

Cabinet – 24 April 2013

Education Capital Programme – 2013/14

Portfolio: Councillor Rachel Andrew, Children's Services

Related portfolios: Councillor Adrian Andrew, Regeneration

Service: Walsall Children's Services, Serco

Wards: All

Key decision: Yes

Forward plan: Yes

1. Summary

- 1.1 The report sets out schemes from the Education Asset Management Plan for approval. In order to support the raising of educational attainment and achievement, these projects will provide improved learning environments for Walsall pupils and are part of the continued and significant investment in the buildings of Walsall schools.
- 1.2 Details of schemes previously approved by Cabinet will be made available to Members in the group rooms. In order to reflect the actual tender costs and final account figures for schemes previously approved by Cabinet, the opportunity has been taken to re-profile funding allocations across the whole programme to ensure that the whole programme of schemes is deliverable within available funding allocations.

2. Recommendations

- 2.1 That Cabinet approves the schemes, subject to confirmation of an appropriate school contribution, and budgets set out in **Appendix A** of this report – including permission to seek tenders and appoint contractors to undertake the work identified.
- 2.2 That Cabinet delegates to the Executive Director for Children's Services in consultation with the relevant Portfolio Holder authority to award contracts (including authorising execution/signature of the contract and ancillary documents) to the most suitable contractors having regard to Best Value for the works/services as set out.
- 2.3 That Cabinet approves the option to use an appropriate form of procurement and contracting arrangements determined by the head of Property Services to provide the most efficient and value for money means of delivering the projects.

This shall include consideration of traditional procurement and EU compliant frameworks available to local authorities.

3. Report detail

- 3.1 The Education Capital Programme is made up of grant and borrowing powers from Government, Section 106 contributions and capital receipts. Capital schemes funded from the programme usually include a contribution from schools, from their Devolved Formula Capital [DFC] or revenue budgets. All government grants and borrowing powers, Section 106 contributions relating to the sufficient supply of pupil places and capital receipts from the sale of the playing field element of closed school sites are ring-fenced to education use. Some money is ring-fenced to one phase or one type of accommodation and some targeted for projects at specific schools.

Priorities for recommendation to Cabinet are made using the following priorities: health and safety; condition, suitability and sufficiency of the building; basic need; standards; opportunity to combine funding; deprivation; pupil number forecasts; parental preferences; deliverability; opportunities for changes to school status; access; and security.

With the exception of health and safety, these priorities are not in order of importance and usually a combination of a number of priorities result in schemes being recommended for funding.

These priorities have been agreed by Cabinet and the Department for Education (DfE) in the past through approval of the Education Asset Management Plan Statement of Priorities.

The aim of the education capital programme is to contribute to the delivery of the Local Authority's vision for education in nursery, primary, secondary and special schools; the raising of standards and opportunities of all Walsall pupils; anticipated changes in school population and curriculum needs; and delivering the Council's landlord duties in community and voluntary controlled schools.

The government has reduced the amount of Devolved Formula Capital distributed to schools and this has resulted in a reduction in the level of school contributions received from individual schools. In addition, the amount of capital funding available to the Council is also reducing and as such it is essential that the highest priority schemes are selected for inclusion onto the programme.

- 3.2 In 2013/14, the total capital funding for investment at schools in Walsall is £6,339,951. This figure is below the allocation in 2012/13 but the figure is reduced primarily as a result of the number of Walsall schools changing status to become Academies. Please note that the Basic Need allocation is a two year allocation so there will be no additional Basic Need funding in 2014. This two year allocation fits well with the proposed Primary place review that will ensure delivery of sufficient pupil places for September 2015. Detailed proposals for expending the Basic Need allocation will be brought to a future Cabinet meeting. Statutory consultation will be required for necessary expansions and these will also be brought to future Cabinet meetings.

Details of the funding streams and allocations for 2013/14 [including the two year Basic Need allocation] are provided in the table below.

Basic Need	Capital Maintenance		Devolved Formula Capital for maintained schools		Totals	
Local Authority for all schools	Local Authority maintained schools	LCVAP for VA Schools	Local Authority maintained schools	Voluntary Aided Schools	Local Authority funding	Total for LA and all maintained schools in its area
£2,320,791	£2,750,201	£620,051	£559,456	£143,452	£5,630,448	£6,393,951

- 3.3 Following discussions with colleagues in Property Services, a number of high priority condition items have been identified at various schools. All of these schemes will be funded through the capital maintenance allocation received from the Department for Education [DfE].

The table below details these schemes and estimated costs;

School	Scheme	School Contribution	Total scheme cost
Bloxwich CE Primary	Roofing works	£10,000	£50,000
County Bridge Primary	Replacement hall windows and associated asbestos works	£5,000	£40,000
Lodge Farm Primary	Electrical works	£5,000	£75,000
Meadow View	Electrical works	£5,000	£150,000
Pheasey Park Farm Primary	Replacement windows [phase 1]	£5,000	£100,000
Pool Hayes Arts & Community	Roofing works [phase 1]	£10,000	£150,000
Salisbury Primary	Replacement windows	£5,000	£80,000
Short Heath Junior	Roofing works	£5,000	£100,000
Whitehall Junior	Heating & ventilation works	£5,000	£150,000
Whitehall Nursery & Infant	Roofing, brickwork and bell tower repairs	£10,000	£100,000

- 3.4 Cabinet will recall approving an increase in pupil numbers at Phoenix Primary EBD School at their meeting on 13 March. A small extension and internal alterations will be required to provide appropriate teaching accommodation for these pupils. The total estimated cost of this work is £80,000 and the school have agreed to match fund the works with the Authority. It is therefore intended to allocate £40,000 from Basic Need funding towards this project.
- 3.5 Following a parapet wall collapse at Kings Hill Primary School, significant structural work is required to rebuild the affected areas. Some of the costs will be covered by insurance however it is expected that a significant sum may be required to resolve the issues satisfactorily. Until the recommendations are received from the structural engineer it is unclear how much funding will be

required. It is therefore proposed to allocate £75,000 towards the cost of this work.

