

Name : Cabinet
Date : 7th March 2017
Title of report: 2016/17 and 2017/18 Council Capital Plan – Proposed allocation of 2017/18 capital funding from the Directorate for Children and Young People (DCYP) baseline section of the Capital Plan along with details of proposed amendments to the 2016/17 approved programme of works

Purpose of report:

This report will identify potential projects, for Member approval, to be funded from the 2017/18 DCYP Capital Maintenance section of the Capital Plan and present an update on the delivery of the 2016/17 DCYP Capital Maintenance programme approved by Cabinet on 8th March 2016.

Key Decision - Is it likely to result in spending or saving £250k or more, or to have a significant effect on two or more electoral wards?	Yes
Key Decision - Is it in the Council's Forward Plan (key decisions and private report)?	Yes
The Decision - Is it eligible for “call in” by Scrutiny?	Yes
Date signed off by Director & name	Jacqui Gedman, Director of Economy, Skills & the environment – 20 February 2017
Date signed off by the Assistant Director for Financial Management, IT, Risk and Performance?	Debbie Hogg – Assistant Director Resources – Financial, Risk, IT and Performance – 20 February 2017
Date signed off by the Assistant Director - Legal Governance and Monitoring?	Julie Muscroft –Assistant Director-Legal, Governance and Monitoring – 20 February 2017
Cabinet member portfolio	Cllr Graham Turner – Asset Strategy, Resources & Creative Kirklees (Arts) Cllr Masood Ahmed - Community Cohesion & Schools

Electoral wards affected: All
Ward councillors consulted: No
Public or private: Public Report with Private Appendix

Appendix B of this report is recommended to be considered in private as it contains information as classified under Part 1 of Schedule 12A of the Local Government Act 1972, as amended by the Local Government (Access to Information) (Variation) Order 2006, as it contains information relating to the financial or business affairs of any particular person (including the authority holding that information). It is considered that it would not be in the public interest to disclose the information contained in the report as disclosure could potentially adversely affect overall value for money and could compromise the commercial confidentiality of the bidding organisations and may disclose the contractual terms, which is considered to outweigh the public interest in disclosing information including, greater accountability, transparency in spending public money and openness in Council decision-making.

1. Summary

- 1.1 This report will identify potential projects to be funded from the DCYP Capital Maintenance baseline section of the Capital Plan which was approved by Council on 15th February 2017.
- 1.2 Members will be asked to consider and approve the Capital Maintenance programme along with named projects so that they can be delivered in 2017/18 and to authorise delegated powers for officers to manage the programme.
- 1.3 This report will also update Members regarding the delivery of the 2016/17 DCYP Capital Maintenance programme. It will report retrospectively on amendments and virements authorised by officers using delegated powers approved by Cabinet on 8th March 2016.

2. Information required to take a decision

(a) Background

- 2.1 In May 2016 the DfE announced a fixed allocation for 2016/17 of £4.042m. This level of grant was also deemed to be indicative of the allocation for 2017/18. Members should note that this indicative allocation is reviewed annually and subject to a Department for Education (DfE) announcement expected sometime in March 2017.
- 2.3 The methodology for calculating the allocations was changed in 2016 to take account of the following three components:

Core condition funding for all responsible bodies based on their pupil numbers; **High condition needs funding** for those with disproportionately high needs; and **Floor protections** to provide some stability in the transition to the new system.

- 2.4 As noted above, grant allocations are revised annually to reflect new or closing schools and where a school moves to a new responsible body (e.g. Academy), in which case the pupil-led core condition funding will move with the schools.

It is known that around seven primary schools converted to Academy status during 2016/17 and that a reduction in Core Condition Funding for 2017/18 can therefore be expected to reflect the reduction in pupil numbers.

- 2.5 The five year Capital Plan 2017/18 to 2021/22 was approved by Council on 15th February 2017 and takes into account an estimate of the expected reduction in grant in 2017/18 and is hence is set at £3.8M. Subject to approval, Officers will amend the

programme as required using delegated authority outlined in para.2.17 and 2.18 below to match the actual capital grant allocation in 2017/18 when announced by the DfE.

(b) Capital Maintenance for schools - Condition based projects 2017/18

2.6 The budget allocations are summarised in the table below:

Allocation	2016/17 Capital Plan (inc. rollover)	2017/18 Capital Plan
Condition Projects including disability adaptations	£3.742m £0.754m (rollover)	£3.480m -
Capital Plan preparation, advance surveys, feasibility studies, advance design, and condition surveys in relation to delivery of DCYP projects	£0.100m	£0.100m
Risk pot for emergency additions to the capital plan/balance for high tenders and asbestos	£0.200m	£0.220m
Virements and RCCO (net)	£0.070m	-
TOTAL	£4.866m	£3.800m

2.7 The Capital Maintenance programme for Schools primarily aims to address the backlog of condition works in our schools' estate. Currently, the backlog of Priority 1-3 works (i.e. works required in the next 0-5 years) is around £40m (excluding PPP/Voluntary Aided/ Academy Schools).

Attached at **Appendix A** is a business case that outlines the process for identifying the condition needs of individual schools, explains how the backlog of repairs is prioritised across all schools and how the 2017/18 schools' condition programme, if approved, will be procured, project managed and implemented.

In order to maximise spend on works it is proposed to manage asbestos risk via the main risk pot which will be carefully monitored throughout the year.

2.8 Following feasibility work undertaken by the Physical Resources and Procurement (PRP) Service, a prioritised list of urgent condition works required to be undertaken in schools during financial year 2017/18 has been identified. This is attached at **Appendix B**. All of the works proposed have scored 26-30 on the matrix scoring system (described in **Appendix A**), indicating that a failure of the element concerned would have a major impact on the individual school from a Health and Safety and/or building closure and/or building damage perspective.

