

Committee:	Dated:
Education Board	03/12/2021
Subject: Academies Development Programme - Update	Public
Contribute to a flourishing society	3 & 4
Does this proposal require extra revenue and/or capital spending?	No
If so, how much?	N/A
What is the source of Funding?	
Has this Funding Source been agreed with the Chamberlain's Department?	
Report of: Andrew Carter, Director of Community and Children's Services	For information
Report authors: Gerald Mehrtens, Director of Academy Development	

Summary

This report is to update the Education board on the progress of the Academies Development Programme, since it was last reported to this board on 1 July 2021.

The City of London Corporation (CoLC) now sponsors 10 academies, all within the City of London Academies Trust (CoLAT), from a mixture of Free School applications, an existing academy joining, an academy conversion, and the two previously City co-sponsored academies joining CoLAT in September 2020. Of the six academies embarked on capital builds, four have completed with a further two capital builds in progress.

Regarding Newham Collegiate Sixth Form (NCS) capital build, planning permission has been achieved, the contractor has been appointed, with the legal agreements (S106) currently being concluded for planning determination to formally be issued. With the current state of the construction industry, and with delays to date, the Department for Education (DfE) will need to approve an uplift in the budget to remain within the present design. If the DfE are able to get into contract before the new year current projects are delayed delivery of the scheme in quarter 2, 2023.

Regarding the City of London Academy (COLA) Highgate Hill capital build, early works are nearly completed with conclusion of the legal agreements (S106) expected within the next few weeks. Delays in the contractor being able to provide a compliant fire design, and finalising costs, has resulted in being unable to proceed with demolition. Current projected completion of the build is a delay until late 2022/early 2023. Also, approval of an uplift in the budget will be required to remain within the present design.

With regards to the two recently completed capital build scheme, City of London Primary Academy Islington (COLPAI) and City of London Academy (COLA) Shoreditch Park, opening events were held on 1 October 2021 and 26 November 2021 respectively.

With regards to the two previously co-sponsored City academies which joined CoLAT in September 2020, confirmation has now received that TCAH has also been struck off the Companies Register with the dissolution date of the Company being 12 October 2021.

The work of the Academies Development Programme to date has achieved the CoLC now sponsoring 10 academies, all within the City of London Academies Trust. On completion of the capital build programme a total capital investment in excess of £96m, and when the academies are operating at full occupancy, in excess of 9,000 pupils being educated in City sponsored academies each academic year.

Recommendations

Members are asked to:

- Note the progress of the academy's development programme.

Main Report

Background

1. CoLC first became a sole academy sponsor in 2003 with the City Academy (Southwark). This was followed by CoLC becoming a co-sponsor for City of London Academy Islington in 2006 (with City, University of London), and the City Academy Hackney in 2008 (with KPMG). In 2014, Redriff Primary School in Southwark, already an academy, joined as a City academy under The City Academy (Southwark) Master Funding Agreement.
2. The increasing need for school places across London from 2010 onwards, and conversations between CoLC and 4 surrounding local authorities, led to the start of the Academies Development Programme with CoLC submitting 2 DfE Wave 8 Free School applications for primary academies in Southwark and Islington in 2014 which were confirmed as successful in 2015. This was followed by four Free School applications for academies in Wave 13 of the DfE application process in 2016, in Hackney (2 secondary academies), Newham (sixth academy) and Islington (secondary academy), all of which were successful. However, following further projections on pupil numbers in Hackney a decision was made in 2019 not to proceed with the second secondary academy.
3. In January 2016, the CoLC Court of Common Council approved the establishment of a multi-academy trust which all 'new' City academies would fall under. In addition, in March 2017 the CoLC Policy and Resources committee approved CoLC becoming the sponsor for a failing secondary school, following a request for support from the London borough of Islington.
4. On the 17 May 2018, the CoLC Education Board reiterated its decision of March 2016 to limit the sponsor exposure through the expansion of the CoLAT to a maximum of 12 schools in the next few years. On 16 January 2020 Members of the Education Board supported the recommendation to the expansion of CoLAT by the transfer of TCAH and COLAI to CoLAT, consent required from the CoLC under the CoLAT/CoLC Sponsorship Agreement.

5. There are now 10 CoLC sponsored academies, all within CoLAT, which are listed below along with their date of opening within CoLAT.
- The City of London Academy (Southwark) September 2003
 - Redriff Primary – City of London Academy September 2014
 - Galleywall Primary, City of London Academy September 2016
 - City of London Primary Academy Islington September 2017
 - City of London Academy Highgate Hill September 2017
 - City of London Academy Shoreditch Park September 2017
 - City of London Academy Highbury Grove December 2017
 - Newham Collegiate Sixth Form, City of London Academy January 2018
 - City of London Academy Islington September 2020
 - The City Academy Hackney September 2020
6. There are 6 academy capital builds within the Academies Development Programme with present projections showing a capital investment in excess of £96.5m. from a variety of funding sources, notably the DfE, LB Hackney, LB Islington and CoLC. This figure does not include the significant funding for temporary accommodation for COLA Shoreditch Park and COLPAI, nor the uplift of budget needed for NCS and COLA Highgate Hill capital builds.

