

9 February 2015

Agenda Item: 05

REPORT OF 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. In July 2014 the Client function of delivering the Schools Capital Programme transferred from Children, Families & Cultural Services (CFCS) to Property within Environment & Resources. Staff & budgets previously residing within CFCS transferred to form a new Departmental Services team which will inform all reports to Council or Committee regarding the Schools Capital Programme.
3. 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
 - Capital projects arising from the implementation of the Universal Infant Free School Meals Initiative.
4. 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.
5. 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).

6. 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 funding for which the County Council has submitted 9 bids.
7. Taken across the period 2012 to 2016/17, the total investment across the Schools Capital Programme amounts to £161m. 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

8. Since the time of the last capital programme update to Committee in July 2014, works to complete the programme of school expansions for 2014/15 academic year have concluded, with the exception of one school, Richard Bonington Primary, which is currently on site. The project at Richard Bonington is larger in scale to the others in the programme and is anticipated to complete in March this year. In all, significant works to provide additional places were and are being undertaken at 17 schools at a total anticipated cost of £19m.
9. At the same time, work has been progressing to deliver additional places at those schools identified as requiring investment to provide additional places for the 2015/16 academic year, i.e. from September 2015. Since the last update to this Committee, colleagues in the Council's Property department have been managing these proposed projects, and will be seeking approvals from Finance & Property Committee and Planning & Licensing Committee as appropriate in relation to budgetary and planning approval. A list of the schools which it is proposed will receive investment via the 2015 School Places Programme is attached as **Appendix 1**. 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 24 schools will be approximately £13.5m.

Schools Capital Refurbishment Programme

10. 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.
11. It is anticipated that works at all schools under the current programme will be completed during the 2015/16 financial year. 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. It should be noted that due to budget cuts, the overall planned maintenance budget is being reduced by £519k in 2016/17.

12. At the time of drafting of this report work has been completed or is substantially complete at over 150 schools. The total value of investment in the school estate through the SCRPs is £85m; it is anticipated that the value of works expended by the end of this financial year will be £69m.

Priority Schools Building Programme

13. 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 is Fountaindale Special School whose new building opened in November 2014. Two further projects, The Newark Academy and Serlby Park Academy, have now commenced on site. All the schools are due to be completed for occupation from late 2015 onwards.
14. 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 whilst there is a clear understanding by all parties of the financial implications that are deemed outside the scope of the government funding. 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.
15. The government launched a second tranche of PSBP in June 2014. This differs in scope to the initial programme in that, whilst it is still based on condition and retains the possibility of a whole school build, it also provides for the refurbishment or replacement of individual buildings on a school site. Given the extensive SCRPs works carried out across the Council's estate and the success of the initial PSBP bids it was clear that the council's eligibility to this programme would be limited. Bids have been submitted in respect of 9 schools, as listed **Appendix 2**. Successful bids are expected to be announced in January 2015.

Schools Access Initiative/Universal Infant Free School Meals

16. The Capital implications arising out of these two initiatives complete the current scope of the Schools Capital Programme. The Schools Access Initiative provides for

adaptions 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 2014/15 is £579k.

17. In 2013 the government announced the Universal Infant Free School Meals Initiative, which from September 2014 has provided the opportunity of a free school meal to all Key Stage 1 pupils. A capital grant of £1.715m was provided to support the initiative. The councils' School Catering service has worked with colleagues in Property to prioritise the allocation of the funding and deliver the necessary capital works. These works are now predominantly complete alongside alternative delivery models in operation to ensure the additional demand for school meals is met.

Other Options Considered

18. The report is an update and contains no options.

Reason/s for Recommendation/s

19. The purpose of report is to update Committee on the progress of an approved Capital programme; it is recommended that Committee note the update.

Statutory and Policy Implications

20. 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

21. 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

22. 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

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

Public Sector Equality Duty Implications

24. 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

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

Implications for Service Users

26. 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

27. 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.

Jas Hundal

Service Director – Transport, Property & Environment

**For any enquiries about this report please contact: Sara Williams, Team Manager;
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Constitutional Comments

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

Financial Comments (SS 12/01/15)

29. The financial implications of the report are set out in paragraph 21 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.

School Capital Strategy 2011/12 to 2013/14 – report to County Council on 19 May 2011
(previously published)

Schools Capital Programme - progress report – report to Children and Young People’s
Committee on 14 July 2014 (previously published)

Electoral Division(s) and Member(s) Affected

All

File ref.: /SB/SB/
Ward(s):All
Member(s): All
SP: 2795
Properties affected: 09998 - Various NCC Properties/non-property item

C0557