2.9 The proposed programme of works primarily consists of the following categories of work:

- replacement of life expired flat and pitched roofs;
- whole school electrical re-wires;
- replacement of obsolete boilers and heating distribution systems;
- urgent health and safety works including structural repairs, eradication of dry rot and kitchen refurbishments.

In recent years replacement boiler and heating systems have had a beneficial impact on carbon reduction as well as greater insulation arising from re-roofing works. The total value of new condition works proposed is £3.480m.

2.10 In addition to the proposed new condition works the following capital allocations from the Capital Maintenance for Schools - Condition based projects programme are proposed:

- £100K to cover survey and preparation costs for the 2017/18 programme along with advance feasibility and design costs for the 2018/19 programme;
- £220K for a risk pot for items such as emergency in year additions to the programme; higher than anticipated tenders and levels of asbestos once works are under way.

(c) Revised allocations for the 2016/17 Condition Works Programme

2.11 The approved capital allocation of £4.042m was increased in year to £4.866m through virements, the addition of schemes funded via Revenue Contributions to Capital Outlay (RCCO) and approved rollover from the 2015/16 budget for committed schemes. It should be noted that £400K was released from completed schemes and has been left unallocated to support the 2017/18 programme and mitigate against the anticipated further reductions expected in the next grant announcement.

2.12 The current 2016/17 Capital Maintenance programme is almost complete with approximately 93% of schemes successfully delivered and the remaining 7% on course to be delivered or contractually committed before the end of the financial year.

2.13 The six week summer programme of condition works included:

- 7 boiler and/or heating system replacement projects at an approximate value of £828K;
- 7 roof replacement projects at an approximate value of £223K;
- 8 electrical rewire projects at a cost of approximately £1.560m;
- first phase of alterations to Woodley School & College (formerly Longley School) and provision of a modular building on site to start the transition to an ASD specialist facility at a cost of approximately £296K;
- disability works with an approximate value of £42K.

In total, £2.949m of works were undertaken across 24 school sites during the six week the summer period – all schools reopened on time for the new academic year in September 2016.

2.14 Officers have used delegated powers provided by Cabinet on 8th March 2016 to ensure the smooth delivery of the 2016/17 Capital Maintenance for Schools programme during the course of the year to date. As projects have been designed, tendered and subsequently delivered over the course of the financial year there has been a requirement to:

- reduce capital allocations for some projects where the successful lowest tender has been below the allocated budget and/or a capital contribution has been secured from the school involved thereby freeing up funds for urgent works at other schools;
- provide additional capital for some projects, following receipt of higher than expected tenders;

- provide additional capital for some projects where extra urgent works have been identified on site whilst a project is being implemented and which have had to be dealt with in order to avoid delays to the programme e.g. additional discoveries of asbestos containing materials, dry rot outbreaks etc;
- re-allocate funds from projects that have been unable to progress in 2016/17 for a variety of reasons to other projects in the programme that require more funding or to new urgent and/or emergency projects that have needed to be added to the programme during the course of the year due to their urgency.

2.15 **Appendix C** attached shows a list of amendments, deletions and additions to the original programme set within the overall Cabinet approved budget for 2016/17. Any savings made through lowest tenders, schools' capital contributions, reduced final accounts or deferred schemes have been reallocated, using delegated authority from Cabinet to Officers, to essential urgent works, all with matrix scores of 26 and above (maximum score is 30) and to planned rollover to support the 2017/18 condition programme in anticipation of further reductions to the DfE grant.

2.16 All changes to the programme are being reported retrospectively in accordance with the Council's Financial Procedure Rules.

(d) Financial Delegations

2.17 In order to aid the implementation of condition and physical adaptation works being funded from the Capital Maintenance programme, particularly during the summer months when the majority of work occurs, Members are again requested to delegate authority, in accordance with the Council's Financial Procedure Rules 3.9 to 3.14 dated June 2016, to the Interim Strategic Director of Economy Skills and Infrastructure to manage the implementation of the identified works within the respective agreed total programme budgets.

2.18 Delegated powers would include the authority to:

- add new urgent projects to the programmes without prior Cabinet approval providing that the total cost of the programmes remain within the approved capital allocations set by Council;
- transfer resources between the Capital Maintenance and Basic Need funding streams / programmes without restrictions;
- slip or delete projects during the course of the financial year to enable the effective management of the programmes concerned.

All variations, additions and deletions would be reported retrospectively to Cabinet in accordance with Financial Procedure Rule 3.14.

3. Implications for the Council

3.1 Early Intervention and Prevention (EIP) - None

3.2 Economic Resilience (ER) - None

3.3 Improving outcomes for Children

Appendix A notes that the Schools Condition Programme has little or no negative impact on groups with protected characteristics.

General improvements in the condition of school buildings will have a positive impact in that they will contribute to a safe, warm, dry and secure environment for all pupils and staff.

This Capital budget is also used to improve accessibility to school buildings and deliver a positive impact on groups with protected characteristics.

3.4 Reducing demand of services – None.

3.5 The capital investment outlined in this report of £3.8M is funded from the DfE grant allocation for 2017/18, and will be adjusted if the actual level of grant differs from this figure and not from prudential borrowing; therefore it has no revenue cost implications.

3.6 There is an extensive backlog of repairs in schools for which the Council has responsibility. Whilst condition works occur in schools throughout the academic year, the main focus of activity is during the six week summer holidays. In order to have sufficient time to design, tender and appoint contractors it is imperative that an agreed condition works programme to be funded from the Capital Maintenance funding stream is approved.

