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COUNCIL OF THE YEAR



Barry Keel
Chief Executive

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Date: 30-9-2011

Please ask for: Nicola Kirby, Senior Democratic Support Officer (Cabinet)
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CABINET

Date: Monday 10 October 2011

Time: 9am

Venue: COUNCIL HOUSE, PLYMOUTH

Members:

Councillor Mrs Pengelly, Chair

Councillor Fry, Vice Chair

Councillors Ball, Bowyer, Jordan, Michael Leaves, Sam Leaves, Monahan, Ricketts and Wigans.

Members are invited to attend the above meeting to consider the items of business overleaf.

Members and officers are requested to sign the attendance list at the meeting.

Please note that unless the chair of the meeting agrees, mobile phones should be switched off and speech, video and photographic equipment should not be used in meetings.

Barry Keel
Chief Executive

CABINET

AGENDA

PART I – PUBLIC MEETING

1. APOLOGIES

To receive apologies for non-attendance submitted by Cabinet Members.

2. DECLARATIONS OF INTEREST

Cabinet Members will be asked to make any declarations of interest in respect of items on this agenda.

3. CHAIR'S URGENT BUSINESS

To receive reports on business which, in the opinion of the Chair, should be brought forward for urgent consideration.

CABINET MEMBER: THE LEADER

4. PLYMOUTH ARGYLE FOOTBALL CLUB (Pages 1 - 2)

The Director for Development and Regeneration will submit a written report relating to the statement from the Leader made on the 16 September 2011 regarding the future of Plymouth Argyle Football Club and the possibility of the purchase of the freehold of Home Park by the Council on a commercial basis.

CABINET MEMBER: SAM LEAVES

5. SERVICES FOR CHILDREN AND YOUNG PEOPLE BASIC NEED PROGRAMME (Pages 3 - 16)

The Director of Services for Children and Young People will submit a written report on the Services for Children Basic Need Programme. The report will update members on the progress of the development of the Wave I projects and set out proposals for consultation on the development of Wave II projects to meet the increased number of primary age pupils with effect from September 2012. The report will also address the need to maintain the condition of schools.

The recommendations represent an urgent key decision for which agreed procedures have been followed.

6. EXEMPT BUSINESS

To consider passing a resolution under Section 100A(4) of the Local Government Act 1972 to exclude the press and public from the meeting for the following item(s) of business on the grounds that it (they) involve the likely disclosure of exempt information as defined in paragraph 3 of Part I of Schedule 12A of the Act, as amended by the Freedom of Information Act 2000.

PART II (PRIVATE MEETING)

AGENDA

MEMBERS OF THE PUBLIC TO NOTE

that under the law, members are entitled to consider certain items in private. Members of the public will be asked to leave the meeting when such items are discussed.

NIL.

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CITY OF PLYMOUTH

Subject:	Plymouth Argyle Football Club
Committee:	Cabinet
Date:	10 October 2011
Cabinet Member:	The Leader
CMT Member:	Director for Development and Regeneration
Author:	Anthony Payne, Director for Development and Regeneration
Contact:	Tel: 01752 304170 Email: anthony.payne@plymouth.gov.uk
Ref:	PAFC
Key Decision:	No
Part:	Part I

Executive Summary:

This report relates to the statement from the Leader made on the 16 September 2011 regarding the future of Plymouth Argyle Football Club and the possibility of the purchase of the freehold of Home Park by the Council on a commercial basis.

Any such purchase would be subject to appropriate due diligence checks and would require Council approval. A more detailed report will be brought to Cabinet at the earliest opportunity.

Corporate Plan 2011-2014:**Value for Communities:**

The acquisition and letting of the football stadium would reinforce Plymouth's position as a major regional centre for sport.

Delivering Growth:

To ensure the continuation of the economic value of the Club's activities, which it is estimated by the University of Plymouth to be around £9 -12m per annum from home games, and visits from away-team supporters.

**Implications for Medium Term Financial Plan and Resource Implications:
Including finance, human, IT and land**

Any proposed capital sum required to acquire the freehold interest in the football stadium, and the proposed rental to be paid by the occupier, would have to be independently assessed to determine whether the proposals represent the open market value for the property and can also be supported under the Council's general well being powers.

Other Implications: e.g. Community Safety, Health and Safety, Risk Management and Equality, Diversity and Community Cohesion:

This report concerns a potential property transaction that would not require the Council to have direct control of the property; therefore no other particular implications arise.

