

## **Cabinet Meeting on Wednesday 20 March 2024**

### **Capital Programme for Schools 2024/25**



**Councillor Jonathan Price, Cabinet Member for Education (and SEND) said,**

"Maintaining our schools and creating an environment that encourages learning is crucial for our children to thrive.

This year, we're investing nearly £57 million in Staffordshire schools for upkeep and improvements. The funds will also be used to make schools more energy-efficient, directly contributing to the county council's goal of achieving net zero carbon emissions.

Some of this funding will also be used to deliver new school places and improve existing provision in schools for pupils with special educational needs and disabilities (SEND). This is to ensure children and young people, irrespective of background, can access a good education that enables them to fulfil their potential."

#### **Report Summary:**

Approval of the Schools Capital Programme for 2024/25. The Schools Capital Programme funding is made up of 2 central government grants: School Condition Allocation (SCA) and Basic Need. Additional capital funding for schools comes from other government bid grants, contributions from schools, developers, and other stakeholders.

#### **Recommendations**

I recommend that Cabinet:

- a. Approves the Schools Capital Programme 2024/25 investment proposal set out in the supporting appendices.
- b. Authorises the Assistant Director for Commercial and Assets to monitor progress and make any necessary in-year alterations in consultation with the Cabinet Member for Education (and SEND).
- c. Delegates authority to the Deputy Chief Executive and Director of Corporate Services to enter contracts for projects in the Capital

Programme which have a value of £2,000,000 or above. Other contract awards and modifications will be in accordance with the Councils Procurement Regulations.



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### **Capital Programme for Schools 2024/25**

#### **Recommendations of the Cabinet Member for Education (and SEND)**

I recommend that Cabinet:

- a. Approves the Schools Capital Programme 2024/25 investment proposal set out in the supporting appendices.
- b. Authorises the Assistant Director for Commercial and Assets to monitor progress and make any necessary in-year alterations in consultation with the Cabinet Member for Education (and SEND).
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#### **Local Member Interest:**

N/A

#### **Report of the Deputy Chief Executive and Director for Corporate Services**

##### **Reasons for Recommendations:**

##### **Introduction**

1. Staffordshire is a great place to live, work and invest where most people enjoy a good quality of life. There are over 400 schools and academies providing education for around 125,000 primary, middle, and secondary pupils. Every Staffordshire child deserves the best possible education and to leave school or college with the learning and skills that they need to succeed in further education or the workplace. A strong economy relies on a high performing education system to produce the workforce of the future, and young people with the right skills, attitude, and ambition to meet the needs of our employers or to start a business of their own.
2. The schools' capital programme is formulated to support the County Council in meeting its vision to be ***"An innovative, ambitious and sustainable county, where everyone has the opportunity to prosper, be healthy and happy."***

3. It is widely recognised that a school building is more than just a building. It is a system that supports teaching and learning, helping to shape and build the future of our next generation. The quality of school buildings can help or hinder teaching and learning. Our immediate environment influences our mood and behaviour. Well-designed buildings in good repair can lead to better attendance, concentration, motivation and even boost self-esteem for both teachers and learners.
4. Making our schools as energy efficient as possible will not only help with the commitment to reach carbon net zero by 2050 but will assist school finances in the current energy crisis. Staffordshire's Schools Asset Management Plan (AMP) and Statement of Priorities (StOP) ensure that capital spending is clearly aligned to corporate priorities and delivers value for money.

### **Capital Funding**

5. The Capital Programme for Schools 2024/25 is made up of:
  - a. Maintenance/Improvement projects.
  - b. Basic Need/pupil place provision projects.
6. The funding available to deliver the 2024/25 programme includes:
  - a. Government School Condition Allocation (SCA) capital grant.
  - b. Government Basic Need capital Grant.
  - c. Section106 contributions from developers.
  - d. Contributions from schools Devolved Formula Capital (DFC).
  - e. Third Party Contributions (TPC) from Academy Trusts.
  - f. Contributions from other Government grants - High Needs Provision Capital Allocation (HNPCA).
7. **School Condition Allocation grant (SCA)** is the maintenance funding received by SCC for **maintained schools**. We await DfE confirmation of our 2024/25 allocation, therefore the School's Capital Programme is based on an **estimated SCA of £6.4m**. The programme will need to be reviewed once the funding allocation is announced to ensure affordability and that investment is targeted in SCC maintained schools (excluding Basic Need).