3.7 The detailed list of proposed schools' condition works for 2017/18 is listed in **Appendix B** and is all required to address urgent condition needs in schools. Failure to undertake the works could lead to significant damage to buildings, equipment and belongings e.g. significant water ingress through a failed roof or the partial or full closure of a school e.g. a boiler or heating system failure during the winter months could close a school due to temperatures falling below minimum requirements.

3.8 The council under section 149 of the Equality Act 2010 must have "due regard to the need to –

a) eliminate discrimination, harassment, victimisation, and any other conduct that is prohibited by or under the Act;

b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it .."

section 149(7) sets out seven protected characteristics - namely, age, disability, gender reassignment, pregnancy and maternity, race, religion, or belief, sex and sexual orientation .

Paragraph 3.3 above notes that this programme of works has little or no negative impact and some positive effect in improving the condition and accessibility of school buildings to the benefit of all.

4. Consultees and their opinions

4.1 The condition programme has been subject to consultation with officers from DCYP and with Portfolio Holders for Children's Services and Resources on 20th February 2017.

4.2 Following approval by cabinet, consultation will occur with the individual schools that are due to be part of the programme and this will continue throughout the year as the projects are developed, designed and implemented.

4.3 The DCYP SEN Assessment and Commissioning team works closely with the PRP Service to identify pupils with disabilities and ensure that their needs are being met where appropriate.

This involves close consultation with the individual schools concerned to ascertain and agree the level of “reasonable adjustments” required to the school’s buildings and grounds, and also to its day to day operations and curriculum.

- 4.4 The Council’s Strategic Finance Department has been consulted about the proposals to delegate authority to manage the programmes concerned to officer level and has agreed that the proposals would comply with the Council’s Financial Procedure Rules.
- 4.5 Capital Delivery Board and A.D. Strategic Investment Group also support the recommendations below.

5. Next Steps

Subject to approval of the proposed projects and final business case, officers from PRP will ensure the 2017/18 Capital Plan is updated and the projects concerned are developed, designed, procured and implemented.

6. Officer Recommendation and reasons

Members are requested to:

- (a) consider and approve the business case at **Appendix A** which outlines the rationale for the schools’ condition works programme, the availability of funding, the selection process and the main categories of work, thereby enabling the projects concerned to be designed, procured and implemented;
- (b) consider and approve the detailed list of proposed works in schools for 2017/18 attached at **Appendix B**.
- (c) consider and approve delegated powers in accordance with the Council’s Financial Procedure Rules 3.9 to 3.14 dated June 2016, to the Interim Strategic Director of Economy Skills and Infrastructure so that the programme can be managed and the implementation of the identified works contained within the respective agreed total programme budgets.

Delegated powers would include the authority to:

- add new urgent projects to the programmes without prior Cabinet approval providing that the total cost of the programmes remain with the approved capital allocations set by Council;
- transfer resources between the Capital Maintenance and Basic Need funding streams / programmes without restrictions;
- slip or delete projects during the course of the financial year to enable the effective management of the programmes concerned.

All virements, additions and deletions would be reported retrospectively to Cabinet in accordance with Financial Procedure Rule 3.14.

- (d) note the revised amendments / allocations applied by Officers using delegated powers to the detail of the 2016/17 Schools Capital Maintenance and Basic Need programmes, as stated in **Appendix C**.

7. Cabinet portfolio holder's recommendations

Portfolio Holders for Children's Services and Resources considered this report on 21st February 2017 and are supportive of the proposals contained within it.

8. Contact officer

David Martin - Capital Development and Delivery Manager - Physical Resources and Procurement Service Tel: 01484 221000 Email:david.martin@kirklees.gov.uk

9. Background papers and history of decisions

15th February 2017 Council: 5 Year Investment Plan 2017/18 to 2021/22

March 8th 2016 Cabinet Report - 2015/16 and 2016/17 Council Capital Plan – Proposed allocation of 2016/17 capital funding from the Directorate for Children and Young People (DCYP) baseline sections of the Capital Plan along with details of proposed amendments to the 2015/16 approved programme of works

10. Assistant Director Responsible

Paul Kemp - Assistant Director - Place

11. Attachments

Appendix A: Final Business Case for the Capital Maintenance Schools' condition programme.

Appendix B (Private):
Detailed list of proposed 2017/18 DCYP Capital Maintenance Schools' condition programme.

Appendix C: Revised allocations for the 2016/17 DCYP Capital Maintenance Schools' condition and Basic Need programmes.

Project Title:	Capital Maintenance for Schools – Baseline Condition Programme		
Project Manager:	Kath Chapman		
Client Service:	Directorate for Children & Young People Service (DCYP)		
Date of this OBC:	March 2017		
KMC Capital total (Gross) (£000s):		£3.8m	

DESCRIPTION

Description of the project and its purpose:

The Capital Maintenance for Schools grant is provided to all Local Authorities for expenditure on Schools to ensure that:

- buildings and equipment are properly maintained;
- health and safety issues are addressed and;
- a backlog of repairs does not build up over time.

In addition, Kirklees uses the funding to ensure that where required, schools are accessible for pupils with disabilities and that appropriate specialist equipment is provided to meet the needs of individual pupils. Since 2011/12 Councils have been expected to fund physical adaptations to schools from the Capital Maintenance grant provided to all LAs. Specialist equipment will, wherever possible, be funded from revenue and only be capitalised as a last resort.

On 15th February 2017 the Council approved a 5 Year Investment Plan, which included a proposed programme of works under Capital Maintenance for Schools totalling £3.8M.

