

Report title: 2024/25 Council Capital Plan – Proposed allocation of 2024/25 capital funding from the Directorate for Children’s Achieve & Aspire baseline section of the Capital Plan.

Cabinet date	9th April 2024
Cabinet Member	Finance & Regeneration (Corporate Landlord) - Cllr Graham Turner Children’s Services - Cllr Viv Kendrick
Key Decision Eligible for Call In	Yes Yes
<p>Purpose of Report This report will identify potential projects, for Member approval, to be funded from the 2024/25 Achieve & Aspire Capital Maintenance section of the Capital Plan to address urgent condition related needs in maintained schools and ask for delegated powers for officers to manage the programme within its budget envelope.</p>	
<p>Recommendations Cabinet Members are requested to:</p> <ul style="list-style-type: none"> 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. consider and approve the detailed list of proposed works in schools for 2024/2025, which is attached at Appendix B. consider and approve the proposed officer delegated powers to the Service Director - Development, Growth and Regeneration, as outlined in paragraphs 2.12- 2.14 of this report. <p>Reasons for Recommendations This vital capital programme will address urgent H&S related condition works across the maintained schools’ portfolio and will help ensure that they remain safe, dry, warm and secure, ensuring positive outcomes for children both now and in the future.</p>	
<p>Resource Implication: This programme of works is funded through government grant.</p>	
Date signed off by <u>Strategic Director</u> & name	David Shepherd – Strategic Director for Growth and Regeneration – 26.03.2024
Is it also signed off by the Service Director for Finance?	Isabel Brittain – 27.03.2024
Is it also signed off by the Service Director for Legal Governance and Commissioning?	Julie Muscroft – 28.03.2024

Electoral wards affected: All

Ward councillors consulted: No

Public or private: Public

Has GDPR been considered? There are no GDPR implications relating to this report.

1. Executive Summary

- 1.1 This report will identify potential projects to be funded from the Achieve & Aspire Capital Maintenance baseline section of the Capital Plan approved by Council on 6th March 2024. This funding is used to address urgent condition related needs in maintained schools. Academies and Voluntary Aided Schools have access to their own capital funds through their Responsible Bodies.
- 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 2024/25 and to authorise delegated powers for officers to manage the programme.

2.0 Information required to take a decision

(a) Background

- 2.1 On 28th March 2023 the Department for Education (DfE) announced a Schools Condition Capital grant allocation for 2023/24 of £3.585M for Kirklees. This level of grant was also deemed to be indicative of the allocation for the Authority for 2024/25, subject to future confirmation by the Department in spring 2024.
- 2.2 The DfE revised the condition funding system and methodology used for their capital settlements in 2022/23, using new data from their National Condition Data Collection, and more up-to-date pupil numbers from the spring 2020 census. Weighted pupil numbers underpin funding calculations for the School Condition allocations. The numbers are weighted to reflect the different levels of floor area per pupil in different settings. We expect this same methodology to be used for future years' allocations.
- 2.3 Grant allocations from the Department are revised annually to reflect new or closing schools and where a school moves to a new responsible body (e.g., from Maintained to Academy status), in which case the pupil-led core condition funding will move with the schools. Three maintained schools converted to Academy status in 2023/24. When setting the Council's Five-Year Capital plan, we estimated that our grant allocation for 2024/25 from the DfE would be £3.3M. The DfE has since made an announcement on the 25th March 2024 that the Schools Condition Capital grant allocation for Kirklees will be £3,488,025, more than originally forecast.
- 2.4 Currently, all schools that have a scheme of work within the approved programme are asked to make a funding contribution from their Devolved Formula Capital (DFC), which is a capital grant given to schools to maintain and improve their buildings. In recent years, the level of DFC received has allowed for over £80K of additional works to be added into the annual programme each year and we would expect to see a similar level of contributions for 2024/25.
- 2.5 In addition to the allocation of £3,488,025, in year reprofiling of funds totalling £633K that was not committed / spent in 2023/24, means that the total budget now stands at £4,121,025 for 2024/25. The reprofiling of funds from 2023/24 is primarily related to

additional condition funds received in previous years designated for large scale condition refurbishments and aging modular classroom replacement schemes. A programme of schemes that maximises the use of this funding is currently being worked up by the Schools Asset Management Team.

(b) Capital Maintenance for schools – Proposed Condition based projects 2024/25

2.6 It is proposed that the £4.121M budget allocation for 2024/25 will be distributed as follows:

Allocation	2024/24 Capital Plan
Urgent condition needs-based projects and Health & Safety works	£2.926M
Larger scale condition refurbishment work and aging modular classroom schemes	£0.400M
Essential fire safety works	£0.300M
Essential Physical adaptations works	£0 030M
Capital Plan preparation, advance surveys, feasibility studies, advance design, and condition surveys in relation to delivery of projects	£0.100M
Risk pot for emergency additions to the capital plan in year / balance for high tenders and asbestos removal.	£0.365M
TOTAL	£4.121M

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 Public Private Partnership (PPP) 1 & 2 / Voluntary Aided / Academy Schools).

2.8 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 2024/25 schools' condition programme, if approved, will be designed, procured 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.

2.9 Following feasibility work undertaken by the Council's Technical Services; a prioritised list of urgent condition works required to be undertaken in schools during 2024/25 has been identified. This is attached at **Appendix B**. All of the works proposed have scored 28-30 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.

