

Bath & North East Somerset Council		
MEETING/ DECISION MAKER:	Cabinet	
DECISION DATE:	09 April 2014	EXECUTIVE FORWARD PLAN REFERENCE:
		E 2635
TITLE:	Schools Capital Programme 2014 -2017	
WARD:	All	
AN OPEN PUBLIC ITEM		
List of attachments to this report: Please list all the appendices here, clearly indicating any which are exempt and the reasons for exemption		

1 THE ISSUE

- 1.1 To seek full approval for capital schemes at primary schools for inclusion in the 2014/15 schools capital programme.
- 1.2 To seek provisional approval for future schemes identified as priorities for inclusion in the programme including contributions to new schools required as a result of housing developments.

2 RECOMMENDATION

Cabinet is asked to:

- 2.1 Approve for inclusion in the 2014/15 Capital Programme DfE funding of £353,269 for works to school kitchens required to enable the provision of free school meals for all infant pupils from September 2014
- 2.2 Approve for inclusion in the 2014/15 Capital Programme Basic Need development funding of £150,000 to enable feasibility studies and option appraisal for adding capacity at the schools identified in Section 5
- 2.3 Approve for inclusion in the 2014/15 Capital Programme Basic Need funding of £400k for the provision of additional classrooms at Saltford Primary School required by September 2014

- 2.4 Provisionally approve the principle of the allocation of Basic Need funding for school places and land as required on the MOD sites at Ensleigh and Warminster Rd subject to a further report to Cabinet when the level of contribution is identified
- 2.5 Agree an additional allocation of £500,000 from 2014/15 Capital Maintenance funding for the 2014/15 Schools Capital Maintenance Programme
- 2.6 Approve the allocation of £500,000 from 2014/15 Capital Maintenance funding for improvement projects in schools with priorities to be agreed with the Cabinet Member and brought forward for full approval.

3 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)

- 3.1 Allocations from the Department for Education (DfE) under the two main funding headings of Basic Need to provide additional pupil places where there is population growth, and Capital Maintenance to address condition issues, have been confirmed. Basic Need funding has been confirmed for 2015/16 and 2016/17 and as the allocation for 2014/15 had been announced last year this now provides guaranteed funding for three years enabling projects to be planned and developed with more certainty of delivery. Capital Maintenance funding remains an annual allocation so funding for 2014/15 only has been confirmed.
- 3.2 Basic Need for 2015/16 is £6.375m and £6.694m for 2016/17 providing £13m approximately. This compares to £1.3m for 2014/15. This significant increase in the level of basic need funding reflects not only projected growth in pupil numbers submitted in the annual School Places Return but also because of a significant increase in the DfE funding per place which has more than doubled. The funding is to ensure the provision of places that it is projected will be needed by academic year 2017/18 i.e. Sept 2017.
- 3.3 Capital Maintenance funding for 2014-15 is £1.987m which is marginally less than last year. Following submission of sample condition data by all LAs the DfE is currently assessing the condition of all schools in England and inspection visits of B&NES schools have begun. It is not possible to say whether this will have a positive or negative impact on future allocation level. Due to carry forwards in previous years the 2014/15 Schools Planned Maintenance Programme (SCPM) is already funded at £1m and is included in the approved 2014/15 capital programme. It is proposed to allocate an additional £500,000 to the 2014/15 SCPM bringing the total programme to £1.5m. Together with an allocation of £500,000 for improvement projects (see 5.14) this would leave £0.987m as a contingency.
- 3.4 DfE has also allocated specific funding of £353,269 in 2014/15 for capital costs associated with works to kitchens associated with the introduction of free school meals for all infant pupils from September 2014. This amount is based on pupil numbers rather than an evaluation of actual costs. There is a separate allocation (£53k) for Voluntary Aided church schools. Academies are funded centrally.
- 3.5 The DfE capital allocations are non- ring fenced grant funding to enable the Council to fulfil its statutory duties in ensuring sufficient school places and addressing worst condition buildings. There is no borrowing requirement on the

Council. There are no revenue implications for the Council arising from the expansion of schools as these will be met by the Dedicated Schools Grant (DSG).

- 3.6 Projects within the Children's Services capital programme provide modern facilities or improve existing ones and provide pupil places where there is demand. This leads to a better learning and teaching environment and in most cases enables parents and pupils to obtain a place at a local school. This contributes to the corporate priorities of promoting independence and positive lives for everyone and creating neighbourhoods where people are proud to live.

