

Name of meeting: Cabinet  
 Date: 5<sup>th</sup> April 2022

Title of report: 2022/23 Council Capital Plan – Proposed allocation of 2022/23 capital funding from the Directorate for Children’s Achieve & Aspire baseline section of the Capital Plan.

Purpose of report: This report will identify potential projects, for Member approval, to be funded from the 2022/23 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.

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, this report involves significant expenditure in excess of £250K.
Key Decision - Is it in the <u>Council’s Forward Plan (key decisions and private reports)?</u>	Key Decision – Yes  Private Report/Private Appendix – No
The Decision - Is it eligible for call in by Scrutiny?	Yes
Date signed off by <u>Strategic Director</u> & name	David Shepherd – Strategic Director for Growth and Regeneration – 19/03/2022
Is it also signed off by the Service Director for Finance?	Eamonn Croston – Service Director for Finance – 18/03/2022
Is it also signed off by the Service Director for Legal Governance and Commissioning?	Julie Muscroft – Service Director for Legal Governance and Commissioning – 18/03/2022
Cabinet member <a href="#">portfolio</a>	Corporate - Cllr Paul Davies Learning, Aspiration & Communities - Cllr Carole Pattison Children – Cllr Viv Kendrick

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. Summary**

- 1.1 This report will identify potential projects to be funded from the Achieve & Aspire Capital Maintenance baseline section of the Capital Plan which was approved by Council on 16<sup>th</sup> February 2022. This funding is used to address urgent condition related needs in maintained schools.
- 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 2022/23 and to authorise delegated powers for officers to manage the programme.

## **2. Information required to take a decision**

### *(a) Background*

- 2.1 On 27<sup>th</sup> April 2021 the Department for Education (DfE) announced a Schools Condition Capital grant allocation for 2021/22 of £3.576M for Kirklees. This level of grant was also deemed to be indicative of the allocation for the Authority for 2022/23, subject to future confirmation by the Department in spring 2022.
- 2.2 The DfE revised the condition funding system & methodology used for their capital settlements for 2021/22, using new data from the 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. No maintained schools converted to Academy in 2021/22 and therefore no estimated reduction in the level of grant expected for 2022/23 has been applied. When settling the Council's Five-Year Capital plan, we estimated that our grant allocation for 2022/23 from the DfE would be £3.2M.
- 2.5 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 and we would expect to see a similar level of contributions for 2022/23.
- 2.6 In addition to the indicative allocation in the Capital Plan for 22/23 of £3.2M, another £1.8M of in-year re-profiling has been carried out, the majority of which relates to the additional condition allocation received in September 2020 designated to larger scale condition refurbishments & aging modular classroom replacement schemes. The new budget allocation for 22/23 Capital Maintenance is Schools totals £5M as approved by Council on the 16<sup>th</sup> February 2022.

### *(b) Capital Maintenance for schools – Proposed Condition based projects 2021/22*

- 2.7 It is proposed that the £5M budget allocation for 2022/23 will be distributed as follows:

<b>Allocation</b>	<b>2022/23 Capital Plan</b>
Urgent condition need based projects and Health & Safety works	£3.798M
Larger scale condition refurbishment work and aging modular classroom schemes	£0.650M
Essential fire safety works	£0.250M
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.	£0.172M
<b>TOTAL</b>	<b>£5M</b>

- 2.8 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).
- 2.9 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 2022/23 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.
- 2.10 Following feasibility work undertaken by the Council's Technical Services; a prioritised list of urgent condition works required to be undertaken in schools during financial year 2022/23 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.
- 2.11 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.
- 2.12 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 2022/23 programme along with advance feasibility and design costs for the 2023/24 programme.
  - £172K 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*

- 2.13 In order to aid the implementation of the baseline programme for 2022/23 mentioned in this report, Members are requested to delegate authority in accordance with the Council's Financial Procedure Rules 3.11 & 3.13 dated May 2021, to the Service Director – Learning and Early Support to manage the implementation of the identified works within the respective agreed total programme budget.
- 2.14 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 & 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 the financial year 2022/23 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 summer break when the majority of these works will be delivered.
  - transfer resources between any project or programme area up to a maximum of £2,000,000 in any financial year.
- 2.15 Significant amendments to the approved programme under delegated powers will be reported to Cabinet through the Quarterly Financial Monitoring process and / 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 and staff to ensure the delivery of the projects to an excellent standard that will help secure the 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. Some of the proposals in this report will deliver high quality secondary school places to meet the needs of local pupils and will ensure that learners with SEND have access to the required specialist provision.

### **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 potential 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**

The Capital Maintenance investment outlined in this report for the 2022/23 is funded from DfE grant and has no impact on prudential borrowing.

## 4. **Consultees and their opinions**

4.1 This report has been subject to consultation with the Portfolio Holders for Corporate, Children's and Learning, Aspiration and Communities, who support the proposed report and programme of works. There was a realisation as to the backlog of works on maintained schools and an appreciation of the work that had gone into developing this programme which will give a morale boost for staff and schools.

4.2 Following approval by Cabinet, consultation will occur with the individual schools that are due to be part of the programmes 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. **Next steps and timelines**

Subject to approval of the proposed projects and final business case, Technical Services will ensure that the 2022/23 Capital Plan is updated and the projects concerned are designed, developed, procured and implemented.

## 6. **Officer recommendations and reasons**

6.1 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 2022/23, which is attached at **Appendix B**.
- (c) consider and approve the delegated powers as outlined in paragraphs 2.13 - 2.15 of this report.

## **7. Cabinet Portfolio Holder's recommendations**

Portfolio Holders were consulted on 17<sup>th</sup> March 2022 and recommended that Cabinet:

- (a) consider and approve the business case at **Appendix A**;
- (b) consider and approve the detailed list of proposed works in schools for 2022/23, which is attached at **Appendix B**.
- (c) consider and approve the delegated powers as outlined in paragraphs 2.13 - 2.15 of this report.

## **8. Contact officer**

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## **9. Background Papers and History of Decisions**

16 February 2022 Council: 5 Year Capital Investment Plan 2022/23 to 2026/27

## **10. Service Director responsible**

Joanne Bartholomew - Service Director – Development  
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## **11. Attachments**

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

Appendix B: Detailed list of proposed 2022/23 Achieve & Aspire Capital Maintenance Schools' condition programme.