8. **Basic Need funding** is the money given to local authorities each year to help them fulfil their duty to make sure there are enough school places for children in their local area. It is expected to meet the needs for growth in pupil numbers in relation to all state funded schools in the county, including any Academies. The DfE previously confirmed that our Basic Need allocation for places needed by September 2025 is £3,405,461 and for places needed by September 2026 is £9,098,452.
9. Further targeted funding in the form of the **High Needs Provision Capital Allocation (HNPCA)** was announced on 25 March 2021 to support local authorities to deliver new places and improve the suitability and accessibility of existing buildings to drive up standards in special education for children and young people with complex needs and for those pupils that require alternative provision, which we collectively refer to as 'high needs' provision.
10. HNPCA funding was allocated to LAs proportionally, based on each local authority's estimated share of future growth in the high needs' pupil population. Whilst this funding is primarily to assist local authorities deliver new places, it is for local authorities to determine how to best use the funding to meet local priorities. SCC's total allocation is £15,729,093.
11. Table 1 provides a breakdown of the available funding for 2024/25.

Table 1.

Available Funding 2024/25	£
LA School Capital Allocation (SCA) 2024/25 - ESTIMATED	6,400,000
LA School Capital Allocation (SCA) Re-phased from Previous Years	3,738,383
* Basic Need Allocation 2024/25	3,235,188
Basic Need Allocation Re-phased from Previous Years	24,384,194
SEND High Needs Provision Capital Allocation (HNPCA) Re-phased from Previous Years	13,978,924
<b>Total Supported Capital Expenditure</b>	<b>51,736,689</b>
S106 Contributions	4,890,298
Third Party Contributions	52,744
<b>TOTAL Capital Funding</b>	<b>56,679,731</b>

\* The Allocations for Education Block are not ring-fenced, and their precise allocation can be determined locally. There are significant areas of County Council activity, such as Economic Development, Waste Management, Libraries etc., which receives no such allocation, and the County Council is required to identify alternative sources of funding to undertake any capital projects in these areas. The prime source of such funding has traditionally been capital receipts. For several years, Cabinet has agreed that this funding should be enhanced by a 5% top-slice of Education and Highways Maintenance capital resources to provide Cabinet with some flexibility and 'headroom' to facilitate projects in other areas.

## **Proposed Works**

### **Planned Replacement Programme**

12. Condition surveys of schools are conducted on a 3-year rolling programme to assess the condition of the buildings. This information is held in a database which identifies the most urgent categories of need. Every school has been provided with an Asset Management Plan (AMP) on which local decisions on capital projects can be made. The condition grades are: -
  - a. Good – performing as intended with day-to-day servicing needs only.
  - b. Satisfactory – performing as intended but with minor deterioration.
  - c. Poor – not performing as intended or with major defects.
  - d. Bad – life expired and/or at serious risk of imminent failure.
13. The latest AMP condition survey information identifies work totalling £27.6m in the 3 highest priority categories (excluding academies and Voluntary Aided schools), with work to the value of circa £3.2m identified under priority 1. Previous programmes of maintenance work have focussed on the priorities identified in the AMP, and these have been successful in addressing a significant amount of condition backlog issues. These figures don't consider the works completed in 2023/24.
14. The Planned Maintenance approach enables a co-ordinated programme of repairs and allows resources to be targeted where they are most needed to reduce the effects of unsatisfactory premises on pupils' education. As part of the due diligence process academy sponsors will wish to ensure that the buildings are in a good state of repair. The Maintenance Programme forms the basis for ensuring that buildings can be transferred in a safe and satisfactory condition.