Recommendations & Reasons for recommended action:

The Cabinet note the Leader’s statement and await further details from officers.

Alternative options considered and reasons for recommended action:

The alternative option would be for the Council not to take any action. This may limit the opportunity to protect the ground and club.

Background papers:

Leader’s Press Statement

Sign off:

Fin	CD R/C orSI 112 012/ 30.0 9.11	Leg	DS 1295 3.	HR		Corp Prop		IT		Strat Proc	
Originating SMT Member											

1.0 Background

The Leader made the following public statement on Friday 16 September 2011 regarding Plymouth Argyle Football Club:

Plymouth City Council is deeply saddened by the current situation with regards the status of Plymouth Argyle Football Club. It is extremely disappointed that no private sector funded solution has yet been forthcoming to ensure the survival of the city’s 125 year old professional football club. The city council would like to be clear that it considers it important that a city the size and status of Plymouth should not if at all possible be without a professional football club.

We are therefore prepared to work to help ensure the survival of the club and protect wider community benefits. That would include the consideration of the purchase of Home Park on a commercial basis. Any decision would of course have to be subject to appropriate due diligence checks and council approval.

1.1 Whilst the Council could not lawfully provide direct aid to any potential purchaser of the football club, it could consider purchasing Home Park on a commercial basis and to provide wider community benefits. Such a purchase would be subject to independent valuation. In leasing the ground to the football club on a commercial basis; this would be a similar position to that which was in place prior to our sale of the ground in 2007.

1.2 Appropriate up-dates (if any) will be provided to the meeting.

PLYMOUTH CITY COUNCIL

Subject:	Services for Children and Young People Basic Need Programme
Committee:	Cabinet
Date:	10 October 2011
Cabinet Member:	Councillor Sam Leaves
CMT Member:	Director of Services for Children and Young People
Authors:	Gareth Simmons (Programme Director for Learning Environments) Jayne Gorton (School Organisation, Access and Services to Schools Manager)
Contacts:	Tel: 01752 307161 Email: gareth.simmons@plymouth.gov.uk Tel: 01752 307472 Email: jayne.gorton@plymouth.gov.uk
Ref:	
Key Decision:	Yes
Part:	I

Executive Summary:

In October 2010 and in March 2011, Cabinet received reports on the rising numbers in primary schools and the developing need for primary school places in the city. This growth in demand is known as Basic Need.

The report seeks to update members on the progress of the growth and report on the development of the Wave I Projects set out in the March Cabinet Paper and to seek authorisation to continue to develop the projects in a manner that meets the Council's legal obligations.

The report sets out proposals for the development of Wave II Projects to meet the increased number of primary age pupils with effect from September 2012; to seek authorisation from Members to commence consultation with stakeholders on expanding schools for 2012 and onwards; to seek permission from the Office of the Schools Adjudicator to increase the Planned Admission Number for four primary schools in the city, with effect from 1 September 2012; and to commence consultation on the statutory proposals for the expansions as appropriate.

The report also sets out the balance between the Council's obligation to meet Basic Need and to maintain the condition of schools. Consequently, the report seeks Cabinet's recommendation to Full Council that certain projects are placed in the Council's Capital programme in order to meet these obligations, and to authorise officers to carry out the necessary works to develop the projects and make the necessary contractual commitments.

Corporate Plan 2011 - 2014:

This programme aligns with and supports the following Corporate Priorities:

- **Deliver growth:** promote Plymouth as a thriving growth centre by creating the conditions for investment in quality new homes, jobs and infrastructure. The Basic Need programme delivers education infrastructure that supports the growth of the city, by supplying good quality education provision that meets need, it makes the city an attractive place to live and work. This paper brings to Cabinet the next steps in a larger Basic Need infrastructure programme.
- **Raise aspiration:** raise the skills and expectations of Plymouth residents and ensure our young people achieve better qualifications and find high quality jobs. It is essential that there are sufficient school places that inspire children to attend and enjoy school; without Basic Need growth there is a serious risk that children in the city will not get access to an education.
- **Reduce inequalities:** reduce the large economic and health gaps between different areas of the city by tackling the causes. The Basic Need growth areas have been carefully mapped and the proposals in this paper are targeted at narrowing the gaps in inequality of access to education places.
- **Provide value for communities:** become more efficient and join up with partners and local residents to deliver services in new and better ways. The proposals seek to use the underused value there is in education assets to form the base for expansion so that investment costs are kept to a minimum and resources are targeted to achieve the maximum value for communities.