(a) A programme of urgent condition works in schools totalling £3.480M. The key categories of works proposed are:

- a programme of urgent and essential repairs to replace leaking and life-expired pitched and flat roofs. Incorporated in these works are enhancements or in some cases the introduction of insulating material, which greatly improves the thermal efficiency of the roof. This contributes to a reduction in the building's carbon footprint through lower energy usage. In the case of pitched roofs in Victorian schools it includes, where necessary, essential repairs to lath and plaster ceilings using a chicken wire and timber batten technique above the suspended ceiling. This greatly reduces the risk of old plasterwork falling through the suspended ceiling. These works also include replacing the existing suspended ceiling grid and luminaires with new energy efficient recessed lighting, which greatly enhances the teaching and learning environment for pupils and staff through an improved quality of lighting, whilst simultaneously contributing to lowering the building's carbon footprint and running costs;
- a programme of whole school electrical re-wiring projects to replace life expired existing systems and to comply with the latest legislative standards. As well as full replacement of the electrical wiring systems, these projects have the added benefit of providing new ceilings and modern, energy efficient lighting which provide the schools with a new look and greater energy efficiency. Where appropriate, these projects also incorporate improvements to ICT infrastructure e.g. enhancement or rationalisation of data point coverage and the replacement of the existing fire alarm and/or lightning protections systems and provides the opportunity to manage asbestos to support ongoing maintenance of building fabric and other service;
- replacement of inefficient and obsolete boilers with energy-efficient boiler plant and/or the replacement of inefficient heating distribution systems, with low surface temperature radiators providing better control. These works can also have a positive impact on the working environment for pupils and staff as they lead to the provision of heating that better matches an individual school's requirements, reducing energy wastage and utility costs and contributing to meeting the Council's carbon reduction targets;

- a programme of fan convector removal and replacement, where appropriate, with wet system radiators. This will remove noisy, industrial and ineffective heating systems and replace them with modern, more energy efficient forms of heating;
- (b) An allocation of £130k for remodelling the kitchens at Manorfield I & N School and Reinwood Community Junior School with a funding contribution to be negotiated with Schools Catering. School kitchens to be refurbished are generally identified by reference to the annual assessment of each school kitchen's structure, internal fabric and equipment carried out by the PRP Service. Priority is given to projects designed to address known health and safety issues, including compliance with all relevant legislation (e.g. The Gas Act; Electricity at Work Act; Food Safety Provision Regulations).
- (c) An allocation of £100K for preparation costs for the 2017/18 and 2018/19 capital plan. These costs include feasibility studies / asbestos surveys / condition surveys / advance design in relation to the preparation and implementation of DCYP projects.
- (d) An allocation of £220K to act as a risk pot for emergency schemes that will no doubt emerge as the financial year progresses. As the backlog of repairs exceeded the availability of capital, it has only been possible to fund projects with a matrix score of 26-30. Many schemes categorised as a matrix of 24 had again to be placed on hold until future years due to a lack of available funding. There is a risk that some of these elements could deteriorate during the course of 2017/18 prompting the need to bring some projects back into the programme in order to tackle serious H&S issues or potential school closures. Because the risk pot will also need to cover DDA allocation not yet identified and the risk of uncovering asbestos issues once work has commenced on site.
- In all schools the Head teacher and governing body are asked to consider if reasonable adjustments to how they deliver the curriculum can be made without the need to undertake physical adaptations. In addition, consideration is given as to whether specialist equipment can meet the needs of the individual. Where physical works are required, consideration is given to minimising the level of works required to that which would be considered to be "reasonable". In all cases, the works identified are either required to enable the admission of pupil(s) to the school chosen by their parents / carers from the start of the new academic year in September 2015 or are required to meet the needs of schools where pupils have already been admitted but where adaptation works have subsequently been identified. Works to schools will have wider benefits for staff, visitors and the local communities by increasing the accessibility of the buildings and grounds for all.
- (e) An allocation of £200K to continue the phased alterations to Woodley School & College (formerly Longley School) to aid the transition to an ASD specialisation.

It should be noted that there are no individual schemes in the proposed condition programme that exceed £250,000 – though it should be noted that Phase1 Dalton School Fields rewire has a budget cost estimate of £223K and Upperthong J&I Rewire £236.5K. Further schemes may be added by officers, subject to approval, using authority delegated in the attached cabinet report providing that there are sufficient funds available.

Allocation methodology for condition funding

Every school receives a survey covering internal and external fabric, mechanical and electrical services and external areas. All surveys are undertaken by the Council's Physical Resources and Procurement (PRP) Service and are paid for through a combination of the Schools Traded Service for Repairs and Maintenance and the DCYP Capital Plan.

The information collected is stored on the Council's K2 Asset Management database and is used to set the Council's capital investment plan for schools, as well as being used by schools themselves to prioritise expenditure from their revenue Repair and Maintenance budgets and their Devolved Formula Capital allocations. All surveys are based on the DfE's condition surveying methodology,

which has been in operation since 2000. The methodology allocates a condition and priority to each individual element using nationally agreed DfE stipulated grades as follows:

GRADE	MEANING
A	Good - Performing as intended and operating efficiently.
B	Satisfactory - Performing as intended but exhibiting minor deterioration
C	Poor - Exhibiting major defects and / or not operating as intended
D	Bad - Life expired and / or serious risk of imminent failure.
Priority 1	Urgent work that will prevent immediate closure of the premises and / or address an immediate risk to the health and safety of occupants and / or remedy a serious breach of legislation.
Priority 2	Essential work required within two years that will prevent serious deterioration of the fabric or services and / or address a medium risk to the health and safety of occupants and / or remedy a less serious breach of legislation.
Priority 3	Desirable work required within three to five years that will prevent deterioration of the fabric or services and / or address a low risk to the health and safety of occupants and / or remedy a less serious breach of legislation.
Priority 4	Long term work outside the five year planning period that will prevent deterioration of the fabric or services.

