

Report to: PUBLIC SERVICES COMMISSIONING BOARD

Date: 12 November 2008

Report of: Corporate Director, Children & Young People

**Secondary Schools Strategy:
Building Schools for the Future (BSF) Expression of Interest 2008**

1. BACKGROUND AND CONTEXT

- 1.1 The Building Schools for the Future (BSF) Programme aims to ensure that local authorities transform the learning experience of pupils and improve educational outcomes for children and other learners.
- 1.2 Stockport established a Secondary Strategy Group early in 2007 to formulate a set of values and principles about how secondary education should be planned locally to ensure the long-term viability of existing schools with the overriding aim to provide the highest possible quality of education for Stockport's young people. Headteachers and Chairs of Governors agreed to a set of guiding principles established in a Memorandum of Understanding in January 2008.
- 1.3 There have been a range of reports on the progress of the work:
- Report to the Executive: *Building School for the Future* December 2003
 - Report to the Executive: Secondary School Places Review March 2005
 - *Secondary School Places Review* Lifelong Learning, Leisure and Cultural Services Scrutiny Committee; March 2006
 - Report to the Executive: *Secondary Surplus Places – Response to the scrutiny Review* June 2006
 - Report to the Executive: *Secondary Strategy Group Report on Progress*: August 2006
 - Report to the Executive: *Strategy for the Future Provision of Secondary Education in Stockport*: January 2007
 - Report to C&YP Scrutiny Committee: *Secondary Strategy Update*: February 2008
- 1.4 The Council has developed a draft 'Secondary Strategy for Change' in consultation with headteachers, key officers across the Council and with input from various external partners. This was shared at the June 2008 conference held at the Together Trust.
- 1.5 Stockport's secondary school buildings are suffering from significant condition and suitability issues and are in poor condition. The backlog of repairs required is estimated to cost over £30 million. Even with such repairs, the layout and facilities would not match or support the changing curriculum requirements for the future. Stockport's secondary schools have performed well over the past two years and GCSE performance has improved significantly. In order to sustain and enhance performance further and to narrow the attainment gap which exists in the Borough it is essential that investment is made in the secondary school infrastructure and headteachers and their staff are supported to provide education facilities for the 21st Century.
- 1.6 In January 2008 Partnership for Schools (PfS), the Government agency charged with the delivery of BSF, announced that future waves of entry to the scheme would rely upon local authorities being able to demonstrate their 'readiness to deliver'. However, the subsequent invitation to submit a case went only to authorities earmarked for Wave 7,

which did not include Stockport (allocated a place in Waves 15-17 with a start date of 2017).

2. OPPORTUNITY FOR ACCELERATED ENTRY: EXPRESSION OF INTEREST

2.1 The Government now wishes to accelerate the number of local authorities involved in the Programme and in September 2008, the DCSF issued guidance to local authorities for submission of a fresh *Expression of Interest* with a deadline of 30 November 2008. Local authorities not yet entered into the Programme are invited to bid for an initial phase of work, with a cap of £80million, to include four or five schools. It seems likely that Stockport, and other authorities bidding to enter BSF now, will deliver the work within three or four phases over twelve years once entry to the scheme is achieved.

2.2 It is apparent that previously successful bids have made a clear case for how their secondary school provision would support the schools' communities. Preservation of the status quo with renewed or rebuilt secondary schools, no matter how urgently building work is needed, is not acceptable as the sole criterion to PfS or to the Government. The expectation is for secondary schools to radically improve their standards of performance (for both attendance and achievements) and to become a major resource for their communities. Every school should become a full service-extended school offering additional facilities for the whole community (eg health centres, libraries, ICT provision). The core offer that they should meet and hope to surpass is:

- high quality childcare before and after school hours;
- a varied programme of activities such as homework clubs, sports, extended subject support and interest societies;
- parenting support;
- specialist services access;
- provide wider community access to ICT, sports and arts facilities, including adult learning opportunities.

Schools will therefore be expected to operate extended hours and support a wider client base with access to multiple agencies in support of their communities.

2.3 Whilst most of the points above are widely known and understood within the aspirations established from the Every Child Matters agenda, there are further Government objectives that the BSF transformation needs to provide. These could include, for example, supporting schools entering trust status or supporting the 14-19 agenda, specifically the new Diplomas. The expectation is that rebuilt/renewed secondary schools will offer lead facilities for Diplomas, appropriate to their specialism, to their neighbouring schools.

3. ESTABLISHING THE PRIORITY SCHOOLS FOR EARLY PHASES

3.1 The new guidance indicates that local authorities must seek to secure buildings which:

- drive reform and improve educational standards, particularly raising attainment for pupils who have traditionally underachieved, thus reducing the attainment gap in the borough;
- are world class and fully supported by ICT;
- increase choice and diversity of provision, offer extended services which are well used by the community, and co-locate other services;
- are well and suitably designed, well built, on time and properly maintained.

The criteria set to prioritise projects have been identified by DCSF as:

- social and educational need;
- building need;
- contributing to local or regional regeneration, including co-location of other public services;
- school reorganisation;
- sustainable communities, housing and population growth.

3.2 Priority for the national BSF Programme has been to provide better facilities and improved opportunities for areas of greatest social disadvantage and this is the main reason why Stockport has not been included in the first waves even though we are a highly polarised authority with significant areas of social deprivation. It is proposed that the areas of greatest deprivation form the basis of our Phase 1 bid.

