

Name and date of meeting: Cabinet 8th March 2016

Title of 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.

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
Is it in the Council's Forward Plan?	Yes
Is it eligible for "call in" by Scrutiny?	Yes
Date signed off by <u>Director</u> & name	Jacqui Gedman – 25 February 2016
Is it signed off by the Director of Resources?	David Smith - 23 February 2016
Is it signed off by the Assistant Director – Legal, Governance & Monitoring?	Karl Larrad – 26 February 2016 (Deputy Head)
Cabinet member portfolio	Cllr Graham Turner – Portfolio Holders for Resources Cllr Shabir Pandor – Portfolio Holder Children's Services

Electoral [wards](#) affected: All

Ward councillors consulted: No

Public or private: Public Report with Private Appendix – This Report includes an Appendix (**Appendix B**) which is recommended to be taken in Private because the information contained in it is considered to be exempt information 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. Purpose of report

- 1.1 This report will identify potential projects to be funded from the DCYP baseline sections of the Capital Plan which was approved by Council on 17th February 2016.
- 1.2 Members will be asked to consider and approve the Condition Programme along with named projects so that they can be delivered in 2016/17 and to authorise delegated powers for officers to manage the programme.
- 1.3 This report will also update Members regarding the delivery of the 2015/16 DCYP Condition and New Pupil Place Programmes. It will report retrospectively on amendments and virements authorised by officers using delegated powers.

2. Key Points

(a) Background

- 2.1 A five year capital plan for 2016/17 to 2020/21 was considered at Council on 17th February 2016 and includes a baseline budget provision of £4.243m in 2016/17 for maintenance and condition works in schools.
- 2.2 Members should note that this is an indicative allocation and subject to a Department for Education (DfE) announcement expected sometime in March 2016.
- 2.3 On 9th February 2015 the DfE announced a fixed allocation for 2015/16 and indicative allocations for 2016/17 and 2017/18. The methodology for calculating the allocations had been changed to take account of the following 3 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 Allocations will be 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 six primary schools converted to Academy status during 2015/16 and that a reduction in Core Condition Funding for 2016/17 can therefore be expected to reflect the reduction in pupil numbers. Subject to approval Officers will amend the programme as required using delegated authority outlined in para.2.18 and 2.19 below to meet the expected lower capital grant in 2016/17.

(b) Capital Maintenance for schools - Condition based projects 2016/17

2.5 The proposed budget allocation is summarised in the table below:

Allocation	2015/16 (Revised) £m's	2016/17 (Proposed) £m's
Condition Projects including disability adaptations	£3.818m	£3.943m
Capital Plan preparation, advance surveys, feasibility studies, advance design, and condition surveys in relation to delivery of DCYP projects	£0.150m	£0.100m
Risk pot for emergency additions to the capital plan/balance for high tenders and asbestos	£0.275m	£0.200m
TOTAL	4.243m	£4.243m

2.6 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 £50m (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 2016/17 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.

Appendix A also 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 that 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.

2.7 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 2016/17 has been identified. This is attached at **Appendix B**. All of the works proposed have scored 26-30 on the matrix scoring system, 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.

2.8 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 window replacements and re-roofing works.

The total value of new condition works proposed is £3.943m.

2.9 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 2016/17 programme along with advance feasibility and design costs for the 2017/18 programme;
- £200K 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 2015/16 Condition Works Programme

2.10 The approved capital allocation of £4.243m was increased in year to £4.397m through the addition of schemes funded via Revenue Contributions to Capital Outlay (RCCO).

2.11 The current 2015/16 Capital Maintenance programme is almost complete with approximately 90% of schemes successfully delivered over the 2015 summer holiday period with the remaining 10% to be delivered or contractually committed before the end of the financial year.

