

<p style="text-align: center;"><b>Report to Hartlepool Schools' Forum 2<sup>nd</sup> April 2014</b> <b>From the Chief Finance Officer</b></p>
---

### **Agenda Item 3 – Appendix 3 – 2014/15 Capital Funding**

#### **1. Introduction**

- 1.1 On the 25 February 2014, Schools' Forum Task & Finish Group agreed that a report would be brought to the next Forum meeting which would provide information in relation to capital spending priorities.
- 1.2 This report details the sources of funding available to the Local Authority and together with an explanation as to what this funding will be used for.

#### **2. Background**

- 2.1 On 18 December 2013 the Department for Education (DfE) announced Basic Need and Universal Free School Meals capital allocations.

##### **2.2 Basic Need**

- 2.2.1 This funding is awarded according to relative need for new pupil places. It is to be noted that Hartlepool did not receive any Basic Need funding in 2013/14 and 2014/15, however a total allocation of £266,994 has been confirmed in years 2015-2017.
- 2.2.2 In future years, it is anticipated that additional primary school places may be required in the North and South of the town. The School Organisation Plan (SOP) is currently being revised and this document will identify local areas where there are potential pressures on school places. The Local Authority (LA) will in future, assess the need for additional school places and also request a financial contribution towards education provision from developers where appropriate. Details of spend for this funding will be subject to separate discussions and a further report will be brought to the Schools Forum Capital Sub Group and to the Schools' Forum.

##### **2.3 Universal Free School Meals Capital**

- 2.3.1 This is a new initiative which will aim to offer every child in reception, year 1 and 2, in state-funded schools, a free lunch. This is to be implemented from September 2014. Facilities Management section is currently analysing which school kitchens and dining provision require upgrades to cope with this extra demand. The LA has received a total of £159,939. Details of spend identified to date for this funding is attached in Appendix A. It is to be noted

that Academy primary schools are required to apply direct to the Academies Capital Maintenance Fund (ACMF).

### **3. Funding**

#### **3.1 Unallocated Capital Funding**

3.1.1 The department has £932,000 unallocated schools capital funding available. This has been achieved because:

- The 2012/13 Contingency funding was not utilised
- As a result of the early delivery of the Priority School Building Programme there was a reduction in the capital schemes for Manor College of Technology and Barnard Grove Primary
- Final accounts for some 2012/13 and 2013/14 capital schemes came in under budget.

3.1.2 An element of the 2013/14 unallocated funding has been added to the 2014/15 DSG funding, bringing the total DSG funding to £725,000 which will be available for all schools to access. The remaining £835,000 unallocated funding has been used to fund the 2014/15 Schools' Capital Works Programme.

#### **3.2 2014/15 & 2015/17 Capital Allocations**

3.2.1 On 18 January 2014 the Department for Education (DfE) announced further capital allocations, Capital Maintenance and Devolved Formula Capital (DFC) for the school estate in Hartlepool both for LA and the Voluntary Aided sector (VA).

3.2.2 The total funding available for 2014/15 is identified in Table 1, with the 2013/14 figures included for comparison.

<b>Table 1 - Capital Funding</b>	<b>2013/14 £</b>	<b>2014/15 £</b>	<b>Increase / (Reduction) £</b>
Basic Need	0	0	0
Universal Free School Meals Capital	0	159,939	159,939
Capital Maintenance	1,143,496	878,528	(264,968)
Unallocated as per paragraph 3.1.2	0	835,000	835,000
<b>Total Local Authority (LA)</b>	<b>1,143,496</b>	<b>1,873,467</b>	<b>729,971</b>
Devolved Formula Capital (DFC)	216,899	178,449	(38,450)
<b>Total LA - Schools</b>	<b>216,899</b>	<b>178,449</b>	<b>(38,450)</b>
DSG Revenue Contribution to Capital Outlay (RCCO)	628,000	628,000	0
Unallocated as per paragraph 3.1.2	0	97,000	97,000
<b>Total Funding under LA Control</b>	<b>1,988,395</b>	<b>2,776,916</b>	<b>788,521</b>
Locally Controlled Voluntary Aided Programme (LCVAP)	544,886	541,046	(3,840)
Voluntary Aided DFC	124,473	124,284	(189)
Universal Free School Meals Capital	0	82,427	82,427
<b>Total Voluntary Aided</b>	<b>669,359</b>	<b>747,757</b>	<b>78,398</b>
<b>Hartlepool LA &amp; VA Total</b>	<b>2,657,754</b>	<b>3,524,673</b>	<b>866,919</b>

### 3.3 Capital Maintenance Funding

3.3.1 Forum will note that Capital Maintenance and Devolved Formula Capital allocations are showing reductions of £264,968 (23%) and £38,450 (18%) respectively. These reductions can be explained by the increase in Academies and funds being retained within the central Academies Capital Maintenance Fund (ACMF) and DFC being directly allocated to Academies.

