

Report of the Programme Manager Built Environment

Report to the Director of Children’s Services

Date: 29th June 2015

Subject: Design & Cost Report for Schools Devolved Formula Capital Budget 2015/16



Capital Scheme Number: 32386 000 000

Are specific electoral Wards affected? If relevant, name(s) of Ward(s): Various	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input checked="" type="checkbox"/> Yes	No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: 10.4 (3)	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of main issues

- 1 In January 2015, Leeds City Council received notification of the Devolved Formula Capital Grant allocation for 2015/17, and this funding was subsequently injected in to the Capital Programme.
- 2 The purpose of this report is to request authority to incur expenditure of £1,689,010 in respect of the 2015/16 Devolved Formula Capital Grant. The funding will be devolved into individual school budgets for use on school buildings, in line with school priorities and in the context of the LEA’s Asset Management Plan.

Recommendations

- 3 The Director of Children’s Services is requested to:
 - a) Give authority to incur expenditure of £1,689,010 in respect of 2015/16 Devolved Formula Capital Grant.
 - b) Note that the deadline for implementation is 31st March 2016 and the responsible officer is the Built Environment Programme Manager.

1 Purpose of this Report

- 1.1 The purpose of this report is to seek approval from the Director of Children's Services to incur expenditure of £1,689,010 in respect of the 2015/16 Devolved Formula Capital grant.

2 Background information

- 2.1 As in previous years, Leeds City Council has continued to receive Devolved Formula Capital grant allocations on behalf of schools in 2015/16. In January 2015, Leeds City Council received notification of its allocation for 2015/16. The Executive Board approved the injection of the grant, in the sum of £1,689,010 into the Capital Programme at its meeting in 11th February 2015.
- 2.2 Confirmation of the actual allocation was received in 19th May 2015. The capital grant, which is provided by the Education Funding Agency, is made up of lump sum amount of £4,000 per school plus a per pupil amount of £11.25 for Primary Schools, £16.88 for High Schools, £22.50 Post-16 and £37.75 for Special Schools.

3 Main Points

- 3.1 The funding is for use on school buildings, in line with school priorities and in the context of the LEA's Asset Management Plan. It may be used to fund small capital projects or towards essential capital expenditure needs in relation to individual school Asset Management Plans. Examples of the type of works eligible for funding include health and safety works, refurbishment works, conversions, fire safety works and security works.
- 3.2 Particular types of investment schools may want to consider include:
- improvements to security, protecting both people and property;
 - improvements supporting better delivery of the curriculum, including specialist teaching areas such as science and technology;
 - support for pupils with behavioural problems;
 - accommodating increased numbers of adults and a wider range of support staff, improving accommodation to support effective non-pupil contact time, or providing innovative and flexible spaces for teaching and learning needs;
 - the development of community use of facilities and integrating education and other local authority services within the school. This can include investment in such areas as nurseries, childcare facilities, lifelong learning facilities;
 - improvement to social, play and recreational areas where these address curriculum or behavioural needs;
 - improvements to staff areas and accommodation.

- 3.3 Additionally, with effect from 2006/07 the DFE (then known as the DCSF) has advised that schools should consider how they may use DFC to ensure that they provide at least one healthy meal per day on the premises, in reasonable comfort in suitable dining facilities. In the same year, DFC was increased to include an allowance for capital investment in ICT equipment, due to the discontinuation of the separate ICT capital grant (known as Standards Fund Grant 31). However, as a result of the spending review carried out by the current government, the level of DFC grant provided to local Authorities from 2011/12 has been significantly reduced.
- 3.4 Schools are able to request to draw down against future years allocations of DFC to fund projects costing in excess of existing balances for the period 2015/17 as allocations have been identified by the Education Funding Agency.