**Implications for Medium Term Financial Plan and Resource Implications:
Including finance, human, IT and land**

The Wave I Basic Need programme has been approved in the Council's capital programme and is delivering the expansion of five primary schools in the city. The value of Wave I is £6.537M and the following table indicates the proposed timing of the individual projects.

Basic Need - Wave 1	2011/12	2012/13	2013/14	Total
	£000's	£000's	£000's	£000's
Original Estimate - Wave 1 Block	1,036	4,480	1,021	6,537
Revised Expenditure Forecast				
Weston Mill	556	0		556
Riverside	580	1,803		2,383
Mount Wise	303	954		1,257
Ernesettle	157	827		984
Prince Rock	224	1,133		1,357
Revised Expenditure Profile	1,820	4,717	0	6,537

The cost of the contract in relation to Riverside School can be met from within the budget identified above. Overall expenditure on Wave I projects will be managed within the block total of £6.537M

Wave II projects have been assessed to require capital investment of £6.8M. In addition, this report proposes budget provision for condition works across the schools estate and to deliver urgent improvements at Boringdon School. The following table illustrates that these costs can be met from the estimated total capital funding available.

Services for Children and Young People Capital Programme Summary	2011/12 £000's	2012/13 £000's	2013/14 £000's	2014/15 £000's	2015/16 £000's	Total £000's
Total Funding Available	40,053	7,867	5,259	5,418	5,418	64,015
Less Existing Programme Commitments	(37,551)	(8,436)	0	0	0	(45,987)
Uncommitted Funds	2,502	(569)	5,259	5,418	5,418	18,028
Forecast Expenditure on New Approvals						
Salisbury Road	(145)	(481)	0	(324)	(544)	(1,494)
Holy Cross	(181)	(596)	0	(305)	(509)	(1,591)
St Peters	(80)	(80)				(160)
St Josephs	(80)	(405)	(1,106)	0	0	(1,591)
Stoke Damerel	(80)	(493)	(1,406)	0	0	(1,979)
Boringdon School	(500)	(1,000)				(1,500)
Condition Works		(500)	0	(1,000)	(1,000)	(2,500)
Annual Surplus / (Deficit)	1,436	(4,124)	2,747	3,789	3,365	7,213
Cumulative Surplus / (Deficit)	1,436	(2,688)	59	3,848	7,213	

It should be noted that the funding indicated in the above table has been confirmed for 2011/12 only. Future years are estimates (based on indicative national totals) at this stage.

In addition to the funding included above, Government have announced that a further £500m will be allocated in 2011/12 to meet urgent Basic Need requirements. It is understood that this will be distributed based on a formula of need, with allocations to be confirmed in December 2011. As an indication, should this be distributed on the basis of current allocations, Plymouth would receive around £2.1M additional grant.

In total, Wave 2 projects generate an 83 extra reception places for 2012. It should be noted that predictions show a need for 144 additional places by 2013, and a potential 200 further places by 2015. These expansions will require Capital investment and will be the subject of further reports.

As schools expand to deliver education to an increased number of pupils, new classes will need to be created which will have a revenue cost relating to the employment of teachers, teaching assistants and other curriculum resources. These costs will be funded from the ring-fenced Dedicated Schools Grant (DSG) which is allocated to the Authority based on actual pupil numbers. Given that schools funding is based on the pupils registered on the January census preceding the start of the financial year, individual schools will receive an increase to meet these additional revenue costs from the financial year following the pupil number increase in the

previous September. The Budget Modelling Group, set up by the Plymouth Schools Forum, will consider how the local schools funding formula can support schools facing increased revenue costs from the September rather than the following financial year.

Other Implications: e.g. Community Safety, Health and Safety, Risk Management and Equality, Diversity and Community Cohesion:

Schools are a key facility in their local communities and support wider cohesion in the area. An equality impact assessment has not been completed as the additional school buildings would be designed to current building regulations which are fully DDA compliant. In addition, these are community facilities which are open to all; therefore issues surrounding discrimination on the basis of age, faith, gender, race, or sexual orientation are not applicable.

The planning of Basic Need has been done on the basis of equal opportunity; ensuring that a broad, mixed and diverse provision is available across the city. This will offer parents choice and diversity in a sustainable way. Also a part of the strategic development is work related to the nature of special education and inclusion; making sure that Basic Need provision is in place for these services; to ensure that the diverse pattern of education contains sufficient places for more vulnerable groups.