2.12 The six week summer programme of condition works included:

- 10 boiler and/or heating system replacement projects at an approximate value of £1.126m;
- 17 roof replacement projects at an approximate value of £1.181m;
- 8 electrical rewire projects at a cost of approximately £1.391m;
- 1 school that had a full kitchen refurbishment at an approximate value of £251K;
- 3 schools that had disability works completed at an approximate value of £191K.

In total, around £4.140m out of £4.397m of works were undertaken across 33 school sites over the summer period – all schools reopened on time for the new academic year in September 2015.

2.13 Officers have used delegated powers provided by Cabinet on 24th March 2015 to ensure the smooth delivery of the 2015/16 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 2015/16 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.

2.14 **Appendix C** attached shows a list of amendments and additions to the original programme set within the overall Cabinet approved budget for 2015/16. Any savings made through lowest tenders, schools' capital contributions 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).

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

(c) Update on delivery of the 2015/16 Basic Need Programme

2.16 The 2015/16 programme was approved by Cabinet on 24th March 2015 and aimed to address pressure on places by providing a total of 317 places at five schools – Marsden Infants and Nursery School, Marsden Junior School, Heaton Avenue Primary School, Headfield Junior School and Leaside Community School.

A brief update on programme delivery is included below:

i) Marsden Infants & Nursery School

Work has been phased across two financial years due to the need to develop a scheme that would allow the kitchen to reopen and deliver urgent partial heating distribution replacement works.

Minor remodelling works have been undertaken on the first floor to create small break out rooms for small group teaching and alleviate some of the pressure on internal teaching space along with improved storage solutions.

During summer 2016 the teaching accommodation will be expanded through the provision of a modular building along with works to increase the external play area using the site of the disused public toilets which adjoins the school site. In addition the kitchen will be remodelled and expanded so that it can reopen as a cooking kitchen and minor internal remodelling will take place to allow office space to be reprovided. The increased scope of works has resulted in a revised project budget requirement of £360K.

Officers will use delegated authority to vire funds from the proposed Condition Programme for 2016/17 and rollover funds (which is subject to a rollover bid and approval at Council in June 2016) from the Catering baseline capital plan in order to deliver a fully funded scheme.

ii) Other schools

Marsden Junior School became a sponsored Academy on 1st April 2015 and the sponsor - Mirfield Free Grammar Multi Academy Trust - will expedite the additional school places with revenue budget support from School Organisation and Planning as needed.

Heaton Avenue Primary School converted to Academy status on 1st April 2015 and additional classbases and associated toilet provision have been delivered for September 2015. The school has now accommodated the final intake of pupils.

Cabinet has approved the use of s106 developer contributions to support the funding of this project, which will be applied when they are received.

Leeside Community Primary School (now known as the John Curwin Cooperative Primary Academy) is housed in a former Secondary School building and is part of the Spenborough Co-operative Trust and became a sponsored academy with the School Co-operative Society on 1st April 2015. The school also accommodates a Children's Centre and play group. The school has accommodated the first intake of pupils from September 2016 without the need for Capital investment. A desk top exercise and school visit has been undertaken to consider how additional places could be introduced from September 2017. It is anticipated that some remodelling and refurbishment will be required and officers continue to explore options with the school, Trust and academy sponsor, to implement measures to accommodate the additional 105 pupil places that in total are being proposed.

- 2.17 Officers will continue to explore options to identify solutions for the further places that are needed from September 2017 in the wider Heckmondwike Area and North Huddersfield in particular, and will bring forward a further report later in the year.

(d) Financial Delegations

- 2.18 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 requested to delegate authority, in accordance with the Council's Financial Procedure Rules 3.10 to 3.12 dated April 2015, to the Director of Economy, Skills and the Environment to manage the implementation of the identified works within the respective agreed total programme budgets.
- 2.19 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 to 3.16.

3. Implications for the Council

- 3.1 The capital investment outlined in this report of £4.243M is funded from the DfE grant allocation for 2016/17, and will be reduced if as expected the level of grant is lower than this figure and not from prudential borrowing; therefore it has no revenue cost implications.
- 3.2 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.
- 3.3 The detailed list of proposed schools' condition works for 2016/17 is listed in **Appendix B** and are 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.
- 3.4 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 2.6 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.
- 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. 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 2016/17 attached at **Appendix B**.

