

MAINTAINED SCHOOLS CAPITAL PROGRAMME SUMMER 2024 AND HIGH NEEDS CAPITAL

**Responsible Cabinet Member -
Councillor Nick Wallis, Children and Young People Portfolio**

**Responsible Director -
James Stroyan, Group Director of People**

SUMMARY REPORT

Purpose of the Report

1. To seek Members' agreement to:
 - (a) Release the 2023/24 school condition allocation for the schools' summer works programme 2024.
 - (b) Release the 2023/24 devolved formula capital to the maintained schools.
 - (c) Release £360,000 of High Needs Capital Funding to refurbish the former Haughton Children's Centre as a sixth form centre for Beaumont Hill.
 - (d) Release £35,000 of High Needs Capital Funding to remodel the Heathfield Primary SEN resource base.

Summary

2. This report seeks Cabinet approval for the release of the 2023/24 School Condition Allocation (SCA) funding of £156,595 to undertake a programme of works across the maintained schools in Darlington during summer 2024. Works will include condition, electrical and mechanical surveys, works identified as a priority and any urgent works arising.
3. The report also seeks the release of the 2023/24 Devolved Formula Capital (DFC) of £42,136. This funding is a formula-based grant provided to all maintained schools to help support their ongoing capital needs.
4. The release of £360,000 of High Needs Capital Funding is sought to create a new sixth form centre for Beaumont Hill Academy in the old Haughton Children's Centre. This in turn would free up 30 additional much needed secondary SEND places, following refurbishment of the vacant space, in the main school. Currently the school has 269 pre-16 places.
5. The release of £35,000 of High Needs Capital Funding is sought to remodel the Heathfield Primary SEN resource base. This will provide an environment suitable to meet the

increased numbers (from 16 to 24) at the SEN resource base and also the changed age group focus to reception, year 1 and year 2 children with communication and interaction needs.

6. All projects will be managed in line with the Corporate Capital Process procedures.

Recommendation

7. It is recommended that Members:-
 - (a) Agree to formally release the 2023/24 School Condition Allocation of £156,595 to support the 2024 maintained schools' summer works programme.
 - (b) Agree to formally release the 2023/24 Devolved Formula Capital (DFC) of £42,136.
 - (c) Agree to release £360,000 of High Needs Capital Funding for Beaumont Hill Academy.
 - (d) Agree to release £35,000 of High Needs Capital Funding for Heathfield Primary.

Reasons

8. The recommendations are supported by the following reasons:-
 - (a) Release of the School Condition Allocation and Devolved Formula Capital will enable capital investment to be undertaken in the areas identified with the greatest need, in terms of asset management priorities.
 - (b) Release of the High Needs Capital funding will create 30 additional secondary SEND places at Beaumont Hill Academy and eight places at Heathfield Primary to meet the increased local demand for specialist provision.

James Stroyan
Group Director of People

Background Papers

No background papers were used in the preparation of this report.

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S17 Crime and Disorder	Capital investment to improve facilities and provide better building maintenance will contribute to the reduction of crime and disorder.
Health and Wellbeing	The capital strategy outlined in this report will continue the Council's drive to provide buildings that enhance children's life chances and opportunities to thrive.
Carbon Impact and Climate Change	All work undertaken will be designed and constructed with sustainability in mind and aim to reduce the carbon footprint, and re-use energy and environmental resources.
Diversity	This programme has no specific impact on protected groups.
Wards Affected	Schools located in: Park East (Borough Road Nursery), Pierremont (George Dent Nursery), North Road (Rise Carr College), Red Hall & Lingfield (Red Hall Primary and Heathfield Primary) and Whinfield (Whinfield Primary), Haughton and Springfield (Beaumont Hill Academy).
Groups Affected	Children and young people (Aged 2-10) in Darlington.
Budget and Policy Framework	This report does not recommend a change to the budget and policy framework.
Key Decision	This is an executive decision
Urgent Decision	For the purpose of the 'call-in' procedure this does not represent an urgent matter.
Council Plan	The Capital Programme is consistent with the Council Plan providing high quality facilities that support modern approaches to education in schools and for lifelong learning.
Efficiency	Defective materials and plant will be replaced with more efficient products e.g. increasing 'u' value on windows, insulation and modern highly efficiency boilers.
Impact on Looked After Children and Care Leavers	The proposed projects have no specific impact on Looked After Children or Care Leavers.