This results in each element of a school building and its grounds receiving a grade that indicates its current condition and life expectancy e.g. A 35 year old boiler might be rated D1 which indicates that the item is life expired and in urgent need of replacement whilst a five year old boiler might be rated A4, which means that it is in a good condition and needs no major investment in the next five years.

As the backlog of repairs exceeds the capital available, a matrix scoring system is used to prioritise the backlog of urgent priority 1-3 works, taking into account issues such as health and safety, the remaining life of the element and the impact of a failure on the building. Each of the three categories is allocated a maximum of 10 points, which produces a maximum score of 30 points. The elements with the highest scores are considered for the condition programme. Using the above system, it can be demonstrated that the programme of works identified in the DCYP Capital Investment Plan represents the most urgent and highest priority repairs for the LA.

A weighting system is employed to give greater importance to some types of repairs than others. Elements that receive a weighting are mechanical services, electrical services, roofs and external walls. Where the number of schools with a matrix score of 26 – 30 exceed the financial resources available officers prioritise the programme according to the asbestos risk, continuation of previous phases, and links between mechanical & electrical works.

Weightings are not allocated to fixed furniture, external areas, redecoration, sanitary services and internal walls and doors.

What are the benefits / critical success factors?

The Capital Maintenance for Schools baseline condition programme will help reduce the backlog of priority maintenance in Kirklees community / voluntary controlled / foundation / trust schools, which currently totals around £40M for priority 1-3 works.

It will contribute to addressing a key priority for the Directorate for Children and Young People, and PRP Service which is to ensure that all schools are warm, dry, safe and secure.

The programme will contribute towards the vision for a New Council which:

- Continues to provide a consistent level of basic services, but will target limited resources as appropriate to meet community needs and strive to maximise the impact of all our services by collaborating with others;
- Safeguards vulnerable citizens, but wherever possible, seeks to not just provide a safety net, but also a route to help people control their own lives and to stay safe and well.

Many of the projects being implemented will have a direct impact on reducing the Kirklees carbon footprint – all new roofs will incorporate significantly improved insulation; new boilers will be modern, energy efficient equipment with the latest TREND controls; re-wired buildings will contain energy efficient lighting with significantly improved controls including movement sensors and dimming switches.

The programme is designed and procured to ensure that all schools re open without loss of teaching days.

FINANCE

KMC **Gross** Total (including external/grant funding if applicable) (£000):

Profile: Year

Sum **£3.8m**

Funding for this section of the Capital Plan comes from the Capital Maintenance for Schools grant, which is an un-ring fenced capital grant provided by the DfE.

Devolved Formula Capital contributions from schools towards specific projects will be sought though it is acknowledged that DFC for schools has also been subject to significant reductions. By securing a capital contribution from DFC, where available, this enables more projects to be undertaken compared to a situation where the LA was funding all projects at a 100% level.

The total value of the condition works proposed in this business case is £3.480m plus a number of other budgets incl. for the preparation and delivery of the programme and management of risk.

Lifespan of assets

New boilers fitted should have a life of 15-20 years, whilst new heating distribution systems should last 40-50 years. New flat roofs will have a lifespan of 15-30 years depending on the materials used (e.g. felt, asphalt, EPDM) whilst pitched slate roofs can have a life expectancy of 50-100 years+. Rewired electrical systems are expected to have a life of 25-40 years. This will all depend on an appropriate regime of inspection/servicing/repair being funded and carried out by the schools and the Local Authority

Lifecycle Capital costs (during the lifetime of the asset):

It is recognised that there are life cycle capital costs associated with this programme of works. All the roofs, boilers, electrical systems etc. installed will require ongoing maintenance and eventual replacement. All elements of a school building and grounds are covered by condition surveys co-ordinated by the PRP Schools FM team in conjunction with PRP condition surveyors. All condition related data is stored on the Council's K2 Asset Management system and is used to prioritise works for future capital replacement projects.

Responsibility for the lifecycle costs of this programme rests with the schools and the Council. Schools undertake significant capital repairs / replacement works from their Devolved Formula Capital (DFC) and their own revenue budgets. The Council undertakes capital works in schools using the Capital Maintenance Grant provided by the DfE.

Revenue Implications

Increased levels of insulation in new roofs, the installation of energy efficient boilers, the introduction of energy saving lighting and other devices and the greater use of sustainable technologies should have a positive impact on school running costs by reducing energy usage and therefore bills. These works should also reduce school maintenance costs in the short term by providing new assets, though schools will need to ensure that appropriate revenue budgets are set in the medium and long term in order to maintain the new assets properly. Due to the way that the Kirklees LMS scheme operates any revenue savings will accrue to the individual schools rather than the overall Dedicated Schools Grant.

DELIVERY & MANAGEMENT

How will the project be delivered/managed?

Delivery & Management.

Design and delivery of the DCYP Capital programme is the responsibility of the PRP Service. Overall management of the DCYP Capital Plan resides with the Capital Development team. Within the Schools Facilities Management Team, the Asset Manager (Schools) and Asset Managers will act as a key link between schools and the allocated PRP surveyor / external framework consultant / external framework contractor / PRP Technical Advisor / PRP Project Manager (the actual combination will depend on the procurement route for each individual project) to ensure the delivery of each scheme at an operational level. Project Management of the programme will be provided through the Capital Delivery Service within PRP. The Capital Development and Delivery Manager will act as the overall Project Executive.