- (c) consider and approve delegated powers in accordance with the Council's Financial Procedure Rules 3.10 to 3.12 dated April 2015, to the Director of Economy, Skills and the Environment 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 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 to 3.16.

- (d) note the revised amendments / allocations applied by Officers using delegated powers to the detail of the 2015/16 Schools Capital Maintenance and Basic Need programmes, as stated in **Appendix C**.

6. Cabinet Portfolio Holders Recommendation

Portfolio Holders for Children's Services and Resources considered this report on 8th February 2016 and are supportive of the proposals contained within it.

7. Next Steps

Subject to approval of the proposed projects and final business cases, officers from PRP will ensure the 2016/17 Capital Plan is updated and the projects concerned are developed, designed, procured and implemented.

8. Contact Officer and Relevant Papers

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

Bob Doyle - Capital Development Manager - Physical Resources and Procurement Service Tel: 01484 221000 Email: bob.doyle@kirklees.gov.uk

9. Assistant Director Responsible

Paul Kemp - Assistant Director - Physical Resources and Procurement Service

10. Attachments

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

Appendix B (Private): Detailed list of proposed 2016/17 DCYP Capital Maintenance Schools' condition programme.

Appendix C: Revised allocations for the 2015/16 DCYP Capital Maintenance Schools' condition and Basic Need programmes.

Project Title:	Capital Maintenance for Schools – Baseline Condition Programme	
Project Manager:	Kath Micklethwaite	
Client Service:	Directorate for Children & Young People Service (DCYP)	
Date of this OBC:	March 2016	
KMC Capital total (Gross) (£000s):	£4.243M	

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 17th February 2016 the Council approved a 5 Year Investment Plan, which included a proposed programme of works under Capital Maintenance for Schools totalling £4.243M.

(a) A programme of urgent condition works in schools totalling £3.583M. 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;
- 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 kitchen at Marsden I&N School. 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 2016/17 and 2017/18 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 £200K 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 2016/17 prompting the need to bring some projects back into the 2016/17 programme in order to tackle serious H&S issues or potential school closures. Because the DDA allocation for 2016/17 has already been identified the risk pot will also cover any emerging in-year needs.
- (e) An allocation of £30K for physical adaptations to Diamond Wood Community Academy has been made to enable pupils with disabilities to access school buildings, grounds and the curriculum. When considering the works to be undertaken at any school, careful thought is always given as to what is a "reasonable adjustment". Working with the parents, the DCYP Special Educational Needs and Assessment Team and the PRP Schools FM team consider each request and compare this to the two nearest neighbouring similar schools to ensure the pupils needs can be met and at the same time value for money can be achieved through making reasonable adjustments.

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.

- (f) An allocation of £200K to make phased alterations to Longley school to start 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 Ph3 Crossley Fields rewire has a budget cost estimate of £231K and Fixby J&I Rewire £221K. Further schemes may be added either through the Council Capital Plan in July 2016 or authorised by officers 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 represent 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, windows and doors. 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 £50m 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	<input type="text" value="16/17"/>
	Sum	£4.243M

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.

Funding for 2016/17 has been reassessed by the DfE at £4.243m, not taking into account further changes for schools which have changed to attain academy status.

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 £3.583m 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) will act as the Client, ordering feasibility studies, agreeing design briefs etc. The Link Asset Management Officer for each school will work with the allocated PRP surveyor / external framework consultant / external framework contractor / PRP Technical Advisor / PRP Project Manager (the actual combination will dependent 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.

