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**CHILDREN'S SERVICES CAPITAL PROGRAMME 2006-07**

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**Councillor Chris McEwan, Children's Services Portfolio  
Responsible Director – Margaret Asquith, Director of Children's Services**

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**Purpose of Report**

1. To provide Members with information concerning capital investment available to schools and the process for identifying, allocating and managing such investment.
2. To seek Member agreement to the proposed capital programme for Darlington schools in 2006/07.
3. To seek Member agreement to release capital funds.

**Information & Analysis**

Capital Investment

4. The Authority funds the capital maintenance and improvement of schools from 3 main sources, **formulaic capital allocations** received from DfES via the single pot, **bid based submissions for central government programmes funding**, compiled and submitted by Children's Services and **corporate capital investment**.
5. The formulaic funding is further sub divided by DfES with funding hypothecated for use in either Primary or Secondary schools and with the Authority compelled to delegate a proportion of the funding direct to individual schools for the sole use of each school. The formulaic allocations are:
  - (a) **Devolved Formula Capital** - Capital of £1,349,524 (06/07) supports 'small-scale' capital projects and schools receive individual formulaic allocations based on the type of school and pupil numbers. Projects undertaken are determined according to locally agreed priorities established in the Asset Management Plan to address both Suitability and Condition related needs
  - (b) **Modernisation Funding** - Funding of £645,653 (06/07) has been allocated for Primary Schools and £748,285 (06/07) for Secondary Schools. This funding supports larger scale capital works at schools. The funding is allocated on an Authority-by-Authority basis and is based on number and type of schools and total pupil numbers. The funding is targeted at the highest priority issues within Asset Management Plans or provides a contribution towards major redevelopment work.

**(c) New Pupil Places** - A formulaic allocation of £337,023 (06/07) for meeting the basic need i.e. required number of school places in individual Authorities. In recent years this has moved from an annual bidding round to formulaic distribution. Authorities who do not have a basic need to supply additional school places can redirect this funding into their modernisation allocation

**(d) Schools Access Initiative** - A formulaic fund of £171,012 (06/07) for undertaking adaptation and alteration to buildings to improve access for pupils with disabilities

6. The Authority is also invited to bid into a number of potential capital funding schemes to support larger capital investment needs which can't be met from the formulaic allocations described above. The main bidding opportunities centre on the **Targeted Capital Fund**, a bi-annual bidding round to procure new schools / major refurbishment projects. The Targeted Capital Fund covers 80% of the project costs with the Authority contributing the 20% balance of costs.
7. Increasingly DfES are seeking to place more funding through formalised capital programmes and away from bid-based applications. The two major capital funding allocations now centre around Building Schools For The Future (BSF) a secondary school programme to replace or refurbish all secondary schools and Every Child Matters Primary Capital Programme, a primary school capital programme aimed at replacing or improving 50% of Primary schools in the next 15 years. Authorities are placed in a ranking order for both programmes using pre determined DfES criteria.
8. As a result this will almost certainly be the final year when the formulaic funding received by the Authority will be identified and spread across as many schools. Future investment will need to reflect the strategic investment planned through the delivery of the DfES's Building Schools of the Future Programme (for Secondary Schools) and the Primary School Capital Programme.
9. Finally, Children's Services submits annual applications to the Authority's Asset Planning Group for Corporate capital funding support for schools. These bids highlight the urgent capital need in schools which can't be addressed using the basic formulaic capital allocations.
10. The Authority undertakes periodical surveys of all schools to determine the nature and amount of work required. These surveys prioritise work depending on the nature of the issue, giving an indication of the urgency of the work, eg H & S work, inhibiting the raising of education standards etc.
11. In order to make best use of available resources, Children's Services have developed partnership agreements with schools, known as LAMPAs. (Local Asset Management Plan Agreements).
12. These plans initially concentrate on the allocation of school based Devolved Formula Capital whilst highlighting any urgent needs at a school that may require a larger capital investment from the Authority's Modernisation allocation or a Corporate capital contribution. These larger works are collated by Children's Services for consideration against other priority capital works across all Darlington Schools. A process was designed some years ago that the decision on which projects should be supported should be taken jointly between schools and Children's Services (formally Education) through a Premises

Improvement Group This group contained Children's Services Staff, D&E, Community Services and representatives of the school population. The 4 categories of work were;

**PRIORITY 1: URGENT WORK THAT WILL** prevent immediate closure of premises; and/or address an immediate high risk to the health and safety of occupants; and/or remedy a serious breach of legislation.

**PRIORITY 2: ESSENTIAL WORK REQUIRED WITHIN 2 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 minor breach of legislation.

