that within a 1 mile radius of Mellor Primary School, there is sufficient capacity at foundation 2 (first year of education) for 5 years only. Thereafter all schools within this area will be full at F2 year.

- 4.13 The Council has a statutory obligation to provide pupil places for the additional children, within a 2 mile radius. However, we do consider this is too far to walk, and would have implications on the environment, with parents travelling by car, bus, etc. Therefore pupil numbers have not been assessed for a 2 mile radius at this stage.
- 4.14 In addition, the neighbouring Rushey Mead Primary School was originally built as a 3 form entry secondary school, and has the possibility to be increased from its current 2 form entry up to 3 form entry. The school is currently using 17 class bases with Foundation 2 allocated 200m², but only needing 132 m² for the numbers roll (NOR). With a capacity for a total of 22 class bases, it should be recognised that with some reorganisation and adaptations, the school could be effectively increased to 3 form entry. In addition, the school halls are above BB99 guidance for a 3 form entry school, suggesting overall that the school could be returned to 3 form entry in the future. It should be noted that at this stage we have not completed a full feasibility of increasing the size of this school, and consultation has not taken place with the school. In addition the effect on school attainment would need to be fully assessed.
- 4.15 It should be noted that it may also be possible to increase the planned admission number at Abbey Primary School. A desk top study is certainly being carried out to establish if this is an option and the report will be amended shortly based upon the outcome.
- 4.16 An options appraisal was completed in July 2009 to assess the 3 options (excluding option 3a) listed above. The results of the options appraisal are shown at appendix A.
- 4.17 The advantages and disadvantages of the options are presented at appendix B.
- 4.18 The options appraisal indicates the most favourable option as option 3.
- 4.19 The weighting used within the options appraisal has been devised by officers depending on how well it contributes to the objectives, as some factors played a more important part than others. In addition the weighting was graded from 1 through to 3, where the funding factor had the highest weighting, as it was deemed the most important factor.
- 4.20 Timescale

The project timescale is driven by the deterioration of the infant block and the need to provide safe accommodation for children and staff.

The sequence of decisions and tasks to complete in order to deliver the project are summarized below;

- Completion of Option Appraisal by the end of July 2009.
- Paper presented to Cabinet on 5th October 2009.
- Anticipated start date Spring 2010
- Anticipated Completion Date Summer 2011

City wide implications for increases in pupil numbers

- 4.21 Pupil numbers forecast demonstrate that a 2 form entry school is required in the Mellor Primary School locality and this will suffice for the next 5 years. However data indicates there will be a substantial increase of pupils across the whole city in the region of 4,000 to 5,000 pupils, over the next 10 years.

4.22 The increase in pupil numbers will have a significant impact on the planning of the size of the school estate and the Council has limited options as shown below:

Option A - Expand existing schools

All schools under the Primary Capital Programme are being reviewed to see if there are options to expand the size of the school. To date out of nine PCP schools only two schools including Mellor Primary School site have the capacity to increase in size. The main reason is that most schools have an infrastructure size to suit the number on roll, and if the school is expanded then it would create significant school organisational issues. Also a number of school sites do not have the grounds or site area for expansion and already have external play areas that are undersize and do not meet government guidance. It is considered that it will not be feasible to expand the majority of the existing schools in the City.

Option B - Use existing land to build new schools

The Council owns a very limited amount of land for new schools. The majority of Council land has planning conditions for use which does not include building of schools. There is also a risk that any land that is available will not be in the correct location to cater for the most dramatic increase in pupil numbers.

Option C - Purchase land to build new schools

This would be at a major cost to the Council and the same problems in Option B are applicable.

Option D - Locate Temporary Mobiles on Existing School Sites

The disadvantage of this option is that the teaching in mobile classrooms has a negative effect on attainment. The Council has had a clear policy over the past 7 years for the removal of such facilities and the construction of new, permanent building extensions.

4.23 In the long term there could be significant cost implications if the Council chooses not take the opportunity to increase the size of existing schools at this stage. Solutions B and C are far more difficult and expensive to achieve compared to solution A.

4.24 A further Cabinet report is currently being prepared in relation to the increase in pupil numbers across the city.

4.25 Expenditure and Funding

As noted previously as part of our Primary Capital Programme (PCP), approved by council at the end of March 2009, £6.6 million has been ring fenced, for either part or total replacement of Mellor Primary school. The additional funding breakdown is based upon option 3.

Expenditure for 3 form entry school infrastructure.

Item	Expenditure	£
1	2 Form entry	£6,600,000
2	Additional funding for 3 Form entry	£2,000,000
	Total	£8,600,000

	Funding Approved	£6,600,000
	Difference in funding	£2,000,000

- 4.26 On 15 July 2009, DCSF announced that additional national funding of £200 million capital was being made available to support the provision of primary places where there is greatest need. This is termed “the Basic Need Safety Valve”. The need for this additional funding was identified since several authorities, including Leicester are experiencing and predicting exceptional, unexpected rises in demand for reception class places up to 2011. Funding is aimed at providing additional, permanent places where there is the greatest need that cannot realistically be funded from other sources. Detailed guidance on applying for this additional funding, has been reviewed and an application for £10m is currently being compiled by Leicester City Council officers. The final date for applications is Friday 14 August and allocations are to be announced in September 2009.
- 4.27 As mentioned above, for a 3 form entry infrastructure option, additional funding is required of approximately £2.0 Million. In the Children's and Young People's Capital Programme Report (March 2009) £1.574 million was shown as unallocated Basic Need funding, which could be applied to the Mellor project. The report also identified funds due to be repaid by the Corporate Centre from 2012 onwards of £2.4m and potential capital receipts, previously valued at £5m. It is proposed that the balance of funds needed for Mellor (£426K) be taken from whichever of these is first available.