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 Building Services – 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**

David Martin – Capital Development and Delivery Manager – PRP - Tele: 01484 221000 Email: David.Martin@Kirklees.gov.uk

Bob Doyle – Capital Development Manager – PRP Tel 01484 221000 Email: Bob.Doyle@kirklees.gov.uk

This FBC approved by: Cabinet 8th March 2016

PROPOSED AMENDMENTS TO 2015/16 DCYP CAPITAL MAINTENANCE AND BASIC NEED PROGRAMMES

Information 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 effect 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.

Programme Area	Project	Approved Capital Budget £	New Figure £	Variance £	Reasons for Change/Variance	Source of Additional Funds (if required)
	DCYP CAPITAL MAINTENANCE PROGRAMME 2015/16 - CONDITION PROJECTS					
Capital Maintenance	2015/16 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 2016/17 programme. .	£150,000	£80,000	£-70,000	Budget reduced to reflect the level of advanced design and surveys undertaken. Balance added into the programme risk pot.	Savings made added into the programme risk pot.
Capital Maintenance	Risk pot for emergency additions to the Capital Plan/balance for high tenders.	£200,000	£0	£-200,000	Budget has reduced, vired to support high tenders on programme schemes and emergency additions.	
Capital Maintenance	Fund to support the removal of asbestos from schools when identified during 2015/16 capital projects.	£75,000	£0	£-75,000	Budget has reduced, vired to support the removal of asbestos included in individual schemes.	
Capital Maintenance	Physical adaptations of school building and grounds to improve access for pupils with disabilities to mainstream schools.	£40,000	£990	£-39,010	Budget has reduced, vired to individual DDA schemes added to the programme with only an individual item being charged to the general fund.	
Capital Maintenance	Kitchen Refurbishment Programme - Heckmondwike Primary School	£130,000	£251,260	£121,260	Lowest competitive tender returned was higher than the pre-tender estimate.	Virement of £16,260 from the risk pot and an RCCO of £105,000 from Schools Catering
Capital Maintenance	Priority School Building Programme - Master planning	£65,000	£8,000	£-57,000	Budget has reduced to reflect the level of survey work to be undertaken in this financial year.	Savings made added into the programme risk pot.
Capital Maintenance	Battysford CE (VC) Primary School - DDA access to Reception class (lift installation included)	£0	£21,570	£21,570	New addition to programme - urgent DDA works identified by the school.	Virement of £21,570 from the risk pot.

PROPOSED AMENDMENTS TO 2015/16 DCYP CAPITAL MAINTENANCE AND
BASIC NEED PROGRAMMES

APPENDIX C

Programme Area	Project	Approved Capital Budget £	New Figure £	Variance £	Reasons for Change/Variance	Source of Additional Funds (if required)
Capital Maintenance	Bywell CE (C) Junior School - Replace fan convectors, heating distribution system & auto controls	£133,900	£96,850	-£37,050	Lowest competitive tender returned was lower than the pre-tender estimate.	Savings made added into the programme risk pot.
Capital Maintenance	Chickenley Community J I & N School - DDA adaptations	£0	£14,240	£14,240	New addition to programme - urgent DDA works identified by the school.	Virement of £14,240 from the risk pot.
Capital Maintenance	Cowlersley Primary School - Replace fan convectors & heating distribution system & auto controls	£120,000	£100,500	-£19,500	Lowest competitive tender returned was lower than pre-tender estimates and the final cost of scheme reduced due to a reduction in scope of works.	Savings made added into the programme risk pot.
Capital Maintenance	Crossley Fields J & I School - Rewire KS1 & KS2	£157,000	£190,057	£33,057	Competitive negotiated price was higher than the pre-tender estimates.	Virement of £15,000 from the risk pot.
Capital Maintenance	Crow Lane Primary and Foundation Stage School - Re-roof	£0	£15,000	£15,000	New addition to programme - urgent works identified by the school.	Virement of £33,057 from the risk pot.
Capital Maintenance	Crowlees CE (VC) J & I School - Rewire including extension & admin areas	£107,601	£155,879	£48,278	Lowest competitive tender returned was higher than the pre-tender estimate due to the levels of asbestos found on site.	Virement of £48,164 from the Asbestos Removal line and £114 from the risk pot.
Capital Maintenance	Dalton School - Sump pumps	£50,000	£50,000	£0	No change to the original plan figure as the scheme has not yet been financially committed.	
Capital Maintenance	Healey J I & N School - Re-roof flat roofs 10 & 12	£79,000	£69,085	-£9,915	Final cost of scheme reduced due to the school's DFC contribution.	Savings made added into the programme risk pot.
Capital Maintenance	Highburton CE (C) First School - Re-roof flat roof 04, inner pitches 03 and patent glazing to roof 05	£80,750	£81,190	£440	Final cost of scheme increased slightly due to a increase in scope of works and time charges.	Virement of £440 from the risk pot.
Capital Maintenance	Hightown Junior Infant & Nursery School - Heating distribution	£0	£126,765	£126,765	New addition to programme - reserve list scheme	Virement of £126,765 from the risk pot.
Capital Maintenance	Hightown Junior Infant & Nursery School - Re-roof areas 02a, 02b & 01a	£69,000	£97,400	£28,400	Final cost of scheme increased due to the number of additional slates required to complete the roofing works.	Virement of £28,400 from the risk pot.