### **Climate Change/Sustainability Programme**

15. Tackling climate change is one of the key priorities within our Strategic Plan which confirms our commitment to “tackle climate change, enhance our environment and make Staffordshire more sustainable”.
16. The Climate Change Act was passed in 2008 and established a framework to develop an economically credible emissions reduction path. In 2019, the UK became the first major economy to pass a law requiring the UK to bring all greenhouse gas emissions to net-zero by 2050. This means that the country needs to remove as much carbon from the atmosphere as it emits. As a council, SCC declared a climate change emergency in July 2019 and are determined to reach carbon net zero by 2050 across every aspect of our service provision and estate.
17. The County Council is committed to helping save energy and reduce carbon emissions and energy saving features are incorporated into building projects wherever possible. Our carbon baseline is around 25,541 tonnes (tCO<sup>2</sup>e). This figure would have been significantly higher if not for innovative solutions we’ve already put in place to reduce our impact on the environment. A significant proportion of SCC’s CO<sup>2</sup> emissions are due to buildings energy use and some 80% of the property assets are schools. The challenge is now to remove the remaining 25,541 tonnes of carbon emissions and the school estate has a vital role to play in meeting increasing CO<sup>2</sup> reduction targets. It’s expected that schools will make a financial contribution to any projects carried out to achieve this.
18. Year on year we are seeing uplifts on the price of wholesale gas across the world which has also driven up the cost of electricity. The previous government Energy Bill Relief Scheme (EBRS) which closed at the end of March 2023 shielded schools from the true cost of energy, the replacement Energy Bills Discount Scheme (EBDS) significantly reduced levels of support. Schools face an added problem because of guidance from the DfE to “keep windows and doors open as much as possible due to air circulation to prevent Covid19”. As the biggest revenue costs after staffing, we need to reduce costs to limit the burden on school resources.
19. Building Management Systems (BMS) have been around for over 50 years. Traditionally, a BMS is a computer-based control system employed in most commercial properties, public buildings, and schools, to manage heating and cooling plant. BMS is crucial to managing demand for energy in a cost-effective way and allows remote management of heating, ventilation, and air conditioning (HVAC). A ‘version’ of this system is utilised in most SCC properties. However, because of their age some are failing or have become obsolete and are no longer fit for purpose. Savings have been calculated on a site-by site basis. Given current gas costs and with forecasts indicating that they will

remain at these elevated levels going forward, a typical return on investment for a primary school is around 5 - 6 years with an equipment life of 10 to 15 years and energy/carbon savings between 10 - 20% per annum.

20. Whilst recognising the school's role in combating climate change, we must understand that SCA is provided primarily to fund maintenance programmes to keep our schools safe, warm, and dry. We will continue to pursue external sources of funding from bodies such as Salix Finance so that we can take projects further than our SCA allows. An example of the successful bid and use of Salix funding is the recent relocation of St Leonard's Primary school to the former Kingston Centre in Stafford where we received c£800k to provide an air source heat pump heating solution, improved insulation & ventilation, and installation of photovoltaic panels.
21. Where possible, the school's capital programme makes funding available for programmes to replace inefficient heating systems and explore renewable solutions; investigate the installation of renewable technologies; upgrade old pipework; install new energy controls that monitor usage; upgrade/improve insulation and installing new LED lighting. Prioritisation methodology targets schools where modernising plant or equipment provides best value returns on investment. In addition to direct financial savings, the investment provides a better learning environment for staff and students through improved heating & lighting.
22. It is important to note that in addition to the targeted sustainability projects, many of our other investments improve our carbon footprint with the schools becoming more energy efficient. New schools and expansions need to comply with the amended Building Regulations Part L (conservation of fuel and power) focusing on carbon reduction of the primary heat source and efficient ventilation systems.

