

21 September 2015**Agenda Item: 08****REPORT OF THE SERVICE DIRECTOR; TRANSPORT, PROPERTY &
ENVIRONMENT****SCHOOLS CAPITAL PROGRAMME PROGRESS REPORT****Purpose of the Report**

1. The purpose of this report is to provide an update to the Committee on the progress in delivering the various programmes of investment that comprise the Schools Capital Programme.

Information and Advice

2. The Schools Capital Programme consists of a number of discrete programmes of investment, predominantly:
 - School Places Programme
 - Schools Capital Refurbishment Programme (SCRCP)
 - Priority Schools Building Programme (PSBP)
 - Schools Access Initiative.
3. The School Places Programme contributes to discharging the statutory duty of the Local Authority to provide sufficient school places. It is an on-going annual programme that delivers new schools and/or expansions to existing schools to coincide with the arrival of new cohorts of pupils from September. The programme is funded via government grant (Basic Need Grant) which allocates funding to local authorities on an annual basis as a result of data provided to it about school capacities, Published Admission Numbers (PAN) and projected future demand for places. The Programme is supplemented by additional funding from s106 contributions in respect of those places arising from new housing developments.
4. The SCRCP represents a major programme of investment to address the deteriorating condition of schools that is beyond the scope of the Council's annual planned maintenance programme and for which the amount of capital funding delegated directly to individual schools is insufficient to address major items of work. This programme is predominantly funded by the County Council with some funding being provided by government grant (Capital Maintenance Grant).
5. The PSBP is a government funded and managed programme. The current programme provides for whole-school rebuilds, and will provide a total of 13 new school buildings to replace 15 existing school sites by mid 2016. The government has launched a second tranche of PSBP; the result was disappointing as only one bid was successful. It should be

recognised however that Nottinghamshire was the most successful Authority in the first bidding round.

6. Taken across the period 2012 to 2016/17, the total investment across the Schools Capital Programme amounts to £162m, this has increased since the previous report to this Committee in February 2015 by £1m as a result of a revenue reserve being added to the capital programme that was held for areas of PBSP which the Authority is responsible for. This does not include the value of funding for the Nottinghamshire schools via PSBP which is managed by central government. It is estimated that this would bring the total investment to a figure in excess of £250m.

School Places Programme

7. Following on from the previous report in February 2015, all of the Basic Need 14 projects have been delivered. In all, significant works to provide additional places were undertaken at 17 schools at a total anticipated cost of £16m. This is a reduction of £3m since the previous report and is due to the finalising of accounts. The savings resulted from:
 - cheaper procurement
 - less works required on the public highways than anticipated
 - removal of contingencies.
8. Since the previous report in February, the list of schools being extended has changed slightly following feasibility work and consultation with Children, Families and Cultural Services (CFCS) colleagues. A list of the schools which will receive investment via the 2015 School Places Programme is attached as **Appendix 1**. It is expected that the majority of these will be complete by the beginning of the September term with the exception of:
 - Butler's Hill which has experienced delays in planning.
 - College House Junior which is being progressed at a rate that is acceptable to the school and CFCS due to their age range being extended to become a primary school.
 - Hollywell Primary which has an 8 week build programme and following discussions with the school a decision to start the work at the beginning of the holiday and run into the new school year was taken.
 - Hillocks Primary and Manor Park Infants both have experienced delays through the ordering process.
9. The majority of the funding is being provided by central government, with the Council's funding specifically targeted at the provision of additional places in line with its statutory responsibility for ensuring sufficiency of places across all the schools, irrespective of governance. It is anticipated that the total investment across these 23 schools will be approximately £14.6m. The department is currently obtaining final target costs so these figures are subject to change; also £3.6 million of this is to support the second phase of some buildings that will occur before September 2018.
10. Work on the Basic Need 2016 Programme has begun. Initial visits have taken place at 8 schools. Further visits will take place when data has been analysed by colleagues within CFCS.

Schools Capital Refurbishment Programme

11. The current SCRP was approved at the meeting of County Council in May 2011. The objective of the programme is to maintain key elements of the fabric of the schools estate and to address urgent health and safety matters. It focuses on major items of repair and maintenance in relation to the key building elements, i.e. roofs, external elevations, and mechanical & electrical installations. It is driven by information contained in the schools condition survey reports verified by up to date on-site surveys. It will ultimately deliver major refurbishment works at around 260 schools, which is effectively every maintained school in the County that has not been recently rebuilt and/or received significant capital investment through other means.
12. It is anticipated that works at all schools under the current programme will be complete during the 2015/16 financial year, the only exception to this is Chilwell Comprehensive that was delayed due to a PSBP2 bid. This is now being progressed but it is an extensive project that is expected to cost circa £2m. Works that fall outside the scope of the programme as described above will only be undertaken if a school is able to add its own delegated funding to the project. Similarly works which are beyond that which can be afforded within the agreed allocation of funds to individual projects will revert to the County Council's on-going planned maintenance programme.
13. At the time of drafting this report, work has been completed or is substantially complete at over 192 schools. The total value of investment in the school estate through the SCRP is £87m; the value of works expended by the end of the 2014/15 financial year was £64m. Work has been progressing at 23 schools over the summer break and the remainder are scheduled to be complete in the later part of the year.
14. The figures reported in the previous paragraph have increased by £2m from the previous report. This reflects the challenge being applied to the programme and the Council's partners to ensure the reliability of information and data received. The department is working hard to ensure this information is sufficiently robust to provide improved accuracy in the reporting of this programme. As this programme heads towards its conclusion it is expected to see the value reduce as contingencies are released.