PROPOSED AMENDMENTS TO 2015/16 DCYP CAPITAL MAINTENANCE AND
BASIC NEED PROGRAMMES

APPENDIX C

Programme Area	Project	Approved Capital Budget £	New Figure £	Variance £	Reasons for Change/Variance	Source of Additional Funds (if required)
Capital Maintenance	Holmfirth J I & N School - Replace aluminium radiators with LST's	£147,500	£151,625	£4,125	Lowest competitive tender returned was higher than the pre-tender estimate due to the levels of asbestos found on site. Since savings have been made on the final cost through the reduced scope of works and the school's DFC contribution.	Virement of £6,329 from the Asbestos Removal line. Savings made added into the programme risk pot.
Capital Maintenance	Honley Junior School - DDA adaptations	£0	£10,188	£10,188	New addition to programme - urgent DDA works identified by the school.	Virement of £10,188 from the risk pot.
Capital Maintenance	Kirkburton Middle School - Modular roof	£0	£16,860	£16,860	New addition to programme - urgent works required.	Virement of £16,860 from the risk pot.
Capital Maintenance	Kirkheaton Primary School - Rewire	£122,656	£240,000	£117,344	Lowest competitive tender returned was higher than the pre-tender estimate which had not anticipated the level of asbestos removal required.	Virement of £117,344 from the risk pot.
Capital Maintenance	Kirkroyds Infant School - Rewire & domestic pipework distribution	£196,072	£188,145	-£7,927	Final cost of scheme reduced from the tender figure and the school's DFC contribution made savings on the scheme costs.	Savings made added into the programme risk pot.
Capital Maintenance	Longley School - Works for ASD Provision	£175,000	£138,744	-£36,256	Scheme costs have reduced due to slippage in the phase 2 programme of works.	Savings made added into the programme risk pot.
Capital Maintenance	Manorfield I & N School - Re-roof flat roofs 07, 08, 08a,08b & 09	£65,000	£46,640	-£18,360	Final cost of scheme reduced from the tender figure due to savings made and the school's DFC contribution.	Savings made added into the programme risk pot.
Capital Maintenance	Marsden I & N School - Heating & domestic distribution	£145,800	£92,489	-£53,311	Final cost of scheme reduced from the tender figure due to savings made and the school's DFC contribution.	Savings made added into the programme risk pot.
Capital Maintenance	Meltham CE (VC) Primary School - Rewire	£157,300	£253,365	£96,065	Lowest competitive tender returned was higher than the pre-tender estimate due to the levels of asbestos found on site.	Virement of £18,467 from the Asbestos Removal line and £77,598 from the risk pot.