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

- replacement of life expired flat and pitched roofs.
- whole or partial school electrical re-wires.
- replacement of obsolete boilers and heating distribution systems.
- urgent health and safety works including fire safety improvements and structural repairs.

2.11 In addition to the new condition works, the following activities are also proposed to be funded from the available capital grant:

- £100K to cover survey and preparation costs for the 2024/25 programme along with advance feasibility and design costs for the 2025/26 programme.
- £365K for a risk pot for items such as emergency in year additions to the programme, higher than anticipated tenders and unexpected asbestos discovered once works are under way.

(c) Financial Delegations

2.12 In order to aid the implementation of the baseline programme for 2024/25 mentioned in this report, Members are requested to delegate authority in accordance with the Council's Financial Procedure Rule 3.12 dated June 2023, to the Service Director – Development – Growth and Regeneration to manage the implementation of the identified works within the respective agreed total programme budget.

2.13 Delegated powers would include the authority to:

- add new urgent projects to the programme without prior Cabinet approval providing that the total cost of the programme remains within the approved capital allocation set by Council and transfer resources to or from any unallocated resources within a programme area without restriction.
- Slip or delete projects in response to operational need and reallocate budget between projects during the course of 2024/25 providing that the total cost of the programme remains within the approved capital allocation to enable the effective management of the programme, especially during the exceptionally busy six-week summer break when the majority of these works will be delivered.

2.14 Significant amendments to the approved programme under delegated powers will be reported to Cabinet through the Quarterly Financial Monitoring process or through delegated decision notices on the Council's website.

3. Implications for the Council

3.1 Working with People

Should the proposals be approved, officers will work in close partnership with the schools to ensure the delivery of the projects to an excellent standard that will help secure positive outcomes for children both now and in the future.

3.2 Working with Partners

No direct impact.

3.3 Place Based Working

Schools are at the centre of their communities, delivering essential educational, health and well-being activities for children, parents and the wider community. These works will ensure that schools remain safe, dry, warm and secure for the benefit of all.

3.4 Climate Change and Air Quality

The condition schemes identified in this report will ensure that we are replacing inefficient roofs, boilers, heating and electrical systems with modern, energy efficient materials and equipment that will contribute to an ever-reducing carbon footprint for the Council. For example, roofs will be repaired and insulated to modern standards, LED lighting and new ceilings will be introduced during rewire projects and heating distribution systems that are

40-50 years old will be replaced with new. These projects demonstrate the Council's commitment to investing and managing its school estate to ensure that the Council's Carbon Neutral Vision is supported and enhanced.

3.5 **Improving outcomes for children**

The works identified in **Appendix B** are urgent condition works that could close a school, thereby disrupting the education of children, or represents a potentially significant H&S issue. Improvements in the condition of school buildings will have a positive impact in that they that will contribute to a safe, warm, dry and secure learning environment for all pupils and staff. This capital budget is also used to improve accessibility to school buildings when works are identified in relation to the needs of specific pupils, helping them to attend their local school where possible.

3.6 **Financial Implications**

The proposed capital programme provides opportunities for small and medium sized contractors and sub-contractors to deliver condition-based projects for the Council potentially employing local labour and suppliers.

3.7 **Other (Financial)**

The Capital Maintenance investment outlined in this report for 2024/25 is funded from DfE capital grant and therefore has no impact on Council prudential borrowing.

3.8 **Integrated Impact Assessment (IIA)**

The Equality Act 2010 (Section 149) requires the Council to 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.

An Integrated Impact Assessment has been carried out for the Schools Condition programme. The IIA considered that there are no adverse impacts arising from this proposal under the duty and the overall impact will be positive.

4 **Consultation**

- 4.1 This report has been subject to consultation with the Portfolio Holder for Corporate and the Portfolio Holder for Children's Services, who support the proposed report and programme of works. Colleagues in Children's Services have also provided their support for this vital investment in school buildings.
- 4.2 Following approval by Cabinet, consultation will occur with the individual schools that are due to be part of the programme to discuss the scope of the works, proposed timings and decant options and this will continue throughout the year as the projects are developed, designed and implemented.
- 4.3 The Children's SEND Assessment and Commissioning team works closely with the Schools Asset Management team to identify pupils with disabilities to ensure that their needs are being met where appropriate. This involves close consultation with the individual schools concerned and parents 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.

5 Engagement
Not applicable.

6 Options

6.1 Options Considered

Not undertaking this programme of urgent condition works would lead to the potential closure of the schools if the relevant items failed, as well as causing significant damage and/or creating H&S issues within schools.

6.2 Reasons for recommended Option

Undertaking the proposed programme of works will help ensure that our maintained schools remain warm, dry, safe and secure.

7 Next steps and timelines

Subject to approval of the proposed projects and final business case, Technical Services will ensure that the 2024/25 Capital Plan is updated, and the projects concerned are designed, developed, procured and implemented.

8 Contact officer

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9 Background Papers and History of Decisions

6th March 2024 Council: 5 Year Capital Investment Plan 2024/2025 to 2028/2029

10 Appendices

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

Appendix B: Detailed list of proposed 2024/25 Achieve & Aspire Capital Maintenance Schools' condition programme.

11 Service Director responsible

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