4 Corporate Considerations

4.1 Consultation and Engagement

- 4.1.1 Schools are responsible for ensuring that the terms and conditions of the DFC grant are adhered to. The DFC grant may be used to fund improvements to buildings and other facilities including ICT or capital repairs/refurbishment in accordance with the priorities set by each school and in line with the Asset Management Plan.
- 4.1.2 All projects in excess of £30k will require approval by Children's Services Asset Management Board prior to commencement of the works

4.2 Equality and Diversity / Cohesion and Integration

- 4.2.1 This grant is devolved into individual school budgets, generally to fund projects on a relatively minor scale. If, at a later stage, an element of this funding is used to contribute towards the cost of larger projects, screening documents will be prepared and the need for individual equality impact assessments will be considered

4.3 Council policies and Best Council Plan

- 4.3.1 All proposed works will be required to be procured in accordance with LCC Contract Procedure Rules.
- 4.3.2 An objective of the Best Council Plan 2013-2017 is to become an efficient and enterprising council by improving how we're organised and making best use of our assets. The devolution of DFC funding to schools will contribute towards the modernisation of the school estate within the city, allowing schools to further develop an environment which meets the ever changing needs of pupils, staff and the local community.
- 4.3.3 This also contributes to the achievement of targets within Children and Young People's Plan, such as our obsession to 'improve behaviour, attendance and achievement' whilst also helping with future staff retention, through schools being able to adapt their learning environments to suit their needs.

4.4 Resources and value for money

4.4.1 Capital Funding and Cash Flow.

Previous total Authority to Spend on this scheme	TOTAL £000's	TO MARCH 2014 £000's	FORECAST				
			2015/16 £000's	2016/17 £000's	2017/18 £000's	2018/19 £000's	2019 on £000's
LAND (1)	0.0						
CONSTRUCTION (3)	0.0						
FURN & EQPT (5)	0.0						
DESIGN FEES (6)	0.0						
OTHER COSTS (7)	0.0						
TOTALS	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Authority to Spend required for this Approval	TOTAL £000's	TO MARCH 2014 £000's	FORECAST				
			2015/16 £000's	2016/17 £000's	2017/18 £000's	2018/19 £000's	2019 on £000's
LAND (1)	0.0						
CONSTRUCTION (3)	16890.0			1689.0			
FURN & EQPT (5)	0.0						
DESIGN FEES (6)	0.0						
OTHER COSTS (7)	0.0						
TOTALS	16890.0	0.0	0.0	1689.0	0.0	0.0	0.0
Total overall Funding (As per latest Capital Programme)	TOTAL £000's	TO MARCH 2014 £000's	FORECAST				
			2015/16 £000's	2016/17 £000's	2017/18 £000's	2018/19 £000's	2019 on £000's
Devolved Formula Capital Grant	16890.0			1689.0			
Total Funding	16890.0	0.0		1689.0	0.0	0.0	0.0
Balance / Shortfall =	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Parent Scheme Number: 32386 000 000

Title: Schools Devolved Formula Capital Grant 2015/16

4.5 Revenue Effects

4.5.1 Any additional revenue costs that may arise from this scheme will be managed within the relevant school budget.

4.6 Legal Implications, Access to Information and Call In

4.6.1 The recommendations of this report will be classified as a Key Decision and will be subject to call in. Notice of this proposed decision was first published on 16th June 2015, and as such, the decision will not be implemented until after the 28-day notice period has expired on 15th July 2015.

4.6.2 The decision maker's authority to take the decision is outlined in the City Council Constitution, within the Officer Delegation Scheme Executive Function – General Delegations to Officers paragraph 2a.

4.7 Risk Management

4.7.1 Where applicable, operational risks will be addressed by effective use of CDM regulations, close supervision with contractors and continual liaison with schools.

5 Conclusion

5.1 Leeds City Council received £1,689,010 in respect of the 2015/16 Devolved Formula Capital Grant, which is to be used by schools to fund small capital projects or towards essential capital expenditure needs in relation to individual school Asset Management Plans.

5.2 The funding will be devolved into individual school budgets and any works undertaken will contribute towards the modernisation of school buildings within the city, thereby helping to raise standards and increase the level of educational attainment amongst pupils.

6 Recommendations

6.1 The Director of Children's Services is requested to:

- a) Give authority to incur expenditure of £1,689,010 in respect of 2015/16 Devolved Formula Capital Grant.
- b) Note that the deadline for implementation is 31st March 2016 and the responsible officer is the Programme Manager Built Environment.

7 Background documents¹

7.1 None.

The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.