How will the Programme/Project impact on hard to reach groups?

All sections of the community will benefit from improvements to their local schools including hard to reach groups such as lone parents, traveller families and minority ethnic groups as well as pupils with physical disabilities. An Initial Equalities Impact Screening exercise has demonstrated that this programme will have little if any negative impact on any Protected Characteristic Group

Is this subject to OJEU Regs?

None of the projects are individually large enough to fall under OJEU Regulations. Most projects will be tendered but where projects are delivered via Framework Agreements, these agreements will have already been subject to the full OJEU process.

How will this be procured:

This programme of works will be delivered through the PRP Service. Works delivered externally by contractors will be tendered; or will be negotiated if delivered by KNH Building Services. We will also negotiate with private contractors on multi-phased schemes where contractors have performed well on the first phase of works – management of the procurement process will be through the Capital Delivery team within PRP.

Key risks in undertaking / not undertaking this programme/project:

This programme contains urgent condition items relating to school buildings (e.g. roof repairs; boiler replacements; whole school electrical rewires; H&S works etc.) that could, if not tackled, lead to damage to the buildings, H&S risks to the building occupants and the potential partial or full closure of schools, which would impact on the educational attainment of young people.

In running this large and varied programme we encounter many risks including:

- There are some larger schemes (e.g. whole school re-wires or projects that combine different

disciplines e.g. boiler replacement combined with a whole school re-wire) which will be complicated to deliver due to programming issues; availability of decant space etc.;

- Many schemes will need to be undertaken during the summer holidays due to the nature of the works e.g. the replacement of a slate roof on a Victorian School and therefore any potential slippages could have serious consequences.

OTHER INFORMATION

Key Contacts

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This FBC approved by: Cabinet 7th March 2017

Programme Area	Project	June 2016 Capital Plan Figure £	New Figure £	Variance	Reasons for Change/Variance
	DCYP CAPITAL MAINTENANCE PROGRAMME 2016/17 - CONDITION PROJECTS				
Capital Maintenance	2016/17 Capital Plan preparation costs - Advance surveys/feasibility studies/asbestos surveys/condition surveys costs in relation to the delivery of DCYP projects and advance design of projects for the 2017/18 programme.	£100,000	£100,000	£0	No change to Capital Plan figure, expected level of feasibility and advanced design costs.
Capital Maintenance	Risk Pot for emergency additions to the Capital Plan/balance for high tenders.	£438,000	£383,784	£-54,216	Budget has changed to reflect the balance of high tenders and the addition of urgent works to the programme. Any underspend will be required for planned rollover to support the 2017/18 Capital Maintenance programme.
Capital Maintenance	2015/16 Rollover schemes - charges under £1000.	£23,000	£7,282	£-15,718	Reduced final accounts.
Capital Maintenance	Kitchen Refurbishment programme - Heckmondwike Primary School	£23,000	£22,536	£-464	2015/16 Rollover scheme, slight reduction to the final account.
Capital Maintenance	Kitchen Refurbishment Programme - Marsden I&N School	£130,000	£0	£-130,000	Contribution to the kitchen refurbishment works viated to the larger Basic Need scheme.
Capital Maintenance	Priority School Building Programme - Master planning	£8,000	£5,798	£5,500	2015/16 Rollover scheme, reduction to the final account.
Capital Maintenance	Birkenshaw CE (VC) Primary School - Boiler plant replacement	£89,000	£84,703	£-4,297	Blending values omitted from the scope of works, reducing the estimates final account.
Capital Maintenance	Brockholes CE (VC) J&I School - Heating distribution replacement	£154,900	£171,660	£16,760	The negotiated contract was higher than pre-tender estimates due to upward pressure in market conditions.
Capital Maintenance	Bywell CE (C) Junior School - Replace fan convectors, heating distribution system and auto controls.	£3,000	£5,046	£2,046	2015/16 Rollover scheme, final account more than expected.
Capital Maintenance	Bywell CE (C) Junior School - Phase 2 replace fan convectors, heating distribution system and auto controls	£137,000	£100,620	£-36,380	Lowest competitive tender returned was lower than pre-tender estimates.
Capital Maintenance	Bywell CE(C) Junior School - Roofing works	£21,000	£45,985	£24,985	Lowest competitive tender returned was higher than the pre-tender estimate due to market forces.
Capital Maintenance	Bywell CE (C) Junior School - Re-roof flat roof 03	£0	£2,502	£2,502	2015/16 Rollover scheme, final account more than expected.
Capital Maintenance	Crossley Fields J&I School - Phase 3 rewire	£231,000	£238,000	£7,000	Final cost of scheme increased due to an increase in the specification.
Capital Maintenance	Crossley Fields J&I School - Phase 2 rewire of KS1 and KS2 buildings	£2,000	£1,991	£-9	2015/16 Rollover scheme, slight reduction in fees.
Capital Maintenance	Crossley Fields J&I School - DDA adaptations	£0	£25,540	£25,540	New addition - urgent work required.