Recommendations & Reasons for recommended action:

I. That Cabinet being minded to approve the in year expansion of PANs for reception years at Salisbury Road, St Joseph's, Holy Cross and Stoke Damerel Primary Schools, Cabinet ;

- gives approval to officers to commence the public consultation on the proposed expansion of these schools by raising their PAN in 2012 and having considered the responses to the consultation authorises the Cabinet member for Children and Young People to determine whether to approve the expansion of these schools by raising their PAN in 2012;
- approves the commencement of consultation on the statutory proposals to expand those schools;
- authorises the Cabinet member for Children and Young People in consultation with the Director for Services for Children and Young People, to consider the outcomes and responses to the consultation on the statutory proposals in relation to the three schools in Wave I of the programme (Mount Wise, Prince Rock and Riverside) and the four schools in Wave II of the programme (Salisbury Road, St Joseph's, Holy Cross and Stoke Damerel Primary) and determine whether to publish formal notice of the proposals;
- authorises the Cabinet member for Children and Young People in consultation with the Director of Services for Children and Young People, to consider the outcomes and responses to any formal notices that were published and in light of them to make a final determination on the proposals.

2. That the Council is requested to amend the Capital Programme to include the overall allocation as set out in section 5.5 of the report of £6.82m.
3. That the Council is requested to amend the Capital Programme to include the condition allocations in sections 5.8 and 5.9 for general condition in schools (£500k) and Boringdon Primary School (£1.5m) respectively .
4. That Cabinet authorises the contractual commitments in section 12 to vary the Private Finance Initiative (PFI) contract for up to £500k that will allow the undertaking of design work and obtaining of planning permission for Riverside Community Primary School.

Alternative options considered and reasons for recommended action:

The Council needs to take into account that it would be failing in its statutory duty to provide sufficient places in schools for parents and pupils within the city if it chose not to progress to supplying additional school places.

In developing the proposals for the Wave II schools, presented in this Cabinet Paper, all 92 schools have been considered as options to meet growth. In addition, a number of schools have been taken forward for more detailed analysis and evaluated against developed criteria.

Consideration has also been given to whether there are suitable Free School proposals in the city of sufficient development to meet part of the growing demand.

Consideration has been given to the use of bulge classes and split timetables.

All the projects, as they develop, are analysed for alternative building procurement routes; this includes the use of temporary buildings, system buildings and also more permanent traditional building techniques.

Background papers:

1. [Investment for Children Cabinet Paper approved 11 November 2008](#)
2. [Plymouth City Council Children’s Services Strategy for Change Investment for Children](#)
3. [Basic Need Cabinet Paper 19 October 2010](#)
4. [Basic Need Cabinet Paper 8 March 2011](#)
5. [CIL and PINA Cabinet Report July 2011](#)

Sign Off:

Fin	AF CHS 0355	Leg	TH00 27	HR	N/A	Corp’ Prop	CJT/08 0/1808 11	IT	N/A	Strat’ Proc	
Originating SMT Member: Colin Moore, Assistant Director for Lifelong Learning											

1. Introduction

1.1. In October 2010 and in March 2011, Cabinet received reports on the rising numbers in primary schools and the developing need for primary school places in the city. This growth in demand is known as Basic Need.

1.2. The detailed analysis of the growth in Plymouth was considered at Cabinet on 19 October 2010, and approval was given to officers to begin consultation on proposals to meet this demand. A further report was presented to Cabinet on 8 March 2011, which approved the expansion of five schools with effect from September 2011. In total five schools' PANs were increased giving an additional 120 places available at reception age for the September 2011 admissions. When all primary places were announced in June, a total of 81 per cent of the planned increase was filled with reception age children. This left 45 places for in year admissions, which was believed to be manageable, although it makes placing in year reception age children extremely difficult. The position at the start of September has changed to the point where the number of reception places has dropped to 36 and parental first choice preference has dropped to 86.3 per cent from a figure of 89.7 per cent for 2009. We are aware of 66 parents that have refused their allocations and 195 children who did not apply for a place in a state funded school. There remains a risk that during 2011/12 there will be insufficient reception places and children would have to be offered non-reception classes.

1.3. The capital projects to expand the buildings, or in some case reorganise accommodation to increase capacity, have been progressed sufficiently to make classrooms available in September 2011. The bulk of the expenditure is planned for building works over 2011/12, ready for completion in September 2012. This will conclude the building works for Wave I, making rooms available in these schools for the rise in PAN to feed through the schools.