### **Priority Capital Projects Programme**

23. SCC recognises the importance that the school environment has in educational attainment and that capital investment is essential to support projects that are not driven by condition. The impact of re-modelling or refurbishing areas to provide more suitable facilities is significant. Research carried out by the University of Salford ('Clever Classrooms') revealed that the environmental factors of a classroom can have significant impact upon the learning and academic progress of students. The report revealed that progress could be improved by as much as 16 per cent in just one year with considered implementation of positive air quality, decor, and natural light.

24. The Priority Capital Projects Portfolio encourages schools to use some of their Devolved Formula Capital (DFC), variable dependant on the size of the project/school circumstances to contribute to the works enabling the funding to stretch further.
25. Officers work with schools to identify priority projects in their areas and liaise with the schools about making financial contributions to potential projects. All projects are assessed, weighted, and ranked so that a 'cut-off' point can be established as to which projects the capital funding available can support. If savings are achieved, then the next project on the list is added to the portfolio. Care is taken to spread SCC funding as evenly across the county as possible whilst still addressing the highest priorities.

### **Refurbishment of Toilets**

26. Historically, the design of school toilets has generally not been good for a complex set of reasons. Typically, children are reluctant to use them; when they are used, they are often the centre of behaviour and discipline problems. Prominent amongst the consequences are health problems and dehydration problems. Dehydrated children work less well. Ill children stay away; bullied children carry the pain for life.
27. There is considerable evidence highlighting the current issues with school toilets and the effects these have on pupils. An effective layout, high quality fittings and finishes, efficient cleaning, and maintenance, together with good access policies, are all essential to ensure that school facilities are valued. Overcoming common problems – such as the negative effects on short and long-term health caused by pupils avoiding drinking enough water or visiting the toilet – can have a positive influence on pupils' welfare, willingness, and ability to learn, their behaviour, morale, and attendance levels.
28. Following the success of previous investment to address the worst identified schools where toilet refurbishment is a priority the proposed programme will target the next priorities that have been identified.

### **Support for Replacement of Temporary Buildings**

29. Analysis of the AMP database indicates that there remains an amount of temporary/mobile accommodation in use across the county. Temporary accommodation is normally placed on a school to fulfil an urgent need and often to cater for increases in pupil numbers.

30. Many of these buildings are reaching the end of their useful lifespan; inaccessible to some students, parents, and staff; and with outdated heating, lighting, and technology they're inefficient and expensive to run. It is recognised that investment in a programme of replacement/removal of temporary/mobile buildings is important, not only in raising educational standards but also to reducing the carbon footprint (given their poor thermal performance).
31. Projects where condition dictates that repairs are no longer a real option are considered for inclusion in the capital programme. Where the accommodation is still required, temporary classroom units will be replaced with new buildings which will be more energy efficient and provide an enhanced environment for teaching and learning. The use of modular buildings or off-site construction will be evaluated for cost effectiveness before permanent buildings are considered.
32. SCC successfully bid for Community Infrastructure Levy (CIL) Funding from Cannock Chase District Council (CCDC) to replace temporary mobile accommodation with permanent buildings. The c£500k CIL Funding will be supported by the capital programme for projects at Chadsmoor Infants & Junior School, Five Ways Primary School, and the John Bamford Primary School. c£394k has also been secured for Etching Hill Primary Academy.

### **Special Educational Needs and Disability (SEND)**

33. SCC believe that all children and young people, irrespective of background or needs, are entitled to a good education that enables them to fulfil their potential. Improving access to education, participation in the school curriculum and educational achievement for pupils with disabilities is vital to ensure equality of opportunity, to support pupils to reach their educational potential and improve their future outcomes (Staffordshire Accessibility Strategy 2022 - 2026).
34. There are 23 maintained and academy Special Schools (5 of the special schools have residential education provision and some have listed building status) and 6 maintained and academy Pupil Referral Units (PRU) and Alternative Provision (AP) within Staffordshire. In addition, there are 3 Autism Resource Bases based at mainstream High Schools and a Speech Language Resource Base based at a mainstream Primary school. SCC also have short stay resource bases within mainstream settings to support pupils who do not have an Education, Health, and Care Plan (EHCP) as a preventative initiative.
35. SCC currently maintains EHCPs for circa 7,500 children and young people. The proportion of children with an EHCP continues to increase

