

REPORT TO: CABINET MEMBER, CHILDREN'S SERVICES

DATE: 19 APRIL 2011

SUBJECT: CHILDREN, SCHOOLS & FAMILIES: CAPITAL PROGRAMME 2011/12

WARDS AFFECTED: ALL WARDS

REPORT OF: PETER MORGAN
STRATEGIC DIRECTOR - PEOPLE

CONTACT OFFICER: MIKE McSORLEY (0151 934 3428)

**EXEMPT/
CONFIDENTIAL:** NO

PURPOSE/SUMMARY:

The purpose of this report is to advise the Cabinet Member of the Capital Allocation for 2011/12 and to seek approval for the proposed schemes.

REASON WHY DECISION REQUIRED:

The proposed schemes need to be approved and the funding included in the Children, Schools & Families Capital Programme 2011/12.

RECOMMENDATION(S):

The Cabinet Member, Children's Services is recommended to:-

- (i) approve the proposed schemes;
- (ii) include the funding in the Children's Services Capital Programme 2011/12.

KEY DECISION: No.

FORWARD PLAN: Not appropriate.

IMPLEMENTATION DATE: Following the expiry of the "call-in" period for the Minutes of the Cabinet Member meeting.

ALTERNATIVE OPTIONS:

Not appropriate.

IMPLICATIONS:

Budget/Policy Framework: None.

Financial: There are no financial implications for the Council's general resources as all funding is from specific resources.

<u>CAPITAL EXPENDITURE</u>	2011/ 2012 £	2012/ 2013 £	2013/ 2014 £	2014/ 2015 £
Gross Increase in Capital Expenditure				
Funded by:				
Sefton Capital Resources				
Specific Capital Resources				
<u>REVENUE IMPLICATIONS</u>				
Gross Increase in Revenue Expenditure				
Funded by:				
Sefton Funded Resources				
Funded from External Resources				
Does the External Funding have an expiry date? Y/N	When?			
How will the service be funded post expiry?				

Legal: Not appropriate.

Risk Assessment: There are no financial risks associated with this report as all funding is from specific resources.

Asset Management: The proposals are in line with the Schools Asset Management Plan and will make significant improvements to the identified school buildings.

CONSULTATION UNDERTAKEN/VIEWS

The Head of Corporate Finance & ICT has been consulted and her comments have been incorporated into this report. FD713 /2011

The Head of Corporate Legal Services has been consulted and has no comments on this report. LD 84/11

CORPORATE OBJECTIVE MONITORING:

<u>Corporate Objective</u>		<u>Positive Impact</u>	<u>Neutral Impact</u>	<u>Negative Impact</u>
1	Creating a Learning Community	✓		
2	Creating Safe Communities		✓	
3	Jobs and Prosperity		✓	
4	Improving Health and Well-Being		✓	
5	Environmental Sustainability	✓		
6	Creating Inclusive Communities	✓		
7	Improving the Quality of Council Services and Strengthening local Democracy	✓		
8	Children and Young People	✓		

LINKS TO ENSURING INTEGRATION:

Not appropriate.

IMPACT UPON CHILDREN, SCHOOLS & FAMILIES TARGETS AND PRIORITIES:

Not appropriate.

LIST OF BACKGROUND PAPERS RELIED UPON IN THE PREPARATION OF THIS REPORT

- ❖ Report to Cabinet – 3 March 2011 – Capital Programme
- ❖ Report to Cabinet - 14 April 2011 – Lander Road Primary School – Building Works

CAPITAL PROGRAMME 2011/12

1. Background

- 1.1 Government announced in the Comprehensive Spending Review that education capital spend would be reduced by 60% (largely due to the cessation of the BSF programme).

In the emergency budget, in the summer, Government announced their intention to commission a review of all Education Capital funding, which was due to be completed by the end of December 2010. At the time of writing the outcome of this review has not been made public.

- 1.2 On 13 December 2010 the Secretary of State announced details of the capital allocations for all local authorities which, for Sefton, are summarised below. Nationally £800million of Basic Need funding has been allocated to provide school places where needed based on forecast data provided by authorities. A further £858million of Capital Maintenance will support the needs of schools and the Sure Start Children's Centres and at local level has been based on school and weighted pupil numbers. Both funding streams will be paid as capital grant and are non-ringfenced.
- 1.3 Members will recall that Cabinet, endorsed by Council, agreed the recommendation, on 3 March 2011, that both funding streams should be retained by Children, Schools and Families and that specific schemes be reported in line with the amendments to the constitution. As all proposed schemes are below the £500,000 threshold then approval is sought from the Cabinet Member.
- 1.4 Nationally a further £196million of Locally Co-ordinated Voluntary Aided Programme Capital (LCVAP) will support the capital maintenance needs of VA schools and £185million of Devolved Formula Capital (DFC) will be available to all maintained schools.
- 1.5 Specific capital funding streams that are no longer available include the Primary Capital Programme, Building Schools for the Future, Schools Access Initiative, Extended Schools, Playbuilder, Sure Start Early Years and Aiming High for Disabled Children.