1.4. There has been an ongoing consultation with schools to put forward proposals to deal with the future growth in 2012. This is now Wave II growth.

2. Birth Rates in Plymouth

2.1. The live birth figures provided by the Plymouth NHS Trust are compared with the number of children arriving at school four years later and this data is used to produce a trend which is used to forecast future school years' reception cohorts.

2.2. The data was then used to look at each locality in detail and to analyse the pressure that has been experienced by the admissions team in placing children in certain hot spots around the city. The results of this analysis on a locality by locality basis are as follows:

North East and Central (NEC)

This locality has a capacity based on PAN that is higher than its actual capacity. This means that at full capacity the locality would be over by 288 places. NEC is an importer of pupils and a significant amount of pupils live outside the locality.

North West (NW)

The North West has traditionally exported pupils and has lost a significant number of pupils to surrounding localities. Wave I has increased the PAN of three schools in or near the NW, which has reduced the number of children attending schools outside of the locality they live in. The most recent data up to July 2011 continues to

show an increase in the number of children born within the NW. Schools in the NW were significantly oversubscribed in September 2010, which resulted in a number of pupils being placed at different schools to either their siblings or their three preferences.

Plymstock

Plymstock currently has surplus capacity and this is expected to remain, at least until 2014. The number of children born in Plymstock is always lower than the PAN and it therefore attracts pupils from neighbouring localities.

Plympton

The number of children born in Plympton is lower than the PAN and is expected to attract some pupils from neighbouring localities, based on the current pressure.

South East

In the South East, the number of children born each year usually exceeds the PAN and this locality exports a large number of children to neighbouring localities. Wave I of the Basic Need programme included a PAN increase at Prince Rock Primary School, which has reduced the pressure on neighbouring localities by retaining children that were expected to attend schools outside the South East.

South West

The South West locality has seen the largest growth in the number of children born since 2008. The most recent data indicates that these numbers are still increasing, with the total number of births for the academic year 2010-2011 expected to be the highest seen in the last 20 years.

2.3. It is clear from this analysis that the localities that are in the highest need for additional school places are the North West, South West and the South East. The first wave of investment, which was approved in the March 2011 Cabinet Paper concentrated on the North West and north part of the South West locality. The analysis of the 2011 admissions data indicates that the acute need of the North West locality has largely been met and that the greater need now switches to the South West locality. It remains a priority to deliver the city's aspiration for good quality local provision with healthy and sustainable schools in the heart of their communities, it has been concluded that in Wave II of the programme the South West needs to be the next locality to be considered for expansion. This policy direction also supports the development of the city in sustainable neighbourhoods, reduced car journeys to school, reducing congestion and reducing the impact of the growth of carbon emissions.

2.4. An additional factor that has been considered in Wave II is schools that have a negative bulge. This is where the school's building capacity, described as the Net Cap has an Indicated Admissions Number (IAN), which is below that of its PAN. These schools haven't in recent years recruited to PAN in all the year groups so the net effect has been the buildings have sustained a higher PAN. As numbers increase the schools have been recruiting to PAN and the forecasts tell us that this will continue over the coming years. This means that this negative bulge will disappear and additional accommodation will be needed to sustain the existing PAN. In these cases consideration has been given to reducing the PAN and/or providing additional accommodation at these schools to resolve immediate issues.

3. Consultation with Schools

3.1. In the same way as was reported in the March Cabinet Paper analysis of schools data for capacity, standards, popularity, site and building area as well as neighbourhood growth data has been used to target schools for potential growth. As with Wave I, schools that have odd number PANs or half year groups have again been targeted to ensure that the growth offers the opportunity to rectify inefficiencies that lead to poor organisation of classes. A number of further meetings have been held with schools and their governors to establish their appetite for growth. All the meetings held with schools and their governors have received a positive response to growth.

3.2. One such case of negative bulge (discussed above) is St Peter's Church of England (Community) Primary School. The PAN is currently set at 25, if the school continues to meet its PAN there will be insufficient space to meet the needs of all the pupils. Due to the restricted nature of the site discussions have been held with the Headteacher, Governing Body and the Diocese to reduce the PAN to 20 with effect from September 2012. The school will still require additional temporary accommodation from 2012 to 2018 to enable all the pupils to be taught in appropriate teaching spaces. St Peter's remains the priority for expansion on an expanded site for the new Millbay developments. A letter has been received from the Governing Body agreeing to the proposal to reduce the PAN. The planned growth in the area has taken into account this reduction in places, which is reflected in the proposals for Wave II growth.