- year-on-year, this is at a similar rate to nationally. More children and young people in Staffordshire with EHCPs attend specialist provision. 51% of those in education at the last census attended a special school (or specialist post-16 institution) compared to 36% of young people nationally. The proportion of children and young people with an EHCP in education who attend an independent or non-maintained special school is 9.1%, this is higher than the national average of 5.2%.
36. SCC was allocated £15.7m High Needs Provision Capital Allocation (HNPCA). The aim of the funding is to deliver new school places and improve existing provision in education settings for pupils with SEND, particularly those with more complex needs and an EHCP. The funding can also be used to support SEND pupils and pupils that require Alternative Provision without an EHCP.
  37. The Staffordshire SEND Strategy 2021 – 2026 Vision is that “All children and young people with SEND are given the opportunity to achieve everything that they can. They engage with the right support at the right time from their parents/carers, the community and the professionals that work with them to make this happen”.
  38. Following public consultation carried out in June and July 2022, approval was given by Cabinet (19 October 2022) to use the HNPCA to deliver projects which will increase: -
    - a. Access to mainstream placements for children and young people with high needs (who might otherwise require more specialist provision), with the development of resource bases.
    - b. The local availability of high needs places to help reduce the requirement for out of area placements/placements at independent special schools.
  39. The HNPCA funding will contribute to Staffordshire’s response to the outcome of the Local Area SEND revisit inspection carried out in January 2022. As part of an Accelerated Progress Plan, a county wide review of specialist provision has taken place. SCC working with partners has co-designed and co-produced a model of graduated specialist provision that ensures equality of access to education which meets the individual needs of our children and young people in their local community, to give them the best start in life and achieve their potential.
  40. HNPCA funding will be used to fund resource base models at mainstream settings as part of the implementation of the ‘Staffordshire Enhanced District Inclusion Support (SEDIS) Model as well as developments at

Staffordshire special schools to increase capacity and reduce the number of placements required at independent schools.

## Proposed Investment 2024/25

41. Table 2 provides the profile of the proposed areas of investment in the Schools Capital Programme 2024/25. A breakdown of the individual projects can be seen in Appendices 1 to 6.

Table 2.

Proposed Maintenance/Improvement Projects	£
New Starts - Planned Replacement Programme - Maintenance	1,609,240
New Starts - Planned Replacement Programme - Sustainability	1,535,709
New Starts - Climate Change/Sustainability Programme	862,000
New Starts – Priority Capital Projects	1,672,000
New Starts - Toilet Refurbishment Projects	1,181,000
New Starts - Health and Safety Emergency Issues	500,000
Continuation - Support for CIL Modular Replacement Programme	848,000
Completion of Previous Years Projects	1,369,551
Feasibility, Legal Costs and Fees	685,000
SEND High Needs Provision Capital Allocation (HNPCA) Re-phased from Previous Years	14,031,668
Basic Need Projects	32,509,680
<b>*TOTAL Capital Programme</b>	<b>56,803,848</b>

\*Total reflects slight overprogramming against available funding to reflect slippage which is likely to occur.

## Strategic Priorities

42. In the current economic climate, where there is a considerable degree of uncertainty around the provision of capital funding to support schools and education, it is imperative that the County Council has a pre-determined set of priorities already in place so that it has the flexibility and responsiveness it will need to act on those capital funding streams as soon as they become available.