4 STATUTORY CONSIDERATIONS AND BASIS FOR PROPOSAL

- 4.1 Relevant considerations: The Council's statutory duty to provide sufficient school places, Children and Young People, Planning, Social Inclusion, Property, Impact on Staff.

5 THE REPORT

- 5.1 The Council has a statutory duty to provide sufficient school places for every child resident in the Local Authority who requires a place. It also prioritises investment in schools to improve poor condition accommodation via the annual capital repair and maintenance programme as well as individual projects. The Council is also required to adhere to national initiatives such as the widening of the free school meals entitlement. Projects requested for approval are in line with these priorities.
- 5.2 The key priority for investment is the need to provide additional primary pupil places driven both by underlying population growth and new housing. Funding has been provided for places required within the next three years and a number of schools have been identified where capacity will be required (see 5.4). This list is not exhaustive as factors such as the need to revise projections as a result of updated information on births and resident population particularly when most primary schools are full or filling, may mean even small number of additional pupils can trigger the need for additional classrooms. Other factors such as when the BWR Crest school is delivered or a free school being approved can increase or reduce the need to add capacity.

Basic Need

- 5.3 The unexpectedly high level of Basic Need allocation together with certainty of funding for the next three years provides the opportunity when considering schemes to add capacity, to consider solutions which could address other issues at the schools in question such as the option of replacing poor condition temporary classrooms or address other condition issues. This would not only remove future maintenance liabilities but also enable solutions which would provide more cohesive accommodation for the school e.g. a well located classroom block rather than just the one or two classrooms required for additional capacity isolated from other accommodation. This will not be necessary or indeed possible in every case but where it is and funding allows Members are asked to endorse this approach.
- 5.4 Development funding will be needed to carry out feasibility studies and option appraisal for adding capacity to following schools in the next three years.

Oldfield Park Junior

Paulton Junior

Saltford Primary

Westfield Primary

St Saviours Infants

St Mary's Primary, Writhlington

Bishop Sutton Primary

Moorlands Federation

Clutton Primary

When studies are completed individual projects will be subject to the normal capital approval process with scrutiny by the Capital Strategy Group and formal approval by Cabinet. An allocation of £150,000 is proposed to meet these costs.

- 5.5 Saltford Primary C of Primary – Additional places to meet Basic Need will be required at Saltford Primary school in September 2014. It was hoped that this could be achieved within the school's existing accommodation. However, recent discussions with the school have concluded that new accommodation (two classrooms) will be required but this presents a challenging timescale. Although a temporary building could be provided pending provision of a permanent solution, this would not be an efficient use of resources as the expansion is to meet an on-going need rather than a bulge class. A feasibility study has identified that it would be possible to provide a modular building early in the autumn term. The modular approach involves prefabricated sections constructed off-site and is considered a cost effective permanent solution which can be achieved more speedily than traditional construction. The governors and Head Teacher are supportive of this approach. An allocation of £400k is proposed and due to timescale Members are asked to give full approval to this allocation.
- 5.6 MOD sites – Members will be aware that the Council's Concept Statements for the development of the MOD sites at Foxhill, Ensleigh and Warminster Rd required developers to provide land and funding for new schools to accommodate pupils from the developments. Foxhill which is the largest development, will generate the need for a new 210 place school and discussions with the developer about how this will be provided have begun recently.
- 5.7 Discussions are more advanced on the other sites and this has identified that as the developments do not in themselves generate 210 pupils, the developer cannot be asked to fund the whole school as under Section 106 provisions contributions must relate in 'scale and kind' to the development. This means that developers can only be asked to fund the number of pupils generated by their development and a proportionate amount of land. Any additional land required to ensure a new school can be provided will have to be purchased from the developer and be funded by S106 contributions from other developers whose sites may be generating pupils who will attend the new school. The Council will also be required to contribute where the school will also provide Basic Need places.