3.3. The results of the consultation held to date remains as reported to Cabinet in March 2011, which is that schools are cautious in their agreement to expand. Governors remain concerned that the capital investment will either not be available to meet the demand, or be insufficient to provide the accommodation that will offer children a varied and rich curriculum. There remains also concern that acceptance of growth will leave the school with a legacy of temporary accommodation that in the past has been hard to resolve with long term capital solutions.

3.4. As in Wave I, concern has been expressed regarding the very limited capital investment available to Basic Need. Those schools which are expanded will have less space outside the general teaching classroom to offer an enriched curriculum. This is a common concern which is considered as a negative on the current position.

3.5. As a result of the above discussions the following five schools have been identified for Wave II. These are:

- Holy Cross Catholic (Community) Primary School – SW Locality
- Salisbury Road (Community) Primary School – SE Locality
- Stoke Damerel (Community) Primary School – SW Locality
- St Joseph's Catholic (Community) Primary School – SW Locality
- St Peter's Church of England (Community) Primary School – SW Locality

3.6. The next stage is to continue to meet with headteachers and their governing bodies to enable more work to be carried out in relation to the detail of the investment needed to resolve the building capacity issues at these schools.

3.7. The final stage will be to meet the requirements of Schedules 2 and 4 of The School Organisation (Prescribed alterations to maintained Schools) (England) Regulations 2007 (as amended); these set out the alterations that can be made by governing bodies and local authorities. The following sets out the changes:

Enlargement to premises:

Statutory proposals are required for a proposed enlargement of the premises of the school which would increase the capacity of the school by both:

- a. more than 30 pupils; and
- b. by 25 per cent or 200 pupils whichever is the lesser.

Cabinet previously agreed the expansion of five schools for Wave I for September 2011, three of the five schools (Mount Wise, Prince Rock and Riverside Schools) from Wave I require statutory consultation to be undertaken in order for the premises to be expanded from 2012 and four schools within Wave II will require consultation to be undertaken. Subject to approval by Cabinet, it is proposed to commence consultation in the autumn term to ensure all approvals are in place early in the spring term 2012.

4. Planned Admission Number (PAN) increases

4.1. Each of the schools listed above, would be required to increase their PAN from September 2012 for reception admissions. The Council will complete an in-year variation for each of the schools to increase numbers as illustrated below:

Name of School	Current PAN	Proposed PAN September 2012	Additional Places per Year
Holy Cross Catholic (Community) Primary School	30	60	30
Salisbury Road (Community) Primary School	60	90	30
Stoke Damerel (Community) Primary School	45	60	15
St Joseph's Catholic (Community) Primary School	17	30	13
St Peter's Church of England (Community) Primary School	25	20	-5

4.2. In total, this would generate 83 extra reception places for 2012, which meets the projected demand. The School Admissions Team will consult and plan the full increase in the schools' PAN (not just the reception age) for 2013, which will follow the full statutory processes as is being completed for Wave I.

4.3. Predictions show a need for 144 additional places by 2013, and a potential 200 further places by 2015. These expansions will be dealt with by an expansion of schools in Wave III to VI and will be subject to further Cabinet Papers.

5. Capital implications

5.1. As reported to Cabinet in March 2011, delivering additional school places can potentially have a high capital cost if they are all created by building new classes. Some schools have spaces that do not count towards the available net capacity of the building. These can be converted to classrooms that meet initial Basic Need growth. The conversion of this space is proving to be at relatively low cost, or indeed in

some cases, no cost at all. This means that even in this second year of growth it has been relatively easy to find primary schools that can take an extra reception class in September 2012. This means that the initial growth has relatively low capital impact. However, as reported in March there are implications for using this accommodation because, as places are offered to parents with children in reception year a commitment is being made that the school would have spaces available as the child grows through the years while new reception classes are joining each year. It therefore follows that a decision to expand the PAN for reception is implying a capital project that follows on in 2013.

5.2. The need for investment over the long term for basic need growth is being analysed and it is evident that the scale of investment to meet demand is very considerable. As a consequence it has been established that each wave needs to be phased. This means that where a IFE expansion is proposed it should be delivered in two distinct packages of work, expanding infants at the outset and building a junior expansion as the numbers develop through the school, up to a maximum of three years later. The capital modelling for Wave II in section 5.5 below makes allowance for the first phase of five schools to increase their PANs as listed in section 4. A second phase of capital investment would be required in three years time.