43. There will continue to be more demand for capital investment than there will be resources available to meet that demand. In turn this will mean that choices, sometimes very difficult choices, will have to be made. The

County Council is committed to ensuring that the process of determining priorities for capital investment is open and transparent. Key features of this approach include: -

- a. Consultation with the Director for Corporate Services, the Cabinet Member for Education (and SEND) and the Head of Access to Learning, Inclusion and Improvement to determine local priorities.
  - b. Published criteria for the assessment of priorities in the Asset Management Plan, and open access to the information held within it on all schools (Planned Maintenance Programme).
  - c. Consultation with all relevant partners, including schools both directly and through the Local Management of Schools Consultative Committee (LMSCC).
  - d. Consultation with the Assistant Director for Education, Strategy, and Improvement.
44. In accordance with these principles and approaches, the following strategic priorities have been identified for capital investment in schools:
- a. Securing enough school places, both the provision of new places where numbers are increasing, and the removal of surplus places, so that resources available to schools are used most efficiently.
  - b. Develop 'in-county' provision for children and young people with Special Educational Needs and Disability (SEND) and vulnerable groups providing them access to the right support at the right time in the right way so that they can access high quality learning and skills opportunities so that they can realise their aspirations and lead a fulfilling and independent life.
  - c. Improving educational standards by addressing highest priority condition issues ensuring schools are safe, warm, and dry through the Planned Maintenance Programme (Appendix 1).
  - d. Meeting climate change and sustainability targets (carbon net zero by 2050) through programmes to replace inefficient heating systems and explore renewable solutions; investigate the installation of renewable technologies; upgrade old pipework; install new energy controls that monitor usage; upgrade/improve insulation and installing new LED lighting (Appendix 2).

- e. Delivering projects that make a difference to the school environment that are not condition driven but will have a significant impact through the Priority Capital Projects Portfolio (Appendix 3).
- f. Refurbishment of toilet facilities that are designed and fitted out to a standard that discourages anti-social behaviour and vandalism (Appendix 4).

## **Basic Need**

- 45. The County Council has a statutory duty to ensure that there are enough school places in the area, promote high educational standards, ensure fair access to educational opportunity, and promote the fulfilment of every child's educational potential. Staffordshire's highest priority for investment in schools is the provision of new places to meet basic need. The process of school place planning is complex in terms of the housing market in each area of the county; receipt of capital funding from government and developers; the use of Community Infrastructure Levy (CIL) at some Local Planning Authorities; changes in parental preference and individual school performance; births and inward and outward migration; new government legislation and policy; building costs; the increasing number of autonomous academies. All these factors combine to create a volatile environment.
- 46. The DfE monitors local authorities' expenditure on Basic Need via the School Capacity Survey to ensure that it is being targeted at the areas with the greatest need. As commissioner of school places, the local authority has responsibility for determining priorities for basic need.
- 47. Consideration of projected numbers from population trends and planned housing development within the county clearly demonstrate where there is a need to expand provision to meet growth. The projected number of additional places required by 2033 is circa 5,300 for mainstream primary and 2,700 for mainstream secondary education.
- 48. SCC has been very successful in negotiating and securing developer/S106 contributions which means that currently not all the Basic Need Grant is directly assigned to specific projects within the existing programme. Table 3 shows the Existing Programme (live projects) and that we have a balanced budget.

Table 3.

EXISTING PROGRAMME as at December 23							
	2023/24	2024/25	2025/26	2026/27	2027/28	2028+	Total
	£m	£m	£m	£m	£m	£m	£m
<b>Total Existing Programme Expenditure</b>	<b>23.92</b>	<b>10.96</b>	<b>0.47</b>	<b>0.05</b>	<b>0.00</b>	<b>0.00</b>	<b>35.41</b>
<b>Funding</b>							
Basic Need - Received or Notified	(6.26)	(5.36)	(0.22)	(0.05)	0.00	0.00	(11.89)
School Condition Allocation (S.C.A)/Other	(0.13)	0.00	0.00	0.00	0.00	0.00	(0.13)
S106 Contributions	(17.53)	(5.60)	(0.26)	0.00	0.00	0.00	(23.39)
<b>Total Existing Programme Funding</b>	<b>(23.92)</b>	<b>(10.96)</b>	<b>(0.47)</b>	<b>(0.05)</b>	<b>0.00</b>	<b>0.00</b>	<b>(35.41)</b>

