

20 March 2017

Agenda Item: 5

REPORT OF THE SERVICE DIRECTOR, ENVIRONMENT, TRANSPORT AND PROPERTY

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 & Schools Building Improvement Programme (SCRP/SBIP)
 - 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, the Published Admission Numbers (PAN) and the 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 SCRIP was 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. The programme which was predominantly funded by the County Council has now come to an end. The County Council has received a Schools Building Improvement allocation from the Department for Education (DfE) for 2016/17 of £6.241m. £500,000 of this allocation has been allocated to provide continuing support to projects required through the Schools Access Initiative.

5. The PSBP is a government funded and managed programme. The current programme provides for whole-school rebuilds, and when complete will have provided a total of 13 new school buildings to replace 15 existing school sites.
6. Taken across the period 2012 to 2017/18, the total investment across the Schools Capital Programme amounts to £171.4m. 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. 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. The Basic Need Grant allocation for 2016-18 is £21.2m (£0.7m in 2017/18 and £20.5m in 2018/19).
8. Following on from the previous report in April 2016, all of the Basic Need 2015 projects have been delivered except for the following:
 - Ash Lea Special School - project raised as a post September 2015 completion. Scheme now agreed with all parties; the project provides a two storey extension together with some remodelling of the existing school. The needs of the children has required that the school decant into alternative accommodation for 12 months whilst the works are carried out. Building work will commence end of March 2017 for completion late 2017.
9. The Basic Need 2016 programme was predominantly delivered for September 2016. The following projects have been completed:
 - Kimberley Primary
 - Broomhill Junior
 - Mapplewells Primary
 - Kingsway Primary
 - Carlton Central Junior
 - Crescent Primary
 - St Augustine's Primary.

The following projects have successfully provided additional Reception places with their additional classroom provision currently on site:

- Horsendale Primary – completion Summer 2017
- Stanhope Primary – completion May 2017.

The following projects either provide substantial expansion to the existing schools or form a second phase to an earlier school expansion to meet the needs of Key Stage 2 pupils:

- Sutton Road Primary – completion Spring 2017
- King Edward Primary – completion Spring 2017
- Abbey Hill Primary – completion Summer 2017

- Ordsall Primary – completion Autumn 2017
- Farmilo Primary – completion Summer 2017
- Radcliffe on Trent Junior – completion Autumn 2017.

Ernehale Junior converted to academy status and transfer of funding was agreed with the academy trust for their delivery of additional accommodation in return for an increase to the PAN.

10. The projects which may potentially make up the Basic Need 2017 programme have been agreed with Children, Families and Cultural Services (CFCS) colleagues. The programme is in the feasibility stage and this exercise may identify that projects are not feasible at this stage. A list of the projects currently proposed for the Basic Need 2017 programme is attached as **Appendix 1**. In addition to this specific delivery programme a project to deliver the second phase of the new Beardall Fields Primary will be funded from the Basic Need capital allocation.
11. A capital allocation has also been set aside toward the cost of providing a new replacement school in Bestwood. The site for this school has yet to be determined.

Schools Capital Refurbishment Programme/Schools Building Improvement Programme

12. The current SCRCP was approved at the meeting of County Council in May 2011. The objective of the Programme was to maintain key elements of the fabric of the schools estate and to address urgent health and safety matters. All the projects within the programme are now complete, delivering major refurbishment works to around 260 schools. Final accounts are now being finalised.
13. The total value of investment in the school estate through the SCRCP is anticipated to be £81.57m; this represents a saving against the overall programme of £6.5m due to robust project management and release of contingencies. It has been approved at Finance & Property Committee and Full Council that this underspend will be used to fund additional requirements to increase the Early Years provision (£1.5m) as well as making a £5m contribution to the re-building of the Orchard Special School in Newark.
14. The subsequent SBIP of £5.74m is focussing on three individual programmes of maintenance and improvement work. These areas of spend were agreed in consultation with CFCS and Property:
 - Remedial Works to the BioMass boiler installations. This relatively recent sustainable technology has developed rapidly from the time of the Council's first installations. Following independent site surveys of all the 53 sites this programme brings all the installations up to current standards and design recommendations
 - Kitchen Ventilation improvements. Current Building Regulations require increased levels of ventilation. This programme will provide new mechanical ventilation installations on 22 school sites
 - Old Heating pipework replacement. Predominantly affecting Victorian and turn of the 20th century sites where the ageing heating pipework would not withstand the pressure of modern boiler installations. This programme will replace pipework installations to 6 school sites.

15. The 2017/18 School Capital Grant has yet to be announced. A decision on the spending priorities will be made when the grant is announced to maximise impact on the school estate.

Priority Schools Building Programme

16. 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 Education Funding Agency (EFA) has now completed all of the Nottinghamshire schools with the exception of Lynncroft Primary. The replacement Lynncroft Primary is now progressing on site on an adjacent County Council site. The anticipated completion date is October 2017.
17. The new schools follow a standardised baseline design developed by the EFA. 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 school where determined necessary; this has provided a cost effective solution to meet the Council's statutory duty.
18. Officers are continuing discussions with the EFA with respect to Orchard Special School within the PSBP2 programme. The current PSBP2 allocation is limited to the replacement of one block. It is the County Council's preference that the whole school be replaced on a single site. Discussions with stakeholders and the EFA with regard to potential funding streams that would achieve this aspiration are ongoing and hopeful of a successful conclusion in the near future.

Schools Access Initiative

19. 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 adaptation 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 forecast spend on this initiative during 2016/17 is £365,000.

Other Options Considered

20. The report is for noting only.

Reason/s for Recommendation/s

21. The report is for noting only.

Statutory and Policy Implications

22. 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

23. 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

24. 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 of pupils.

Human Rights Implications

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

Public Sector Equality Duty implications

26. 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

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

Implications for Service Users

28. 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

29. 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

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

Financial Comments (SS 01/03/17)

31. There are no financial implications arising directly from this report.

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 progress report – report to Children and Young People’s Committee on 21 September 2015

Schools Capital Programme progress report – report to Children and Young People’s Committee on 25 April 2016

Electoral Division(s) and Member(s) Affected

All.

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