5.3. As predicted there are fewer schools in Wave II, where the provision of underused space is available for initial growth. This means that to affect a suitable cash flow that would make a programme of investment affordable, allowance has been made at some schools for temporary accommodation in September 2012 followed by building projects. In addition, greater consideration has been given to phasing the works as the expansion moves through the school.

5.4. The affordability of the Basic Need programme has been modelled on the first two years (2011/12 and 2012/13), which incorporates the Wave I schools and the starting of some Wave II projects. Further updates to the affordability of projects in 2013/14, 2014/15 and 2015/16 will only become clear when the Government makes announcements on the arrangements for capital investment in schools. This has been subject to Sebastian James' Review of Education Capital, which was published in April 2011, and the Government's Response in July 2011. This will form part of the Corporate Capital programme when monitoring papers are presented to Cabinet throughout the year.

5.5. The infrastructure investment needed to expand the schools as set out in section 4. above is as follows:

Name of School	Phase 1 Cost/£M	Phase 2 Cost /£M
Holy Cross Catholic (Community) Primary School	£0.80	£0.80
Salisbury Road (Community) Primary School	£1.59	
Stoke Damerel (Community) Primary School	£1.98	
St Joseph's Catholic (Community) Primary School	£0.64	£0.85
St Peter's C of E (Community) Primary School	£0.16	
Total	5.17	1.65
Grand Total of £6.82m		

5.6. The Council received confirmation of the level of capital allocation for 2011/12 in December 2010; there was an indication that 2012/13 will be in line with these allocations. This has been the basis of the capital allocations that are presented in the Council's Capital programme. However, on the 19 July 2011 the Government announced that an additional £500m will be allocated to local authorities in 2011/12 to meet urgent Basic Need, this being in addition to the £800m already allocated. There is little information of how this additional funding will be allocated or how it will be distributed amongst Free Schools, Academies and local authorities. It has been necessary therefore to present this proposal of capital need in isolation of what capital funding might be confirmed from Central Government grants to meet this investment pressure.

5.7. When responding to the Review of Education Capital, on the 19 July 2011, the Government also announced a Priority School Building Programme. This is a new PFI Initiative that seeks to rebuild the equivalent of 100 secondary schools. However, in the criteria it is open to applicants of the scheme to use the funding to develop projects that will meet Primary Basic Need. Bids for PFI credits need to be submitted by the 14 October 2011. This opportunity would not deliver in the timescale or be suitable for the Basic Need proposals contained in this paper. However, the development of future Basic Need proposals may consider future waves of this funding scheme.

5.8. The affordability of Wave I and now Wave II can only be achieved by using capital funding allocated to the Council for Capitalised Maintenance of school buildings. This poses an issue for the Council; as the condition of school buildings remains poor and in need of more and not less investment. As a consequence, the Council has made provision to ensure that there is a Condition funding pot for schools in the Capital programme, where schools can bid for condition works total £500k.

5.9. The condition of school buildings is a growing concern for the Council as funding for school buildings has dropped very significantly. In December 2010, the Council had to dramatically cut back the Capital programme for schools in the light of the Government announcement that nationally the capital for schools was to be cut by up to 60 percent. At this time, projects that were well developed and due to be contractually committed were removed from the programme. The announcement that the Government will allocate additional funding to meet the commitment of Basic Need means that the pressure on the Capital programme can now be reconsidered. Hence the proposal that one of these projects, the replacement of temporary accommodation at Boringdon Primary School, can now be committed to contractually. This targeted commitment of £1.5m in the Capital programme would be spread over three years starting in 2011/12.

6. Criteria for choosing waves

6.1. Chiefly the priority for demand has been in the hot-spots of the North West, South West and South East localities and schools serving these localities have been given the highest priority for Waves I and II.

6.2. Careful consideration has been given to those schools that could offer space in their existing building for September 2012 as well as the opportunity to add either a whole or half a form of entry to the school by 2012. These schools were given a high weighting in the analysis as they offered the greatest opportunity to meet demand and would make the programme affordable in the short term. In addition, for Wave II consideration has also been given to the popularity of and standards in schools. This follows the Council's adopted policy to expand popular and successful schools.

6.3. Further consultation will be undertaken in the autumn over the distribution of growth and a proposal on Wave III to VI priorities, which will be brought to Cabinet in December 2011.

7. The method of calculating the Basic Need allocations

7.1. The Council has well established records on the costs of building schools from recent investment programmes so is in a good position to assess building costs. It is this cost basis that has been used in setting the allocations.