- 3.6 LCVAP - Discussions are ongoing with diocesan authorities to agree a programme of condition (including health and safety) schemes to be funded through the LEA Co-ordinated VA Programme (LCVAP) in 2013/14. Once the list is finalised these schemes will be reported to a future Cabinet meeting.

4. Council priorities

- 4.1 The schemes will contribute to an improved learning environment for Walsall pupils, their families and the wider community.

5. Risk management

- 5.1 Construction programmes are at risk of delays that might affect the timescales and cost of projects and these may require adjustments to the programme. These risks will be managed as far as is practicable on an ongoing basis.

6. Financial implications

- 6.1 Every effort is being made to maximise the use of capital resources to secure the greatest benefit for the Borough and Walsall is on track to spend all allocations within the spend periods. Slippage figures include funding provided through grants for which the spend period is the academic year rather than the financial year.

- 6.2 Other than in exceptional circumstances, schemes detailed in this report are funded in partnership with schools in order to maximise the number of schemes that can be taken forward. Such a partnership approach also takes account of capital resources made available to schools by the DfE through devolved formula capital (DFC). School DFC allocations for 2013/14 are at the same level as the previous year but these are significantly reduced to approximately 20% of those for years prior to 2011/12. In view of this, school contributions will not be at the same level as previous years. These contributions are negotiated on an individual basis, and if agreed already are detailed in **Appendix A** of this report. Individual schemes where school contributions are not yet finalised [or approved by Governing bodies] will be reported to a future Cabinet meeting.

- 6.3 The majority of schemes are to be managed by Walsall Council Property Services who will ensure compliance with all Walsall Council Finance and Contract Rules. For Schemes at Voluntary Aided schools, the trustees of the individual schools are responsible for ensuring compliance with the DfE contractual and financial requirements.

7. Legal implications

- 7.1 The majority of schemes identified in this report will be managed through Walsall Council Property Services and they will ensure that all statutory obligations in relation to the schemes are adhered to. These issues include building regulations, planning approvals, Disability Discrimination Act (DDA) and Construction Design and Management Regulations (CDM). This is in addition to

ensuring compliance with Walsall Council Financial and Contract Rules and compliance with the European regime and regulations covering the procurement of goods, services and contracts of work.

- 7.2 Schemes funded through the Local Education Authority Controlled Voluntary Aided Programme (LCVAP) will be managed by the trustees of the individual schools. The responsibility for complying with the legislation detailed in paragraph 4.2.1 will, in accordance with the provisions of paragraph 3 to Schedule 3 of the Schools Standards and Framework Act 1998 (which was amended by the Regulatory Reform (Voluntary Aided Schools Liabilities and Funding) (England) Order 2002), be that of the trustees of those schools.

8. Property implications

- 8.1 The property implications are as listed in the report detail.

9. Staffing implications

- 9.1 There are no direct implications as a result of this report.

10. Equality implications

- 10.1 The proposed schemes would result in improved learning environments for pupils and families in Walsall schools.

11. Consultation

- 11.1 Relevant stakeholders including schools, Diocesan Authorities and Foundation representatives, as appropriate. Walsall Council: Property Services, Transforming Learning and Children's Services Finance.

Background papers

Education Asset Management Plan

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Signed:
Interim Executive Director:
Date: 27 March 2013



Signed:
Portfolio Holder: Councillor R Andrew
Date: 16 April 2013

Capital Maintenance				2012/14
Allocation 2012/13				£ 3,530,556
Allocation 2013/14				£ 2,750,201
2011/12 Carry Forward				£ 536,000
Commitments				£ 2,859,151
Balance Remaining				£ 3,957,606
School	Project	Project Cost £	School Contribution £	2012/13 Allocation £
Bloxwich CE Primary	Roofing works	£ 50,000	£ 10,000	£ 40,000
County Bridge Primary	Replacement hall windows and associated asbestos works	£ 40,000	£ 5,000	£ 35,000
King's Hill Primary	Structural Works	£ 75,000	Nil	£ 75,000
Lodge Farm Primary	Electrical works	£ 75,000	£ 5,000	£ 70,000
Meadow View	Electrical works	£ 150,000	£ 5,000	£ 145,000
Pheasey Park Farm Primary	Replacement windows [phase 1]	£ 100,000	£ 5,000	£ 95,000
Pool Hayes Arts & Community	Roofing works [phase 1]	£ 150,000	£ 10,000	£ 140,000
Salisbury Primary	Replacement windows	£ 80,000	£ 5,000	£ 75,000
Short Heath Junior	Roofing works	£ 100,000	£ 5,000	£ 95,000
Whitehall Junior	Heating & ventilation works	£ 150,000	£ 5,000	£ 145,000
Whitehall Nursery & Infant	Roofing, brickwork and bell tower repairs	£ 100,000	£ 10,000	£ 90,000
Total				£ 1,005,000
Balance Available				£ 2,952,606

Basic Need		2012/15		
Allocation 2012/13		£2,097,621		
Allocation 2013/15 (2 year allocation)		£2,320,791		
Commitments		£0		
Balance Remaining		£4,418,412		
School	Project	Project Cost £	School Contribution £	2012/13 Allocation £
Phoenix	Expansion and internal alterations	80,000	40,000	40,000
Total			40,000	40,000
Balance Available				4,378,412