Programme Area	Project	June 2016 Capital Plan Figure £	New Figure £	Variance	Reasons for Change/Variance
Capital Maintenance	Crow Lane Primary and Foundation Stage School - Inner pitches of roofs C, D, G and I	£72,000	£48,030	-£23,970	Lowest competitive tender returned was lower than pre-tender estimates due to a reduction in the specification upon manufacturer guidance.
Capital Maintenance	Crowlees CE (VC) J&I School - Phase 2 rewire	£157,030	£172,110	£15,080	Lowest competitive tender returned was higher than the pre-tender estimate due to market forces.
Capital Maintenance	Crowlees CE (VC) J&I School - Re-roof 02 and 04	£62,000	£79,080	£17,080	Lowest competitive tender returned was higher than the pre-tender estimate due to market forces.
Capital Maintenance	Crowlees CE (VC) J&I School - Rewire including extension and admin. areas	£5,000	£1,057	-£3,943	2015/16 Rollover scheme, final account lower than expected.
Capital Maintenance	Dalton School - Sump pumps	£39,000	£39,585	£585	2015/16 Rollover scheme, final account slightly higher than expected.
Capital Maintenance	Diamond Wood Community Academy - DDA adaptations	£30,000	£42,000	£12,000	Final cost of scheme increased to include additional authorised works.
Capital Maintenance	East Bierley CE (VC) Primary School - Partial distribution controls and CWS	£86,900	£0	-£86,900	Scheme combined with the rewire to make economies of scale savings.
Capital Maintenance	East Bierley CE (VC) Primary School - Rewire	£129,090	£199,955	£70,865	Scheme combined with the rewire to make economies of scale savings. The school's DFC contribution reduced the capital
Capital Maintenance	Eastborough JI&N School - Heating distribution replacement	£179,200	£144,472	-£34,728	Lowest competitive tender returned was higher than the pre-tender estimate.
Capital Maintenance	Eastborough JI&N School - Replace ridges and gutters 01, 01a, 02, 03, 04, 05, 06a, 06b & 07	£120,000	£67,100	-£52,900	Lowest competitive tender returned was lower than the pre-tender estimate.
Capital Maintenance	Fixby J&I School - Rewire	£220,600	£280,400	£59,800	Increased specification and asbestos costs.
Capital Maintenance	Golcar JI&N School - Replace fan convectors and radiators with LST's	£4,000	£3,248	-£752	2015/16 Rollover scheme, final account lower than expected.
Capital Maintenance	Golcar JI&N School - Intruder alarm and electrics in Nursery	£45,000	£45,000	£0	2015/16 Rollover scheme, no change to Capital Plan figure.
Capital Maintenance	Golcar JI&N School - Boiler plant replacement	£117,000	£126,000	£9,000	Final cost of scheme increased to include additional authorised works.
Capital Maintenance	Gomersal Primary School - Phase 1 roofing works 01, 03, 04, 05, 06 and 07	£125,000	£109,265	-£15,735	Lowest competitive tender returned was lower than the pre-tender estimate and the school's DFC contribution reduced the capital requirement.
Capital Maintenance	Healey JI&N School - Re-roof flat roofs 10 & 12	£0	£1,304	£1,304	2015/16 Rollover scheme, final account more than expected.
Capital Maintenance	Hepworth J&I School - Boiler replacement	£2,000	£2,000	£0	2015/16 Rollover scheme, no change to Capital Plan figure.
Capital Maintenance	Hightown JI&N School - Roofing works 02b, 02c, 03, 04 and 06 (part)	£77,250	£74,295	-£2,955	Lowest competitive tender returned was lower than the pre-tender estimate and the school's DFC contribution reduced the capital requirement.

Programme Area	Project	June 2016 Capital Plan Figure £	New Figure £	Variance	Reasons for Change/Variance
Capital Maintenance	Hightown JI&N School - Roofing works 02a, 02b & 01a	£3,000	£2,287	£-713	2015/16 Rollover scheme, final account lower than expected.
Capital Maintenance	Holmfirth JI&N School - Replace aluminium radiators with LST's	£5,000	£4,412	£-588	2015/16 Rollover scheme, final account lower than expected.
Capital Maintenance	Honley CE(VC) I&N School - Boiler plant replacement	£94,600	£92,857	£-1,743	Fees expended in previous years and the school's DFC contribution reduced the capital requirement.
Capital Maintenance	Hopton Primary School - Roofs 14, 15 and 16	£18,500	£18,020	£-480	Agreed final account slightly less than expected.
Capital Maintenance	Hyrtmount Junior School - Boiler replacement (extension block)	£85,500	£83,400	£-2,100	Lowest competitive tender returned was higher than the pre-tender estimate but the school's DFC contribution reduced the capital requirement.
Capital Maintenance	Kirkheaton Primary School - Phase 2 rewire	£148,700	£117,564	£-31,136	Lowest competitive tender returned was lower than the pre-tender estimate and the school's DFC contribution reduced the capital requirement.
Capital Maintenance	Kirkheaton Primary School - Early Years heating	£0	£16,000	£16,000	New addition - urgent work required.
Capital Maintenance	Kirkroyds Infant School - Rewire and domestic pipework distribution	£3,000	£2,500	£-500	2015/16 Rollover scheme, final account lower than expected.
Capital Maintenance	Longley School - ASD provision Phase 1 & Phase 2	£231,000	£93,792	£-137,208	2015/16 Rollover scheme and 2016/17 scheme.
Capital Maintenance	Longley School - Playground reconfiguration works	£0	£165,668	£165,668	New addition - urgent work required. Funded through the risk pot and the underspend on the Longley ASD provision budget.
Capital Maintenance	Longley School - Modular provision	£0	£232,450	£232,450	New addition - urgent work required. RCCO of £200K received from Schools Organisation.
Capital Maintenance	Manorfield I&N School - Whole school rewire	£1,000	£1,285	£285	2015/16 Rollover scheme, final account more than expected.
Capital Maintenance	Marsden I&N School - Roof 1	£15,000	£28,706	£13,706	Increased scope of works and timecharges.
Capital Maintenance	Meltham CE(VC) Primary School - Phase 2 rewire	£177,000	£204,165	£27,165	Lowest competitive tender returned was higher than the pre-tender estimate due to the levels of asbestos found on site.
Capital Maintenance	Meltham Moor Primary School - Replace fan convectors and radiators	£5,000	£5,000	£0	2015/16 Rollover scheme, no change to Capital Plan figure.
Capital Maintenance	Meltham Moor Primary School - Re-roof flat roofs 05 incl 08	£33,000	£34,308	£1,308	2015/16 Rollover scheme, final account more than expected.
Capital Maintenance	Mill Lane Primary School - Roof 12 incl gutters E05 to E07	£15,800	£14,432	£-1,368	Lowest competitive tender returned was higher than the pre-tender estimate but the school's DFC contribution reduced the capital requirement.
Capital Maintenance	Moorlands Primary School - Replacement boiler	£0	£3,199	£3,199	Final Building Services charge higher than expected.