7.2. The formula to arrive at the allocations for each school has used the national guidance of floor area for primary schools (BB99) less five per cent. This reduction is the expected Government assessment of reduced floor area in schools. The reduction target of 15 per cent, as set out by the Government, proved unworkable with schools as it didn't deliver sufficient breakout places for the schools to manage a broad curriculum offer to the diversity of abilities. The calculation takes the advised floor area for the proposed size of school and subtracts the measured area of the existing building. This creates a new build footprint to which a new build cost per m² is applied. This method means that inefficiencies in the existing buildings need to be addressed in the proposal as the buildings are only just big enough to meet their purpose.

7.3. In addition to the new build area, a judgement has been made on the area of refurbishment that is needed; this has been divided into major and minor refurbishment, which uses different rates per m².

8. Abnormals

8.1. It is expected that each project will have the need to overcome some specific works that are necessary in order for the planned works to go ahead. Examples of these costs are: planning obligations, significant repair work to existing buildings, or costs associated with unforeseen work in the ground. These are known as abnormals. Such costs have been allocated to a separate capital line so that they can be assessed across the programme and allocated using a virement once the issue has been properly evaluated by the Project Board. This is in line with the arrangements for Wave I.

9. Programme Governance

9.1. The Wave II projects will be managed and delivered through the governance arrangements approved by Cabinet in March 2011 for Wave I. This is overseen by the Capital Delivery Board, which will challenge and approve the capital expenditure in accordance with the Council's priorities. Projects will continue to be reported via the quarterly budget and performance reports.

9.2. Under the Capital Delivery Board, delivery responsibility for the programme will be given to the senior responsible person, the Programme Director for Learning Environments, who chairs the Programme Board, which has delegated authority to make all decisions affecting the procurement and management of the programme. This Board will delegate the day-to-day responsibility for managing the programme to the Programme Manager.

9.3. It will be the senior responsible person who will be responsible for taking projects through the Council's project management processes and gain the relevant approvals through the Capital Delivery Board of the Council. This authority shall be exercised in accordance with Council's Standing Orders and Financial Regulations.

9.4. A detailed Risk Register has been developed that has informed the Corporate Risk Register and a Communications Plan and Engagement Strategy has also been developed.

10. Section 106 and Tariff

10.1. Detailed analysis of all available Section 106 and Tariff money that is banked by the Council has been undertaken and all projects that could be funded through this infrastructure investment have been taken into account for Wave I and II. Increasingly, future waves of projects will depend heavily on the allocation of Section 106 and Tariff funding as they seek to respond to not only the birth rate growth but the city growth and inward migration, which is subject to major planning applications. Negotiations have taken place on substantial infrastructure need in Plymstock Quarry, Millbay and the Northern Corridor. However, there will continue to be a tension between the tight Government capital settlements and developers bearing the infrastructure costs through Section 106 and Tariff.

10.2. In July 2011, the Council adopted the Plymouth Infrastructure Needs Assessment (PINA) and set out the development of the Community Infrastructure Levy (CIL). These documents contained the initial assessments of need. However, this Cabinet Paper develops the proposals and this detail will now be added to the PINA.

11. Use of temporary accommodation

11.1. In March 2011, it was reported to Cabinet that a procurement option could be available to the Council that would allow us to seek tenders for the new classrooms from system build or temporary classroom manufacturers. This option is from a market that is relatively untested in Plymouth, although it is a growing market across the country. It had been hoped to soft-market test this option alongside a more traditional 50 year life construction to fully understand the advantages and disadvantages of this type of construction. Unfortunately, procurement arrangements prevented this from happening, although two of the Wave II projects are being tendered with this option.

11.2. Given the ability in the initial stages to take advantage of existing buildings, in Wave I and II options remain broadly traditional in their method, however, the shorter term value for money option of using system build may prove attractive to make the programme as a whole affordable when Waves III to VI are included.

12. Riverside Community Primary School

12.1. The expansion of Riverside Community Primary School was one of the five projects included in the Report to Cabinet in March 2011. This is a PFI school, which requires a greater understanding of the contractual and financial commitments. In order to progress this project and allow Pyramid to undertake the design work and seek the necessary planning permission; it is necessary to vary the current PFI contract. Given the scale of this project, potentially above £2m, Cabinet approval is sought to vary the PFI contract for up to £500k. The funding for this project is already in the Council's Capital programme under Wave I and will enable the Council to achieve financial close on the project.