Current Position

7. Of the six academies embarked on capital builds, four have completed with a further two capital builds in progress.
8. Regarding NCS capital build, planning permission has been achieved, the contractor has been appointed and currently concluding the legal agreements (S106) for planning determination to formally be issued. The legal process is taking longer than anticipated in working with London Borough of Newham (LB Newham) regarding some of their requirements. The DfE are considering the contractor's request for an uplift to the budget due to the cost of materials, which is hoped will be concluded soon but inevitably is adding some time to the project. If the DfE are able to get into contract before the new year it is projected delivery of the scheme will be Quarter 2 2023. The key risk presently is the costs against the budget and the impact of the market, which the DfE are progressing internally. Also, there is a risk with LB Newham in terms of approvals to undertake works to the Library as despite early dialogue of the works, LB Newham they have recently stated that they are going to undertake some works that could clash with the lift position. In addition, squatters have moved into the former East Ham Police Station building and whilst the DfE are already dealing with this, there is a time and cost risk attached to this issue. The next steps for this capital build are the DfE to resolve budget against costs situation, secure additional funding approval and entering into the build contract for delivery stage.
9. Regarding COLA Highgate Hill capital build, planning permission has been achieved, early works are nearing completion and the S106 agreement is expected to be completed within the net few weeks. However due to the delays in the contractor being unable to provide and submit a compliant fire design until the beginning of November, and finalising costs, has resulted in being unable to

proceed with demolition until the DfE have cost certainty. This has in turn led to a delay in the contract start and completion date, now projected as late 2022/early 2023. Discussions are beginning now with school about how the DfE deliver requisite accommodation for September 22 until completion. The Main risk is financial approval for the revised budget which is being sought as soon as costs confirmed. Next steps for this capital build are secure additional funding approval, complete S106 agreement, and the DfE to get into contract, or extension of early works contract, to get on site as soon as possible. The board may wish to consider how progress on both these remaining capital builds, and their risks, are regularly monitored and reported to the board.

10. In terms of the broader risks, the projected changing demand for pupil places across London is showing areas of surplus school places with the majority of London local authorities having to seek reduction of the Pupil Admission Numbers for some secondary schools in the coming years, Pupil Place Planning being the subject of a separate report to this board 8 July 2021. Also, there is increasing competition as schools improve the provision they offer. CoLAT will wish to consider these in terms of the City's academies ability to fill its places and/or further expansion. The current occupancy for City academies is attached as Appendix 1.

Corporate & Strategic Implications

11. Strategic implications

This proposal delivers on the following strategic objectives of the CoLC:

- a. to contribute to the outcomes within the CoLC's Corporate Plan to 'Promote effective progression through fulfilling education and employment', and 'to contribute to a flourishing society' as its aim.
- b. the CoLC Education Strategy for pupils in the CoLC's family of schools to have access to transformative education, enabling them to achieve their potential, flourish and thrive.
- c. the Department of Community and Children's Services Business Plan's priority objective 'Potential', which states: "People of all ages can achieve their ambitions through education, training and lifelong learning", with the outcome to be achieved by "Delivering an outstanding education offer through the CoLC's family of schools.

12. Legal implications

Contained within the report

13. Financial implications

All free schools are funded directly by the Education and Skills Funding Agency, with any 'new' academies joining CoLAT requiring 'new' Supplementary Funding Agreements falling under the CoLAT Master Funding Agreement(s). There is no direct financial liability to the CoLC in respect to the CoLAT sponsored academies, which is a separate legal entity (being a charitable company limited by guarantee). However, the CoLC remains accountable to the DfE as sponsor for the on-going successful operation of CoLAT and the delivery of high-quality education at each of the academies sponsored by the CoLC, and this will be of strategic importance to the CoLC. In terms of financial implications for the capital builds managed by CoLC,

this is the subject of a separate report to Policy and Resources committee on 16 December 2021.

14. Risk implications

The risks are detailed in paragraphs 8, 9, & 10 of the report,

Conclusion

15. Ten academies are now sponsored by the CoLC within the City of London Academies Trust (CoLAT), six of which are judged as 'Outstanding' by Ofsted. The work of the Academies Development Programme will see on completion of the remaining capital builds a total capital investment in excess £96m, and when the academies are operating at full occupancy, over 9,000 pupils being educated in City sponsored academies each academic year.
16. For the two remaining capital builds in progress, risks on delays for completion, budget to match costs of design, and therefore potential for compromises in the completed capital builds should value engineering need to be undertaken to bring builds within budget, and the board may wish to consider how progress on both these remaining capital builds, and their risks, are regularly monitored and reported on to this board. The board will also note the broader issue of reducing demand for school places in future years, as reported to this board on 1 July 2021.
17. The academy development programme through the CoLC's sponsorship of CoLAT has been an ambitious expansion of the City's support for education consistent with the CoLC's commitment in its Education Strategy. These ambitions remain consistent with those of CoLAT. The contents of this report evidence the significant progress that has been made in contributing this ambition.

Appendices

- Appendix 1 - City of London Academies occupancy table

Background Papers

- *Academies Development Programme - Update, Education Board, 18 March 2020*
- *Academies Development Programme - Update, Education Board, 1 July 2021*
- *Pupil Places and Progress Planning report, Education Board, 1 July 2021*

Gerald Mehtens

Director of Academy Development,
Department of Community and Children's Services

T: 020 7332 xxxx

E: gerald.mehtens@cityoflondon.gov.uk