Programme Area	Project	June 2016 Capital Plan Figure £	New Figure £	Variance	Reasons for Change/Variance
Capital Maintenance	Netherthong Primary School - Roofs 01,02,03,08,09,11,12,14	£88,000	£113,546	£25,546	Lowest competitive tender returned was higher than the pre-tender estimate due to market forces.
Capital Maintenance	Newsome High School and Sports College - Lecture Theatre ventilation	£12,000	£11,750	£250	2015/16 Rollover scheme, final account lower than expected.
Capital Maintenance	Newsome Junior School - Ph 1 roofing works 02,03,04	£105,000	£93,185	£11,815	Lowest competitive tender returned was lower than the pre-tender estimate and the school's DFC contribution reduced the capital requirement.
Capital Maintenance	Norristhorpe J&I School - Boiler replacement	£3,000	£3,290	£290	2015/16 Rollover scheme, final account more than expected.
Capital Maintenance	Norristhorpe J&I School - Re-roof 01,02,03,04	£5,000	£5,250	£250	2015/16 Rollover scheme, final account more than expected.
Capital Maintenance	Old Bank JI&N School - Rewire	£2,000	£2,100	£100	2015/16 Rollover scheme, final account more than expected.
Capital Maintenance	Old Bank JI&N School - Replace heating distribution	£123,200	£107,565	£15,635	Fees expended in previous years and the school's DFC contribution reduced the capital requirement.
Capital Maintenance	Old Bank JI&N School - Roof 06	£17,000	£42,848	£25,848	Lowest competitive tender returned was higher than the pre-tender estimate due to market forces.
Capital Maintenance	Paddock JI&N School - Phase 1 rewire	£215,000	£223,130	£8,130	Lowest competitive tender returned was higher than the pre-tender estimate due to market forces.
Capital Maintenance	Paddock JI&N School - Boiler including DHW cylinder and controls	£0	£3,800	£3,800	Increased professional fees.
Capital Maintenance	Park Road JI&N School - Boiler plant replacement	£114,700	£114,700	£0	No change to Capital Plan figure.
Capital Maintenance	Rowley Lane JI&N School - Ph1 roofing works 02a,03	£165,000	£115,270	£49,730	Final cost of scheme reduced from the tender figure due to savings made and the school's DFC contribution.
Capital Maintenance	Savile Town CE(VC) I&N School - Replace 2 Ideal RS10 Mexico boilers in the Nursery building	£6,000	£4,200	£1,800	Building Services final account was less than their projected figure.
Capital Maintenance	Savile Town CE(VC) I&N School - Re-roof flat roof 01a	£49,000	£42,450	£6,550	Final cost of scheme reduced from the tender figure due to a reduction in scope of works.
Capital Maintenance	Scholes (Holmfirth) J&I School - Rewire	£2,000	£1,400	£600	2015/16 Rollover scheme, final account lower than expected.
Capital Maintenance	Scholes (Holmfirth) J&I School - Roofing works 04,05	£25,000	£21,600	£3,400	Final cost of scheme reduced from the tender figure due to a reduction in scope of works and the school's DFC contribution.
Capital Maintenance	Skelmanthorpe F&N School - Roofing works 01,02,03,04	£75,000	£61	£74,939	Scheme removed from programme, school requested to take ownership of the works. Feasibility cost only.
Capital Maintenance	Staincliffe CE(VC) Junior School - Roofing works 05	£30,000	£46,000	£16,000	Final cost of scheme increased from the tender figure due to additional work required. Costs may be recouped from the contractor.

Programme Area	Project	June 2016 Capital Plan Figure £	New Figure £	Variance	Reasons for Change/Variance
Capital Maintenance	St Johns CE (VC) Infant School - Partial rewire	£0	£124,760	£124,760	New addition - urgent work required.
Capital Maintenance	Thornhill J&I School - Re-roof flat roof 11 and pitched roofs 01d and 01e	£1,000	£1,300	£300	2015/16 Rollover scheme, final account more than expected.
Capital Maintenance	Thornhill Lees CE(VC) I&N School - Roofing wWorks to 03 including 01 and 02 Valley Gutter	£15,000	£15,395	£395	Lowest competitive tender returned was higher than the pre-tender estimate but the school's DFC contribution reduced the capital requirement.
Capital Maintenance	Thornhill Lees CE(VC) I&N School - Fire Alarm Replacement	£0	£28,046	£28,046	New addition - urgent work required.
Capital Maintenance	Thurstonland Endowed (VC) First School - Roofing Works 01,02,03,04	£48,000	£426	£-47,574	Scheme on hold until school clarifies position with extension works. Feasibility costs only.
Capital Maintenance	Westborough High School - Roofing Works to Roofs 20,21	£28,000	£2,105	£-25,895	Scheme deferred. Feasibility costs only.
		Total	£4,866,170		