**PRIORITY 4: LONG TERM WORK REQUIRED OUTSIDE THE FIVE YEAR PLANNING PERIOD THAT WILL:** prevent possible deterioration of the fabric of services.

13. Each piece of work is then given a code to identify the urgency for completion. The codes are:

**Legislative requirements (Health & Safety / Fire Precautions / Health and Hygiene etc.)** e.g.: Slipping/Falling slates; removal of damaged asbestos; tripping hazards; missing smoke seals; door closers; signs etc. on fire doors/screens/ Legionella work etc.; Rewire; Electrical. **A**

**Total / Partial Loss of Service or taking accommodation out of use.** **B**  
e.g.: Boiler plant replacement; serious ongoing roofing problems; structural defects (i.e. severely rotted timber curtain walling etc.; also grade this as D if required).

**Internal Environmental Improvement /Maintenance** **C**  
e.g.: Work which improves aesthetics or comfort levels; i.e. internal redecoration; renew floor coverings; minor plaster repairs/ceiling repairs; replacement sanitary ware; isolated lighting replacement; ineffective isolated heaters/radiators.

**Security Implications** **D**  
e.g.: Premises security compromised i.e. faulty door locks, window catches etc.; door repairs; faulty security alarms.

**Consequential Damage Risk** **E**  
e.g.: External decoration; corroded pipes; Minor roof leaks leading to damaged ceilings etc.; defective rendering/pointing.

**Fire Precautions (Improvements)** **F**  
e.g.: Provide fire escape; compartmentation of rooms; provide fire checks etc.

**Further Investigation** **I**  
(Used to indicate more detailed inspection needs to be made by a Building Surveyor / Structural Engineer / Services Engineer).

## **Minor Improvements / Non-maintenance items / Upgrades**

14. Due to the backlog of urgent condition based works, mainly dealing with Priority 1A, 1B, 2A and 2B issues, there has been little need for an advisory group as the works have been of sufficient urgency that a programme is almost self identified. The key question for Children's Services has simply been which of these urgent condition works should be undertaken first. This has usually been identified following a more detailed site inspection of the building identified in the condition survey as being 'schools identified as 1A, 2A, 1B or 2B.
15. This has meant the programme has been biased towards condition rather than suitability issues and increasingly we are attempting to ensure more emphasis is given on ensuring we have the right environments in which our teachers teach and our children learn. The LAMPA process is helping with this by challenging schools to look at the suitability of their building to deliver the national curriculum in the 21st Century.

## **Bid Based Investment**

16. As described earlier, since the mid 90's the Authority identified the use of capital investment to positively deal with urgent school place planning needs within the primary sector of the Borough. The rising surplus place issues in primary schools along with the population movement to areas of new housing development in the Borough were the catalyst for large capital bids to the Department for Education & Skills.
17. These bids ensured that new schools could be created within the town that had the twin effect of removing surplus places whilst bringing in radical building improvements to some of our most needy schools.
18. This investment saw new schools created at:
  - (a) Firthmoor – reducing a 500 place school with a new 315 place school more appropriate for the population of the area
  - (b) Alderman Leach – reducing a 500 place school with a 315 place school and relocating the school from Cockerton to the Faverdale area where the population was expanding
  - (c) Middleton St George (St George's) creating a new single 315 place school to replace the existing Middleton St George (210) and Sadberge (110) place schools
  - (d) Skerne Park, replacing a 470 place school with a 315 place school appropriate for the local population.
  - (e) Springfield – replacing a 315 place school with a 210 place school appropriate for the area.
19. In addition to this, a new form of procurement PFI was sought which delivered long-term investment into the Borough's only Special school Beaumont Hill in an imaginative and groundbreaking way, creating a new Education Village which also saw Haughton Community and Springfield Primary replaced. A separate element of the PFI has seen the creation of a new single Harrowgate Hill Primary school to replace the previous and separate Infant and Junior schools.
20. More recently, the Authority has looked at bid-based investment as a mechanism for securing capital investment into secondary schools. In 2002, DfES announced the intention to introduce a radical new funding programme aimed at reforming secondary school

education, developing a long-term strategic vision for how Local authorities would deliver education to secondary age pupils. Called 'Building Schools For The Future (BSF)', each Local Authority was asked to develop a submission for DfES of how it planned to undertake these reforms.