PROPOSED AMENDMENTS TO 2015/16 DCYP CAPITAL MAINTENANCE AND
BASIC NEED PROGRAMMES

APPENDIX C

Programme Area	Project	Approved Capital Budget £	New Figure £	Variance £	Reasons for Change/Variance	Source of Additional Funds (if required)
Capital Maintenance	Meltham CE (VC) Primary School - Re-roof flat roofs 02, 03, 11, 13, 15, 17, 18 & 20	£120,000	£109,388	-£10,612	Final cost of scheme reduced from the tender figure due to reduction in the scope of works on site.	Savings made added into the programme risk pot.
Capital Maintenance	Meltham CE (VC) Primary School - Drainage works	£0	£66,650	£66,650	New addition to programme - scheme deferred from 2014/15 programme, priority scheme for 2015/16.	Virement of £66,650 from the risk pot.
Capital Maintenance	Meltham Moor Primary School - Re-roof flat roof 05 incl 08 & 09	£21,000	£106,000	£85,000	Scope of works increased to include roofs 05 & 08 from the reserve list scheme, addition to programme.	Virement of £85,000 from the risk pot.
Capital Maintenance	Moorlands Primary School - Replacement boiler	£0	£25,000	£25,000	New addition to programme.	Virement of £25,000 from the risk pot.
Capital Maintenance	Newsome High School - Roofing works	£62,000	£75,712	£13,712	Lowest competitive tender returned was higher than the pre-tender estimate.	Virement of £13,712 from the risk pot.
Capital Maintenance	Norristhorpe J & I School - Re-roof 01, 02, 03 & 04 areas	£95,000	£121,355	£26,355	Lowest competitive tender returned was higher than the pre-tender estimate.	Virement of £26,355 from the risk pot.
Capital Maintenance	Norristhorpe J & I School - Partial distribution system	£99,000	£79,050	-£19,950	Final cost of scheme reduced from the tender figure due to a reduction in scope of works and the school's DFC contribution.	Savings made added into the programme risk pot.
Capital Maintenance	Nortonthorpe Hall School - Re-roof flat roofs 03 & 04	£54,000	£51,265	-£2,735	Lowest competitive tender returned was lower than the pre-tender estimate.	Savings made added into the programme risk pot.
Capital Maintenance	Nortonthorpe Hall School - CCTV	£20,000	£19,071	-£929	Lowest competitive tender returned was lower than the pre-tender estimate.	Savings made added into the programme risk pot.
Capital Maintenance	Old Bank J I & N School - Rewire	£144,963	£144,920	-£43	Lowest competitive tender returned was higher than the pre-tender estimate due to the levels of asbestos found on site. Since savings have been made on the final cost through the reduced scope of works and the school's DFC contribution.	Virement of £1,065 from the Asbestos Removal line. Savings made added into the programme risk pot.