## 4. 2014/15 Schools' Capital Works Programme

4.1 A schedule of capital priority works is attached at Appendix B. This is derived from the most recent condition surveys carried out late 2013/early 2014. The schedule has been submitted to the 31 March 2014 Children's Services Committee for final approval. These schemes will be funded from the 2014/15 Capital Maintenance funding plus an element of the 2013/14 unallocated funding. The total amount slightly exceeds the available funding, however officers are confident that the programme is affordable as it is expected some of the remaining 2013/14 schemes will be completed slightly under budget, offsetting this shortfall.

## **5. Locally Controlled Voluntary Aided Programme (LCVAP)**

- 5.1 Liaison with colleagues from the Roman Catholic Diocese of Hexham & Newcastle and the Church of England Diocese of Durham & Newcastle has taken place and a consistent approach to the development of capital schemes has been agreed. A schedule of LCVAP Capital Schemes is detailed within Appendix C of this report.

## **6. Dedicated Schools Grant (DSG)**

- 6.1 In previous years, Capital Maintenance funding has been supplemented by school revenue funding from the DSG. The 2014/15 DSG funding (£628,000) will now be treated separately to the Capital Maintenance grant funding as all schools, including Voluntary Aided and Academies are eligible to access it.
- 6.2 The Schools Capital Sub Group has already identified priorities for the expenditure of capital funds. The first priority is to ensure all schools are 'wind and water tight'. These issues form part of condition works and have been identified in Appendix B. The second priority is to look at the curriculum and how this can be supported. For primary schools, cooking areas will be looked at and science laboratories are to be considered in secondary schools.
- 6.3 Suitability assessments will help to target resources where they can have the greatest effect in raising standards. Assessments will identify priority issues when teaching the curriculum and surveys assess accommodation needs. The surveys take into account the relative importance and urgency in relation to raising educational standards, as well as securing safe conditions for users of the premises and consider whether teaching and non-teaching accommodation is 'fit for purpose'. Suitability surveys should also take into account local capital priorities.
- 6.4 The following categories form a basis of criteria to be used when assessing teaching and non teaching space:-
- Category A: Unable to teach curriculum
  - Category B: Teaching methods inhibited
  - Category C: Management or organisation of school affected adversely
  - Category D: Pupil or staff morale or pupil behaviour affected adversely.
- 6.5 The size and shape of an area; the environment; location; fixed furniture/fittings and ICT infrastructure, are also assessed to identify direct impacts on education.

- 6.6 Surveys have commenced at English Martyrs and High Tunstall College of Science. The surveys will be rolled out to the remaining schools during the course of the year and findings will be presented to the Schools Forum Capital Sub Group in due course.
- 6.7 Early indications show that the science facilities at English Martyrs School are in urgent need of remodelling. Of the 11 science laboratories, 7 are 40 years old and original to when the school was built. It has become evident over the last few years that the labs are extremely out-dated and are having a detrimental effect on the ability of the science department to improve standards. Fume cupboards are obsolete and require replacing. Students are put off by the old, out-dated appearance of the department. One of the labs was refurbished in 2006, previous to this lab 1 was refurbished in the 1980's. There are health & safety (including gas safety), teaching and learning, behaviour management and aesthetic issues. The old and obsolete heating systems are also ineffective. These issues are having a negative impact on the teaching and learning environment.
- 6.8 Building Schools for the Future (BSF) ICT infrastructure works are due to commence at English Martyrs and will include ICT provision within the out-dated science laboratories. It would be beneficial, where possible, to install the new state of the art equipment into a refurbished environment. However, it is accepted that it is not possible to secure funding to refurbish all the labs.
- 6.9 Estimated costs to refurbish 1 lab would be in excess of £65,000. However, this depends upon whether asbestos is removed and whether heating systems and windows are replaced.
- 6.10 In order to co-ordinate both the BSF works and the science lab remodelling the Forum is asked to consider the allocation of £325,000 from the available £725,000 DSG funding to remodel science laboratories at English Martyrs School. Officers are mindful the suitability data from other schools hasn't yet fed into the process, however a scheme of this nature is a priority for the LA and the school and requires early approval to enable the scheme to progress and be completed during the summer holiday period, alongside ICT installations. Forum will note that £325,000 will not be sufficient to refurbish all the science labs. It is expected to include the labs which present with the most issues, i.e. 4-5 labs.
- 6.11 Details of which schools should benefit from the remaining funding will be brought to a future Schools Forum Capital Sub Group and then to Schools' Forum.

## 7. Recommendations

### 7.1 Schools' Forum is recommended to:-

- Note the schedule of 2014/15 Universal Free School Meals Capital schemes as summarised in Appendix A.
- Note the schedule of 2014/15 capital condition works as summarised in Appendix B.
- Note the schedule of 2014/15 Locally Controlled Voluntary Aided Programme (LCVAP) as summarised in Appendix C.
- Agree to the allocation of funding to English Martyrs School science laboratories and refer to Children's Services Committee for final approval.