21. Darlington Borough Council submitted a paper to DfES seeking support for the proposals. Unfortunately, the Council was not selected for one of the earlier programme slots or 'waves'. The only aspiration DfES have for Darlington is the aim that the Council should see one new secondary school by 2011 with entry into the main BSF programme by 2016. This decision has serious implications for Darlington, particularly in relation to tackling serious existing building problems and future surplus capacity issues.
22. In response to this disappointing announcement the Council sought to secure investment into our two most popular schools Carmel and Hummersknott. This funding was secured in 2005 and will ensure both schools have high quality accommodation suitable to deliver the 21st Century curriculum.
23. As described in paragraph 6, the Authority must however identify the structure and investment plan for all Darlington secondary schools.

### **Corporate Capital Investment**

24. Until investment is secured for all secondary schools the Authority must continue to ensure all schools have the best possible facilities and most importantly remain available to deliver education to pupils. Increasingly as buildings further deteriorate, major problems start to arise that threaten the short-term closure of a school to effect urgent repairs.
25. Children's Services have in recent years requested Corporate investment to be held as an emergency grant to effect urgent repairs to secondary schools in Darlington that would otherwise result in the temporary closure of a school.
26. In addition, from the proceeds of sale of surplus school sites, Corporate investment has been available to support the 20% contribution needed for targeted capital bids to renew or replace primary and secondary accommodation.

### **Capital Investment 2006/07**

27. The available capital resources for investment in schools in 2006/07 is shown at **Appendix 1**. The proposed school by school capital investment plan for 2006/07 is attached at **Appendix 2**. In providing a breakdown of school by school planned works, it must be noted that the figure in Appendix 1 and Appendix 2 do not balance as Appendix 2 does not contain spending on centralised projects (replacement of the Pupil Referral Unit, Children's Centres etc.), contingency funding and fees.
28. The Authority is now reaching a position where the backlog of investment in the major condition issues in schools the A1, A2, B1 and B2 works are now nearly all addressed. Increasingly the programme will see more investment moving into suitability areas to provide schools with the right types of space to deliver a more effective curriculum directly contributing to the raising of standards.

29. It must be noted that despite plans to replace / remodel some schools investment has still been identified in the 2006/07 programme. A key example is Hummersknott School where a survey of the existing windows has identified an urgent need to replace windows which otherwise will pose a serious Health and Safety risk. In some cases the sums identified are provisional with any under or overspend being drawn from or added to the contingency sum.

### **Outcome of Consultation**

30. Children's Services is responsible for working with schools to ensure all funding is targeted to meet the highest priority needs. These needs are identified through regular surveys of the school, and a formal annual meeting with each school to agree and review a programme of capital works at each school. By developing individual asset plans for each school we can ensure that all needs are highlighted and through dialogue a comprehensive capital investment programme is defined that identifies and begins to address the full range of needs at the school. This programme takes into account:

- (a) Physical Condition of buildings
- (b) Suitability for provision of education; and
- (c) Sufficiency of school places, either geographically or in educational sectors

### **Risk**

31. The capital programme is designed to ensure all funding is targeted at the most urgent works in Darlington Schools. However, it is impossible to cover all eventualities and the Authority remains exposed to potential emergency works, particularly resulting from extreme adverse weather conditions. The contingency sums allow for small scale emergency works to be addressed but any major, serious failures may require the re-programming of some works into future years.

### **Legal Implications**

32. This report has been considered by the Legal Services Manager for legal implications in accordance with the Council's approved procedures. There are no issues which the Legal Services Manager considers needs to be brought to the specific attention of Members, other than those highlighted in the report.

### **Section 17 of the Crime and Disorder Act 1998**

33. The contents of this report have been considered in the context of the requirements placed on the Council by Section 17 of the Crime and Disorder Act 1998, namely, the duty on the Council to exercise its functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent, crime and disorder in its area. It is not considered that the contents of this report have any such effect.

### **Council Policy Framework**

34. The issues contained within this report do not represent significant change to Council policy or the Council's policy framework.

### **Decision Deadline**

35. For the purpose of the 'call-in' procedure this does not represent an urgent matter.

### **Key Decision**

36. The content of this report affects the majority of schools and their local populations within the Borough and is therefore a key decision for Cabinet

### **Recommendations**

37. It is recommended that Members :-

- (a) Agree the programme of investment proposed for Darlington schools in 2006/07; and
- (b) Agree to release the 2006/07 capital funding of £6,088,834 to undertake the agreed works.

### **Reasons**

38. The recommendations are supported by the following reasons :-

- (a) Detailed planning to target need has been undertaken which ensures effective use of all investment; and
- (b) Through the LAMPA process schools have agreed the proposed works.

**Margaret Asquith**  
**Director of Children's Services**

### **Background Papers**

DfES funding announcement December 2005