Priority Schools Building Programme

15. The PSBP is a central government funded and managed school rebuilding programme. This first round of the programme provides whole-school rebuilds based on a model that triangulates the condition of the fabric of the building, ongoing repairs and maintenance liabilities, and the cost of replacing the building. As previously reported to Committee, the County Council achieved a number of successful bids for this programme to provide 13 new school buildings. The first of the County's schools to be completed through the programme was Fountaindale Special School which opened in November 2014. Several other projects have now commenced on site and the rest are in the planning process with the exception of Lynncroft Primary and Sunnyside Spencer Academy. All the schools are due to be completed for occupation from late 2015 onwards.
16. The new schools follow a standardised baseline design developed by the government's Education Funding Agency. Whilst there is no expectation of a funding contribution from the Local Authority for the replacement building, the DfE funding model for construction is very

tight and provides only for immediate replacement and not the consequential costs of replacement such as certain planning conditions. The Council has developed and maintained a detailed analysis of its exposure to financial risk arising out of the PSBP with the objective of containing it within the overall quantum of funding available to the Schools Capital Programme. This is currently the case and officers continue to work closely with the EFA to ensure the smooth delivery of the programme in Nottinghamshire. Similarly officers have worked with the EFA to contribute funding to provide 245 additional pupil places at the replacement schools where determined necessary; this has provided a cost effective solution to meet the Council's statutory duty.

17. The successful bids for PSBP2 were announced in February 2015. The County Council was successful in one bid to the programme. That is in respect of one block on the Orchard Special School (Town Site). An initial scoping meeting with the Education Funding Agency at the school has taken place and officers are awaiting their proposal for works at the school.

Schools Access Initiative

18. The capital implications arising out of this initiative completes the current scope of the Schools Capital Programme. The Schools Access Initiative provides for adaptations to schools in order that the buildings are able to meet the specific needs – in relation to accessibility – of a young person who is seeking a place at that school. The initiative has been in operation for some time and thus an increasing number of schools already have the requisite degree of accessibility. Equally in many cases the scope of the adaption works are of a scale that does not constitute a formal capital project. Nevertheless, experience shows that there are usually 5-6 more substantial capital projects required per annum. The total anticipated spend on this initiative during 2015/16 is £747,000.

Other Options Considered

19. The report is for noting only.

Reason/s for Recommendation/s

20. The report is for noting only.

Statutory and Policy Implications

21. This report has been compiled after consideration of implications in respect of crime and disorder, finance, human resources, human rights, the NHS Constitution (Public Health only), the public sector equality duty, safeguarding of children and vulnerable adults, service users, sustainability and the environment and ways of working and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

Financial Implications

22. Financial provision for the elements that comprise the Schools Capital programme are reconciled annually as part of the Council's overall budget setting process. The reconciliation takes account of the most recent government grant and other forms of income that contribute to the overall funding of the Programme, against the anticipated actual spend across the

range of projects. Realistic assumptions about future sources of external income/grants have been built into the overall financial planning for the Programme, and robust arrangements are in place to monitor these over the course of the Programme.

Human Resource Implications

23. Where schools are expanding, appropriate levels of teaching staff will be appointed and funded from increases in the delegated school budget triggered by the increased number in pupils.

Human Rights Implications

24. The provision of additional school places in refurbished schools will facilitate parental preference via the schools admissions process.

Public Sector Equality Duty implications

25. Children within the Local Authority area will be able to access school places locally. All new build schemes will meet requirements for disabled access and special needs.

Safeguarding of Children and Vulnerable Adults Implications

26. All new build schemes will take account of safeguarding needs and requirements.

Implications for Service Users

27. The Schools Capital Programme seeks to ensure that there will be sufficient school places in school buildings which do not suffer from the need of essential maintenance to their fabric.

Implications for Sustainability and the Environment

28. Increasing the number of school places is demonstrated by sustainable demand. All capital projects are subject to the requisite planning and Building Regulations which reflect environmental and sustainability targets. By providing local school places the need for travelling by car can be reduced.

RECOMMENDATION/S

1) That the progress in delivering the Schools Capital Programme be noted.

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Constitutional Comments

29. As this report is for noting only, no Constitutional Comments are required.

Financial Comments (SS 27/08/15)

30. The financial implications of this report are contained within paragraph 22 above.

Background Papers and Published Documents

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

- Schools Capital Programme Report (9 February 2015)

Electoral Division(s) and Member(s) Affected

All

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