PROPOSED AMENDMENTS TO 2015/16 DCYP CAPITAL MAINTENANCE AND
BASIC NEED PROGRAMMES

APPENDIX C

Programme Area	Project	Approved Capital Budget £	New Figure £	Variance £	Reasons for Change/Variance	Source of Additional Funds (if required)
Capital Maintenance	Paddock J I & N School - Re-roof 04 & 05 areas	£170,000	£76,530	£-93,470	Savings made to the pre-tender estimate through the reduction in scope of works and the school's DFC contribution.	Savings made added into the programme risk pot.
Capital Maintenance	Paddock J I & N School - Boiler including DHW cylinder and controls	£121,000	£137,297	£16,297	Lowest competitive tender returned was higher than the pre-tender estimate.	Virement of £16,297 from the risk pot.
Capital Maintenance	Savile Town CE (VC) I & N School - Replace 2 Ideal RS10 Mexico boilers in the Nursery building	£103,600	£51,995	£-51,605	Savings made to the pre-tender estimate through the reduction in scope of works.	Savings made added into the programme risk pot.
Capital Maintenance	Savile Town CE (VC) I & N School - Re-roof flat roof 01a	£60,000	£60,000	£0	No change to the original plan figure as the scheme has not yet been financially committed.	
Capital Maintenance	Scholes (Holmfirth) J & I School - Rewire	£182,828	£197,780	£14,952	Final cost of scheme increased due to additional asbestos removal required and consultants costs incurred.	Virement of £975 from the Asbestos Removal line and £13,977 from the risk pot.
Capital Maintenance	Scholes Village Primary School - Boiler replacement	£0	£26,960	£26,960	New addition to programme - urgent works required.	Virement of £26,960 from the risk pot.
Capital Maintenance	Shelley First School - Re-roof 01c	£50,000	£34,126	£-15,874	Lowest competitive tender returned was lower than the pre-tender estimate.	Savings made added into the programme risk pot.
Capital Maintenance	Shelley First School - Re-roof 01, 01a & 01b	£0	£65,400	£65,400	New addition to programme - scheme deferred from 2014/15 programme, priority scheme for 2015/16.	Virement of £65,400 from the risk pot.
Capital Maintenance	Shelley First School - Boiler replacement	£0	£96,000	£96,000	New addition to programme - urgent works required.	Virement of £96,000 from the risk pot.
Capital Maintenance	Spenn Valley High School - Re-roof flat roof 05, 08 & 20	£48,000	£38,755	£-9,245	Savings made to the pre-tender estimate through the reduction in scope of works and the school's DFC contribution.	Savings made added into the programme risk pot.
Capital Maintenance	Thornhill J & I School - Re-roof flat roof 11 & pitched roofs 01d & 01e	£56,000	£147,900	£91,900	Final cost of scheme increased considerably due to the emergency rebuild of an unsafe external wall.	Virement of £91,900 from the risk pot.

**PROPOSED AMENDMENTS TO 2015/16 DCYP CAPITAL MAINTENANCE AND
BASIC NEED PROGRAMMES**

APPENDIX C

Programme Area	Project	Approved Capital Budget £	New Figure £	Variance £	Reasons for Change/Variance	Source of Additional Funds (if required)
Capital Maintenance	Upperthong J & I School - Replace fan convectors with LST's and heating distribution	£123,000	£166,338	£43,338	Lowest competitive tender returned was higher than the pre-tender estimate. Since savings have been made on the final cost through the reduced scope of works and the school's DFC contribution.	RCCO of £48,968 from Schools Repairs & Maintenance budget.
Capital Maintenance	Warwick Road J I & N School - Phase 1 re-roof 01, 02, 03, 05, 07, 08, 09, 10, 11, 13 & 14	£208,000	£150,755	-£57,245	Savings made to the pre-tender estimate through the reduction in scope of works and the school's DFC contribution.	Savings made added into the programme risk pot.
Capital Maintenance	Warwick Road J I & N School - Phase 2 Main building roofs 20, 23 & 25	£38,000	£0	-£38,000	Scheme deferred to later years to allow for higher priority works to be added into the programme.	Savings made added into the programme risk pot.
	DCYP BASIC NEED PROGRAMME 2015/16					
Basic Need (New Pupil Places)	Risk pot to cover unforeseen circumstances, high tenders etc.	£50,000	£80,147	£30,147	Budget has increased to reflect the saving made to date within the programme.	
Basic Need (New Pupil Places)	Advance surveys/feasibility studies/asbestos surveys/condition surveys/ costs in relation to the delivery of DCYP projects and Advanced Design of projects for the 2016/17 programme.	£50,000	£40,000	-£10,000	Budget has reduced to reflect the level of advanced design and surveys undertaken.	Savings made added into the programme risk pot.
Basic Need (New Pupil Places)	Heaton Avenue Primary School	£145,000	£124,853	-£20,147	Lowest competitive tender returned was lower than the pre-tender estimate.	Savings made added into the programme risk pot.