MAIN REPORT

- The Authority funds the capital maintenance and improvement of maintained schools from a variety of sources including capital allocations received from the Department for Education (DfE), bid based submissions for Central Government funding programmes (compiled and submitted by Officers or individual schools) and Section 106 agreements.

School Condition Allocation (SCA)

10. The Department for Education (DfE) has allocated the local authority £156,595 of School Condition funding for 2023/24 to address capital maintenance needs across the borough's five maintained schools. The Education and Inclusion Service within the People Group is responsible for ensuring all funding is targeted to meet strategic priorities and the highest priority needs across maintained schools and nurseries.
11. Once a school has converted to an Academy it is no longer eligible to be considered for capital maintenance funding allocated to the LA but can apply direct to the Education & Skills Funding Agency (ESFA) for funding as required. The DfE has notified the authority that as Whinfield Primary School is converting to academy status in financial year 2023/24 the council will not receive SCA or DFC for the school in 2024/25. Going forward, this will reduce the overall SCA remaining for the maintained schools to around £67,000. The allocation is largely based on pupil numbers and Whinfield was the biggest maintained primary.
12. The annual summer works programme is compiled using the information from local authority commissioned surveys covering building condition and electrical and mechanical services. A list of the highest priority works that fits within the available funding envelope is developed in conjunction with Building Design and Building Services. That list is then subject to consultation with the maintained schools.

Asset Management Costs

13. An amount equivalent to 13.0% of the SCA is set aside to cover survey and design fees as part of the asset management process. This will be monitored as the projects progress and, if possible, funding released for other schemes.

Contingency / Urgent Works

14. The summer works programme retains a 17.0% contingency within the estimated value of the works. This is used to cover any unexpected costs or emergency works. This will be monitored as the projects progress and, if possible, funding released for other schemes.

Devolved Formula Capital (DFC)

15. The Department for Education (DfE) has allocated £42,136 to Darlington maintained schools for 2023/24 on a formula led basis. Local authorities are required to distribute DFC to their schools in accordance with the DfE published allocations. Schools will be encouraged to manage spend in line with agreed priorities.

High Needs Capital

16. The local authority received just over £1.7 million of capital funding from the DfE in 2022/23 to fund high needs capital projects to provide SEND provision. In December 2019, prior to Covid, Cabinet approved the leasing of the old Haughton Children's Centre to the Education Village Academy Trust. The Trust is now in a position to move forward on this and to convert the building into a new sixth form centre, in turn freeing up 30 much needed secondary places in the main school. The school currently has 269 pre-16 places.

17. Due to the nature and complexity of the Education Village Private Finance Initiative (PFI) contract it is proposed that the funding is passed to the Trust as a grant with the satisfactory completion of the capital works included in the terms of the lease. Any works at the Education Village can only be undertaken by, or through, the PFI contractor. Grant funding the project removes the risk of a budget overspend from the local authority and the need for expensive legal fees if the project were to be done outside of the PFI contract. The lease will be the standard academy lease of 125 years at a peppercorn rent.
18. Management of the project by the Trust will also mean that they will have better control over the timetable. They will have to complete the works at the Children's Centre before they can transfer their sixth form pupils into the refurbished building. Works will then have to be completed in the existing sixth form area at Beaumont Hill before the additional SEND places can be provided.
19. In order to accommodate eight additional pupils in the Heathfield SEND resource base (from 16 to 24) it is necessary to remodel the existing space to provide a more suitable environment for the pupils. Remodelling will include both internal works and external works, as well as improved soundproofing. It is proposed that works will be grant funded from High Needs Capital Funding.

Financial Implications

20. The School Condition Allocation, Devolved Formula Capital and High Needs Capital are all grants from the Department for Education (DfE). There is no impact on Council funds.
21. All funds must be spent in accordance with the DfE's 'condition grants spend guidance', the latest edition being from March 2023.

Consultation

22. Any capital works will be undertaken in consultation with the schools concerned and in line with the priorities identified as part of the school's surveys.