3.3 The highest levels of social deprivation are found in the Brinnington area, which has no school of its own. The reports of the Brinnington Partnership record that in both 2006 and 2007 performance at GCSE 5 A*-C was below 14% which is well below the national 'floor target' of 30%. The majority of Brinnington secondary school students attend four schools in the borough. According to a recent report from NPS, these four schools also appear to be amongst the school buildings most in need of replacement or repair. It is therefore proposed that these schools should be prioritised within the first two phases.

3.4 Within the restrictions of a) a maximum of five schools, b) an £80 million cap c) the need to create a package of projects that would include some minor works alongside major rebuilds - it will not be possible to include all the schools most in need in our Phase 1 bid. Given the restricted timetable for submission of an *Expression of Interest*, work is still required to prioritise the most appropriate combinations for maximum impact.

4. READINESS TO PRODUCE A STOCKPORT BID

4.1 C&YPD has created the post of Programme Director, Schools Organisation and the post-holder acts as project director for the BSF bid, under the strategic lead of a Service Director within C&YPD. The Schools Organisation role additionally supports developments in the nursery and primary school fields.

4.2 In January 2008, a project board was established for the BSF bid. This board has representation from secondary headteachers and secondary governors alongside professional officers from school improvement, admissions, finance, SEN support and HR. It is likely that the board will need to expand once we have entry to BSF although the existence of the board is seen as an important contribution to a 'readiness to deliver' bid. The board approved a draft 'Secondary Strategy for Change (part 1)' document in June that was shared with all our secondary schools to enable them to shape their long-term planning. The Draft Strategy for Change document will serve as the basis for a revised Secondary Strategy for Change (part 1) for wider consultation in November.

4.3 The timetable for a BSF bid is restrictive and there may be a need to parallel track proposals through the local democratic processes and consultations with stakeholders whilst submitting the bid to PfS and DCSF. Schools for inclusion in the early phase will now need to discuss their proposals with their own stakeholder groups, especially parents and interested parties within their own communities.

4.4 In detail, the sequence required is:

- November 2008: submit an **Expression of Interest**;

- November and December 2008: consult upon a revised **Secondary Strategy for Change (part 1)**
- January 2009: Present a **Readiness to Deliver** document for Executive approval

We would expect notification in March /April 2009 on whether the bid to accelerate entry into the programme had been successful.

5. MAJOR RISKS ANALYSIS

- 5.1 There are a number of risk factors associated with entry into the Programme; these can be summarised under two headings, Financial and Transformational.
- 5.2 **Financial:** Across the twelve years envisaged for Stockport's BSF delivery, the total government support is estimated to amount to £225 million. However, a large funding gap is implicit in gaining entry to the Programme and in all existing schemes local authorities are required to fund the affordability gap. The initial gap is the difference between what the Government offers in PFI credits, supported borrowing and design/build grants and the actual cost of the build programme. On average this seems to fall between 12% and 18% of the total cost. The phase one bid is for approximately £80 million, and later a second phase is anticipated for up to £100 million.
- 5.3 In addition, there will be a requirement for a revenue budget of around £850k to establish and maintain the programme in the initial years and for a smaller permanent team to manage the PFI contract in the long term. There would be a long-term payment to the PFI contractor for the rebuilt schools, debt generated and facilities management over the life of the contract. Whilst the majority of these costs would be met from the PFI credit and existing school budgets there is likely to be significant additional cost on an annual basis.
- 5.4 Given the nature of the project we will not know the full costs until detailed planning and feasibility studies are commissioned. All these costs need to be offset against the large and increasing sums of money the Council is currently spending on repairing buildings. The Readiness to Deliver document requires full support from the Council acknowledging that this point in particular is understood and a commitment made to funding the affordability gaps.
- 5.5 **Transformational:** Nationally, the BSF Programme is a £45 billion project over 18+ years. For this level of investment the Government wants more than re-built or refurbished schools. Local authorities are required to demonstrate that the educational offer will radically change, for example by enabling: the use of the school building as a community hub or resource; a wider curriculum offer that embraces the new diplomas and apprenticeship; a shake-up of school identity embracing trust status; innovative ideas over site sharing and co-location and an impetus to improve standards.
- 5.6 Without the full engagement of schools and other stakeholders to explore and support proposals for Stockport there is little chance of accelerated entry into the Programme.

6. CONCLUSIONS

- 6.1 The BSF Programme provides a rare opportunity to radically improve our secondary school buildings and the offer they can make to their communities. Given the condition of our existing buildings and the high-cost of repairs and maintenance, we should take the earliest opportunity available to begin to transform what school sites offer to our children, young people, other learners and the community. Early entry into the Programme would enable investment from 2011 onwards (rather than 2019) in several of our poorest

secondary school buildings to give the young people of Stockport the educational facilities they deserve.

6.2 At its meeting on 10 November, the Council's Executive has been requested to agree to submit an Expression of Interest by 30 November 2008 to the DCSF to gain early entry into the BSF Programme, delegating authority to the Chief Executive, in consultation with the Leader of the Council and the Executive Councillor, Children & Young People, to approve the final expression of interest and to determine the priority projects for inclusion with the Expression of Interest;

7. **RECOMMENDATIONS**

The Board is required to note the report and the additional work required in further developing Stockport's Secondary Strategy for Change and Readiness to Deliver.

Anyone requiring further information should contact Richard Bates, Service Director on 0161 474 3832, or Stephen Bell, Programme Director, Schools Organisation on 07527 387 060 or by email richard.bates@stockport.gov.uk or stephen.bell@stockport.gov.uk