5. FINANCIAL, LEGAL AND OTHER IMPLICATIONS

5.1. Financial Implications

This report presents a number of options for the redevelopment of Mellor Primary School. The estimated capital costs range from £3.3m to replace the infant block only, to £6.6m to also replace the junior block, to £8.6m to build in the infrastructure needed for the school to become a 3 Form Entry in the future. The provision within the Capital Programme, subject to detailed approval by Cabinet, is £6.6m, which would fund the redevelopment of the whole school at its current capacity.

The report recommends that 3 form entry capacity should also be developed, at a total scheme cost of £8.6m. Although this involves committing an additional £2m of capital from unallocated Basic Need and other funding sources (unless Basic Need Safety Valve funding is secured), it makes operational and financial sense if additional places are to be needed into the future, as suggested by pupil planning data.

However, Members should be aware that the greater the funds committed to this project, the less funding that will be available for other schemes.

Looking ahead to the on-going revenue / running cost implications, the Council receives revenue funding for schools from the Government through the Dedicated Schools Grant (DSG), which is called the Schools Budget and is expressed as an amount per pupil.

Schools are in turn funded through the local funding formula, which is mainly driven by pupil numbers, with allowances for other factors such as the size of the school buildings and playing fields. Schools are expected to manage within their formula budget, although they can request additional short term support for specific events or factors (such as a sudden or short-term reduction in pupil numbers)

If the option of the larger school at Mellor is agreed, then the Schools Budget will need to fund the revenue costs of the additional buildings. If the pupil numbers at Mellor do not match the increased capacity for some time, then the school might require funding over and above its formula allocation to meet the full running costs of the buildings; if on the other hand pupil numbers move from neighbouring schools, then those schools might require additional funding to offset their formula budget reductions. If however, pupil numbers increase overall, then the DSG coming to the Council will increase and the schools will have a higher formula budget driven by the increased pupils.

The risk in building the larger school is therefore that the pupil numbers in the locality will not increase to fill the new space, and either Mellor or a neighbouring school will require additional revenue funding. As described, any such costs would be met from within the DSG.

Colin Sharpe, Head of Finance and Efficiency, CYPS, ext. 29 7750.

5.2 Legal Implications

This report identifies the strategic options for the refurbishment/remodelling/rebuilding of Mellor Primary School. The headline legal implications that are involved in this project are as follows;

(1) Land issues - a legal check needs to be made about the land involved and whether there are any constraints e.g. third party rights

(2) Children's Centre - this project needs to align with the Children's Centre project which is due to go out to tender shortly.

(3) Procurement - the appropriate procurement route needs to be determined and planned in. This may not necessarily be the "strategic framework" agreement route referred to in the risk table. Particular thought needs to be given to the integration of/interface with ICT installation.

(4) School change procedures (including playing fields) need to be followed as necessary.

Information provided by Joanna Bunting Head of Commercial & Property Law, ext 29 6450

6. Other Implications

OTHER IMPLICATIONS	YES/NO	Paragraph References Within Supporting information
--------------------	--------	--

Equal Opportunities	Yes	Entire report
Policy	Yes	Entire report
Sustainable and Environmental	Yes	Entire report
Crime and Disorder	No	
Human Rights Act	No	
Elderly/People on Low Income	No	

7. Risk Assessment Matrix

This only needs to be included if appropriate with regard to the Council's Risk Management Strategy.

Risk	Likelihood L/M/H	Severity Impact L/M/H	Control Actions (if necessary/appropriate)
PCP programme fails to deliver transformation of teaching and learning	L	H	Engage teachers in developing educational vision and developing building designs, so that they are appropriate for new ways of teaching and learning.
Market prices too high / supply chain has insufficient capacity	L	M	Procure work through framework contracts with strategic Partnerships. Ensure more than one supply chain.
Delivery of projects on time and within budget	M	M	Ensure proper project management arrangements in place, procure through strategic partnering arrangements.
Disruption to schools and temporary downturn in achievement	M	M	Careful pre-planning and liaison with schools. Early involvement of contractors. LA officers to support school leadership during building works.
Changes in demography result in too many / few places	M	M	Careful pupil place planning and review of forecasts on an annual basis.
Education strategy / building design not future-proof.	L	L	Flexible approach to design to accommodate future changes, including review of 3 FE infrastructure for future increase in pupil numbers.
Risk	Likelihood L/M/H	Severity Impact L/M/H	Control Actions (if necessary/appropriate)
School design not suitable to users	L	L	Close engagement with parents, governors, teachers and pupils during design development.
Local authority has insufficient capacity	M	M	Adopt appropriate structure and ensure sufficient financial and human

to deliver			resources.
ICT not embedded in building solutions	L	L	ICT strategy will be an integral part of SfC. ICT advisers' part of the design team.
Transformation of teaching and learning fails to keep pace with transformation of buildings	M	M	Adopt collaborative approach and establish systems to disseminate best practice. Support change management programme with appropriate CPD for all teaching staff

8. Background Papers – Local Government Act 1972

Not applicable

9. Consultations

Mellor Primary School

10. Report Author

Helen Ryan
Divisional Director – TLE
Ext. 39 1633

Key Decision	Yes
Reason	Capital expenditure in excess of £1m
Appeared in Forward Plan	Yes
Executive or Council Decision	Executive (Cabinet)