- 5.8 In the case of Ensleigh, the MOD site was split into Ensleigh North and South and sold to two developers. The proposal is that the school will be located on the Ensleigh North part of the site but this development will generate 80 pupils approximately. This means that the developer of Ensleigh South and two other contributing sites in addition to funding pupil places generated from their developments, will need to compensate the Ensleigh North developer for the value of the land that will be provided for 'their' pupils. As the school is not only required for pupils from these developments sites but also for basic need places due to underlying population growth, the Council will also be required to make a proportionate contribution for land value and fund these places.
- 5.9 Prior to the submission of their planning application for the site the developer of Ensleigh North has requested that the Council formally confirm that it will provide this funding and commit to the delivery of the primary school.
- 5.10 Discussions are on-going with the developer of Warminster Rd with a view to securing land proportionate to the estimated number of pupils (60 approximately) generated by the development. Subject to securing sufficient land the proposal is to expand Bathwick St Mary C of E Primary school to provide an additional 210 places as other planned housing developments in Bath will also generate pupils likely to attend the school. It is not clear at this stage whether a contribution from Basic Need will be required but this is possible as it may be necessary to commit to the expansion of the school before all contributions from developers have been secured. The expansion will also need the support of the school and the Diocese of Bath & Wells.
- 5.11 Until final agreement is reached with the developers of Ensleigh North and Warminster Rd is reached it is not possible to state the actual funding required from Basic Need. However, initial estimates suggest it could be in the region of £3 - £3.5m for pupil places and land value. A desk top assessment of the likely costs of expanding the schools identified in 5.4 indicates that costs may be in the region of between £5-£6m. Given the significant increase in the level of Basic Need funding, it would be possible to meet this level of contribution without compromising the ability to fund other expansions required by 2017. Members are therefore asked to agree in principle to meeting the Council contribution with further details of the actual level required to be provided to the Cabinet member as discussions with developers are taken forward.

Capital Maintenance

- 5.12 Capital Maintenance – As identified in Paragraph 3.3 the 2014/15 Schools Planned Maintenance Programme (SCPM) which addresses worst condition issues in schools is already fully funded due to carry forwards from previous years. Priorities are identified by Property Services through condition surveys with the number of projects included in the programme determined by the funding available and those 'below the line' earmarked for the following year's programme.
- 5.13 In previous years due to the relatively low level of Basic Need funding it has been necessary to support basic need schemes from Capital Maintenance budget. The significant increase in the Basic Need allocation now makes the need to do this unlikely and it is possible to consider allocating additional funding for capital maintenance items. An increase in funding for the 2014/15 SCPM would enable a larger number of projects to be undertaken to address worst

condition issues in schools which is in line with the prime purpose of the funding. However, as some projects can only be undertaken during holiday periods any additional allocation must be manageable given this limitation. It is proposed therefore that an allocation of £500,000 is added to the 2014/15 SCPM to enable additional items currently below the funding cut off point to be carried out. This would bring total funding for the 2014/15 programme to £1.5m leaving a balance of £1.487m in Capital Maintenance funding.

5.14 In addition to an increase in planned maintenance funding it is proposed to allocate £500k for a limited number of projects in schools where improvements to accommodation would have a positive impact on curriculum delivery or school management/organisation. Priority projects will be identified and agreed with the Cabinet Member before they are taken forward for full approval.

5.15 The proposals in 5.13 and 5.14 total £1m leaving a balance of £0.987m in 2014/15 Capital Maintenance. This provides a healthy contingency amount for unforeseen additional costs and emergency projects. Any unused balance could be earmarked against the 2015/16 SCPM which is in line with practice in previous years.

5.16 Kitchen Capital - Initial estimates by Catering Services suggest the £353,269 allocated by the DfE is sufficient to enable the additional meals required as a result of the introduction of free school meals for all infants from September 2014 to be provided. In the majority of cases additional capacity will be met through the provision of new equipment rather than require building work. The programme of works required has been approved by the Capital Strategy Group.

6 RATIONALE

6.1 The projects proposed in this report are in line with intended purpose of DfE capital funding and are priorities within the Schools Capital Programme to ensure schools remain open and operational, statutory duties are met and longer term strategic planning is embedded.

7 OTHER OPTIONS CONSIDERED

7.1 It is considered the proposals reflect the most appropriate options given the needs identified and funding available.

8 CONSULTATION

8.1 Cabinet Member; Section 151 Officer; Strategic Director; Monitoring Officer.

9 RISK MANAGEMENT

9.1 A risk assessment related to the issue and recommendations has been undertaken, in compliance with the Council's decision making risk management guidance.

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Background papers	<i>List here any background papers not included with this report, and where/how they are available for inspection.</i>
Please contact the report author if you need to access this report in an alternative format	