49. The current assumption is that the Rugeley All Through School (ATS) will be jointly funded by the DfE, developer contributions and a £1m contribution from the SCC Capital Reserve. Should this position change then there is a funding risk against the basic need programme.
50. Over the medium term (next 5 years) the forecast programme uses estimates of future funding and future project costs. As a result, there are risks because of the inherent uncertainties regarding: -
- Future allocations (2026/27 onwards) of Basic Need funding. The forecast uses a prudent annual allocation of £2m (£1.9m after 5% corporate top-slice).
  - Future payments of developer contributions in sealed S106 agreements as these are dependent on if/when housing developments start and how quickly homes are built.
  - Additional interest received on developer contributions as stipulated in our S106 agreements.
  - Future S106 developer agreements that **are not** factored into the forecast programme as they have yet to be negotiated for Local Plan and other proposed developments. It should be noted however that SCC have been successful in securing high levels of S106 contributions historically.
  - Changes to local demographics that could mean that school projects are delayed, postponed, or even removed from the programme.
  - Performance/popularity of schools as we would avoid expanding schools that are not rated Good or better.
  - The actual cost of individual projects given the record levels on inflation.

51. If all the Medium-Term projects were to progress at the current estimates of income/cost, then there is a potential surplus of c£12.41m which is shown in Table 4.

Table 4.

<b>FORECAST PROGRAMME - NEXT 5 YEARS</b>							
	2023/24	2024/25	2025/26	2026/27	2027/28	2028+	Total
	£m						
<b>Total Forecast Programme Expenditure</b>	15.62	26.08	46.43	13.64	7.60	0.00	109.37
<b>Funding</b>							
Unallocated Basic Need	(0.90)	(21.72)	(8.62)	(2.00)	(2.00)	(2.00)	(37.25)
Basic Need Corporate Top Slice	0.11	0.64	0.17	0.10	0.10	0.10	1.22
S106 Contributions	(28.56)	(3.53)	(7.68)	(8.83)	(12.80)	(24.35)	(85.75)
<b>Total Forecast Funding - Next 5 Years</b>	<b>(29.35)</b>	<b>(24.61)</b>	<b>(16.13)</b>	<b>(10.73)</b>	<b>(14.70)</b>	<b>(26.25)</b>	<b>(121.78)</b>
<b>Total Forecast Programme - Next 5 Years</b>	<b>(13.74)</b>	<b>1.47</b>	<b>30.30</b>	<b>2.91</b>	<b>(7.11)</b>	<b>(26.25)</b>	<b>(12.41)</b>

52. For information, the Long-Term programme (2028+) forecast is summarised in Table 5. If all the projects were to progress at the current estimates of income/cost, then there is a potential funding gap of c£13.11m which is reduced by the forecast Medium-Term surplus to c£0.7m. Officers are continually monitoring numbers, securing S106 funding and updating the basic need requirements as more information becomes available. Given the prudent approach on the forecast of future basic need allocations and the fact future S106 contributions are also not factored in, it is unlikely such a gap will arise.

53. Considering the uncertainties listed previously it isn't clear in which year the gap will arise. The Capital Programme for Schools is monitored and reviewed by Corporate Finance, Strategic Property and School Organisation Teams who will provide updates.

Table 5.