2. Sefton's Capital Allocations

- 2.1 Capital allocations for 2011/12 in Sefton are detailed in Table 1 with 2010/11 allocations shown for comparison.

Table 1: Capital Allocations for Sefton 2011/12

	2011/12 £	2010/11 £
Basic Need	894,422	654,613
Targeted Capital (14-19 Diplomas + SEN)		5,000,000
Primary Capital Programme		5,996,029
School Access Initiative		400,790
Extended Schools		237,019
Capital Maintenance	3,516,227	
Modernisation	-	2,383,558
DFC Non-VA Schools	619,623	3,191,054
Total	5,030,272	17,863,063
LCVAP	2,241,142	2,966,532
DFC VA Schools	423,815	2,255,835
Total	2,664,957	5,222,367

2.2 DFC has been cut by 81% and an average 1FE primary school who would have received approximately £31,000 in 2010/11 will receive around £6,000 in 2011/12. A secondary school with 900 pupils will receive approximately £19,000 compared with £103,000 in 2010/11. This will have major implications on the extent to which condition defects can be addressed as schools have traditionally made a considerable contribution to such schemes.

3. Proposals

3.1 Approval was given on 3 March 2011 for the phase 2 development at Aintree Davenhill Primary School to be progressed. The total estimated cost of the scheme is £2.59 million of which £1,949,722 will be funded from the 2011/12 Capital Maintenance Grant.

3.2 A report regarding recommencing the building works at Lander Road Primary school following the original contractor being placed in administration was taken to Cabinet on 14 April. Although it is envisaged that the contract bond will be available to meet the majority of these costs they have to be underwritten until the works are complete and actual costs can be established. This will be a commitment of £180,000 from the Capital Maintenance Grant subject to Cabinet approval at the meeting. This leaves a balance of £1,386,505 of this grant available to support further schemes.

3.3 The Schools Asset Management Plan identifies over £80million of condition defects in the school estate and it is proposed to address the most pressing of these issues as detailed in Table 2. As schools have received a greatly reduced DFC allocation in 2011/12 their contribution to proposed works will be limited and fewer schemes will be progressed as a result of this. The main emphasis will be to ensure that school buildings are warm, safe and dry and therefore works will concentrate on heating

systems/boilers, health and safety issues and roof repairs/replacements.

- 3.4 Table 2 details works to a total value of £648,430. Not all Basic Need funding will be allocated to schemes at this stage as some will need to be held in reserve to deal with unexpected issues throughout the financial year. As schools sometimes require accessibility works to be undertaken at short notice, so that new pupils can be admitted during the school year, a nominal £50,000 has been set aside to cover these eventualities. This funding is shown in the table below and may include items such as changing beds, hoists or similar access works.

Table 2

School	Project	Basic Need £	School DFC £	Total £
Waterloo	Roof repairs, repointing and demolition of rear storage block	176,975	7,000	183,975
Forefield Infants	Window replacement in Hall and Dining and heating pipe replacement	46,932	10,000	56,932
Shoreside	Complete toilet refurbishment	32,000	-	32,000
Hudson	Roof repairs	57,558	-	57,558
Lydiate	Heating duct repairs	66,000	-	66,000
Redgate	Boiler replacement	76,020	10,000	86,020
Daleacre PRU	Boiler replacement	56,020	30,000	86,020
Merefield	Roof repairs	18,975	-	18,975
Oakfield/Pinefield PRU	Window replacement	37,950	-	37,950
Presfield	Roof repairs	30,000	-	30,000
Schools Access	Various	50,000	-	50,000
Total		648,430	57,000	705,430
Allocation				894,422
Balance				245,992

- 3.5 If the above proposals are approved then £245,992 (Basic Need) will remain to support further schemes.

- 3.6 A report detailing proposals for this funding and the remaining £1,386,505 Capital Maintenance Grant will be taken to the Cabinet Member for consideration in due course.

4. Recommendations

- 4.1 The Cabinet Member, Children's Services is recommended to:-

- (i) approve the proposed schemes;
- (ii) include the funding in the Children's Services Capital Programme 2011/12.