<b>FORECAST PROGRAMME - 2028+</b>							
	2023/24	2024/25	2025/26	2026/27	2027/28	2028+	Total
	£m	£m	£m	£m	£m	£m	£m
<b>Estimated programme Cost 2028+</b>	0.00	0.00	0.00	0.00	0.00	94.63	94.63
<b>Funding</b>							
Basic Need	0.00	0.00	0.00	0.00	0.00	(26.00)	(26.00)
Basic Need Corporate Top Slice	0.00	0.00	0.00	0.00	0.00	1.30	1.30
Funding - S106	0.00	0.00	0.00	0.00	0.00	(56.82)	(56.82)
<b>Total Funding - 2028+</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>(81.52)</b>	<b>(81.52)</b>
<b>Total Forecast Programme - 2028+</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>13.11</b>	<b>13.11</b>

54. The Basic Need projects requiring Cabinet approval are listed at Appendix 5.

## **School Rebuilding Programme**

55. The DfE school rebuilding programme (SRB) carries out major rebuilding and refurbishment projects at school and sixth-form college buildings across England, with buildings prioritised according to their condition. There are currently 400 projects in the programme including 4 Staffordshire academies, (Blessed William Howard Catholic School; Brindley Heath Junior School Academy; St John Fisher Catholic College and Wombourne High School). Schools are provisionally allocated a place on the programme, subject to further due diligence, and projects will enter delivery at a rate of approximately 50 per year.

56. Appendix 6 lists further details.

## **Programme Management**

57. Approval is sought for the Assistant Director for Commercial and Assets to continue with the practice of monitoring progress and making any necessary in-year alterations in agreement with the Cabinet Member for Education (and SEND).

58. Approval is sought to continue with the practice of bringing forward capital works to offset slippage on individual projects to ensure that the capital programme achieves budget targets 'in year'. There are provisional plans to bring forward c£125k of works above an overall programme of £56.68m in 2024/25. These provisions are based on previous years programme performance and the intention is to finance some of the 'advance-spend' from savings made in procuring the programme. Provision will be made in 2025/26 to finance any outstanding balance.

## **Procurement of Works**

59. Construction Projects – the Council will procure its construction projects from either a bespoke SCC-procured arrangement or from a compliant 3rd party arrangement, for example, the Construction West Midlands ('CWM') Framework Agreement. Any arrangement utilised will ensure compliance in the contracting process and look to mimic the ethos and operation of a typical construction framework which the Council would wish to procure themselves.

60. Maintenance Works – will continue to be procured in line with the Councils Procurement Regulations, turning to our own Framework arrangements where applicable.

61. Officers will need to ensure compliance with the procurement regulations.

### **Legal Implications**

62. Officers will need to ensure that all allocated funding is efficiently spent to ensure value for money as required by the Local Government Act.

63. In respect of the HNPCA grant the grant conditions state that "A local authority should seek to ensure funding paid out under this grant is spent efficiently. To which end, it should thoroughly evaluate all procurement options for projects – including the DfE construction frameworks and output specification – to demonstrate value for money. A local authority should encourage academy trusts and other responsible bodies to do the same, should they procure a construction project directly."

64. Officers will need to ensure compliance with all grant conditions when utilising grant funding for a scheme and each scheme will need to be reviewed on a case-by-case basis.

65. Officers will need to ensure that S106 funding is spent within specified time limits contained within the individual S106 agreements.

### **Resource and Value for Money Implications**

66. All SCC frameworks are value for money tested. To ensure value for money all contractors appointed to work on the projects will either be selected from SCC Frameworks or tenders will be sought from the Construction West Midlands ('CWM') Framework.

### **Climate Change Implications**

67. The County Council is committed to helping save energy and reduce carbon emissions and energy saving features are incorporated into building projects wherever possible. The additional places created through the Basic Need and HNPCA projects reduce the need for travel for pupil's and provides the opportunity to walk to school reducing emissions and having a positive effect on health & wellbeing.

68. In addition to direct financial savings through reduced energy usage, the investment provides a better learning environment for staff and students through improved heating & lighting.

## **List of Background Documents/Appendices:**

- Appendix 1 - Planned Replacement Programme 2024/25
- Appendix 2 – Climate Change/Sustainability Programme 2024/25
- Appendix 3 – Priority Capital Projects 2024/25
- Appendix 4 – Toilet Refurbishment Programme 2024/25
- Appendix 5 – Basic Need Projects
- Appendix 6 – DfE School Rebuilding Programme

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