

Meeting:	Cabinet
Meeting date:	Thursday 21 January 2021
Title of report:	Schools Capital Investment Programme
Report by:	Cabinet member commissioning, procurement and assets

Classification

Open

Decision type

Key

This is a key decision because it is likely to result in the council incurring expenditure which is, or the making of savings which are, significant having regard to the council's budget for the service or function concerned. A threshold of £500,000 is regarded as significant.

This is a key decision because it is likely to be significant having regard to: the strategic nature of the decision; and / or whether the outcome will have an impact, for better or worse, on the amenity of the community or quality of service provided by the authority to a significant number of people living or working in the locality (two or more wards) affected.

Notice has been served in accordance with Part 3, Section 9 (Publicity in Connection with Key Decisions) of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.

Wards affected

(All Wards);

Purpose

To approve the proposed expenditure of the preliminary works budget included in the capital programme.

The distribution of this funding is determined in accordance with the principles set out in the schools capital investment strategy and is based on regular condition surveys, suitability assessments and assessments of current and forecast demand for places.

Recommendation(s)

That:

- (a) **Feasibility studies, within an approved budget of £475K, are commissioned to inform a programme of school capital investment work;**
- (b) **The Assistant Director for Education, Development and Skills be authorised to take all operational decisions necessary to deliver the required schedule of feasibility studies within the approved budget of £475k including fees; and**
- (c) **The Assistant Director for Education, Development and Skills be authorised to take all operational decisions necessary to vary the schedule of feasibility studies should any information received require them to do so.**

Alternative options

- 1. A different set of investment works are prioritised. The works proposed have been determined based on the latest information in terms of the condition, suitability and sufficiency of the children & families establishments. The proposed works are addressing the known priorities and the council's statutory duties.

Key considerations

- 2. The 2016 – 2021 Schools Capital Investment Strategy (SCIS) is informed by a set of widely consulted on principles and is applied to a detailed understanding of each of our schools and other establishments to provide clear options for improvement. In some cases the improvement options will be very straight forward and easy to apply, whilst for others there will be more challenging issues to consider. All schools, including academies, trust and faith schools, not just those run by the council, early years and post 16 provision are covered by the strategy. It's important to ensure that the buildings being used provide high quality learning environments to support the council's wider education and business ambitions.
- 3. The council receive various grants from the government. These grants may be annually received, for example, basic need funding (further detail at para 12 & 13) for the creation of additional pupil places, or may be one-off specific grants. As with all government funding, grants come with strict criteria for their use and application.
- 4. Amongst other areas, the capital investment strategy focuses on condition, suitability (fitness for purpose) and sufficiency (number of pupil places) of schools within the county.
- 5. Grant funding is received for condition (maintenance grant) and sufficiency (basic need funding). No government funding is currently available for suitability issues at schools. Should the council wish to address any suitability issues, they will bear the cost.
- 6. All projects identified from the SCIS will have a feasibility study undertaken to determine high level costs to obtain a perspective on its viability. A feasibility study is an analysis that takes all of a project's relevant factors into account – including economic, technical, legal and scheduling considerations – to ascertain the likelihood of completing the project successfully. The council use feasibility studies to discern the advantages and disadvantages of undertaking a given project before a significant investment of time and

money is made in a given project. Feasibility studies can also provide the council with crucial information that could prevent them from investing into projects.

7. For all capital projects, the completed works would need to ensure that the building can be maintained cost effectively in the long term and include appropriate environmental measures to support the council's Carbon Management Plan's (2020 – 2026) aim of:
 - Reducing carbon emissions by schools by 40% over the next 5 years, with a view of;
 - Carbon neutrality by 2030.
8. Any new building, as a minimum, will achieve Passivhaus certification or equivalent.
9. The schools capital investment strategy has highlighted a number of areas that need development. Feasibility studies are now required to inform the programme of works which include:
 - Increase capacity of the secondary education estate, across the county, where we have identified that an increase in the number of pupil places is required
 - Increase capacity of the primary education estate, across the county, where we have identified that an increase in the number of pupil places is required
 - Feasibility study to inform the works required for Improved accommodation at Westfield Special School
10. Ensuring there are sufficient school places to meet parental demand is a statutory duty for the council. This means that the council must make population and pupil forecasts in order to anticipate changes in demand. Where additional places are required the council is responsible for securing them. This applies to maintained schools, voluntary aided schools and academies.
11. Every year the council is required to make a school capacity (SCAP) return to the DfE. This includes information about the number of children on roll in each school planning area by age, as well as details of the capacity of schools. A forecast is required, indicating the expected future number of children requiring a place. Where this exceeds the capacity of the schools, then the DfE allocates a formula-based "basic needs" grant. This is intended to contribute towards the capital costs of adding places.
12. Over the last 3 years central government has allocated basic need funding, up to and including 2020/21, as follows:

Year	Amount
2018/19	£1,048,294
2019/20	£1,747,936
2020/21	£6,832,740

13. To date allocations have been made to increase secondary capacity at John Kyrle High School and primary capacity at Marlbrook Primary School.
14. The feasibility studies will inform how best to increase the capacity of the council's school estate where it is most needed. This could include re-modelling existing spaces within the establishment and/or extensions to provide additional capacity or spaces.
15. Westfield Special School is a 2-19 school situated in Leominster, catering for children and young people with learning disabilities (LD). It is one of the three schools currently in Herefordshire that has this designation.
16. The school is non-compliant with the government building bulletin guiding provision of this type (BB104). It is not designed to support provision of an appropriate curriculum for LD special education needs (SEN) pupils, and parts of each building on site are in poor condition. Added to which, the buildings do not meet the guidance on capacity needed for the current pupils accommodated.
17. A recent (2020) fire risk assessment identifies that all three buildings on site are unsuitable for this provision and consideration should be given to a complete new build.
18. Over time significant amounts of maintenance and repair have been effected, but the existing buildings still cannot be brought to the required standard of safe high quality accommodation that we aspire to for all of our Herefordshire children.
19. The proposed feasibility study will look at how accommodation could be significantly improved and made safer for Westfield pupils.
20. Approval for variations that can be covered within the available budget will follow the council's governance processes. Where there is insufficient budget to cover the work required consideration will be given to reduce the scope of works or defer the scheme to a future year.
21. All capital work will be procured in accordance with the council's contract procedure rules.

Community impact

22. Schools are a key part of communities and as such it is important that they are well maintained, fit for purpose and large enough to accommodate the children in the area.
23. The schools capital investment strategy sets out the council's approach to delivering the legal duty to ensure there are enough school places for the children in its area. In Herefordshire this will be done in a way that supports the delivery of high quality education and contributes to the attractiveness of the county as a place to live and work.
24. These activities support the council's County Plan 2020 – 2024 Ambition to strengthen communities to ensure that everyone lives well and safely together and the Children & Young People's Plan Pledge of helping all children and young people succeed – be amazing.
25. The grants will be used to invest in establishments around the county to improve or expand their facilities, bring the buildings in line with the specifications included in the DfE's building bulletins, include mitigation of potential health and safety and safeguarding

risks, and aim to provide well maintained buildings which are more cost effective to run and therefore benefit all pupils, including looked after and children in care.

26. Environmental measures will be considered as part of each scheme to support the council's Carbon Management Plan's target and areas of work for projects and schools and academies.
27. The schemes fit within the corporate property strategy whose aims are to support and help deliver public integrated services across the county with the vision to support the efficient integrated delivery of public services across the county by providing modern, fit for purpose buildings, shared by public agencies.

Environmental Impact

28. This decision / proposal seeks to deliver the council's environmental policy commitments and aligns to the following success measures in the County Plan.
 - Reduce the council's carbon emissions
 - Work in partnership with others to reduce county carbon emissions
 - Improve the air quality within Herefordshire
29. The council provides and purchases a wide range of services for the people of Herefordshire. Together with partner organisations in the private, public and voluntary sectors we share a strong commitment to improving our environmental sustainability, achieving carbon neutrality and to protect and enhance Herefordshire's outstanding natural environment.
30. The environmental impact of this proposal has been considered through the service specification and includes appropriate requirements on the contractor/delivery partner to minimise waste, reduce energy and carbon emissions and to consider opportunities to enhance biodiversity. This will be managed and reported through the ongoing contract management.
31. Replacement of assets provides a means of improving building service installations, for instance using more efficient light fittings and controls to better manage heating systems. These proposals will contribute towards the delivery of the aims in the council's corporate plan to 'support improvement in the quality of the natural and built environment' and 'to make best use of the resources available to meet the council's priorities' as well as improve the council's energy efficiency, reduce its carbon footprint and provide cost savings.
32. The environmental measures to be incorporated within the build will support the council's Carbon Management Plan's target and areas of work for projects and Schools & Academies.
33. The development of these schemes will seek to minimise any adverse environmental impact and will actively seek opportunities to improve and enhance environmental performance.

Equality duty

34. Under section 149 of the Equality Act 2010, the 'general duty' on public authorities is set out as follows:

Further information on the subject of this report is available from
Karen Knight, Quentin Mee, Tel: 01432 383042, 01432 383043, email: kknight@herefordshire.gov.uk,
Quentin.Mee@herefordshire.gov.uk

A public authority must, in the exercise of its functions, have due regard to the need to -

- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
- (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

35. The public sector equality duty (specific duty) requires us to consider how we can positively contribute to the advancement of equality and good relations, and demonstrate that we are paying 'due regard' in our decision making in the design of policies and in the delivery of services. This strategy if accepted will support the council in fulfilling this specific duty by demonstrating that it will be using the grant funding in line with the specific duties. Providers will be made aware of their contractual requirements in regards to equality legislation. Any building works carried out within schools will be compliant with the Equality Act 2010 and support improved accessibility.

Resource implications

36. £1.015m corporate funding has been made available by full Council for preliminary works to inform investment in the county in the capital programme that was approved at Council in February 2020 and is included in the Medium term Financial Strategy. To date £29k has been spent resulting in a balance of £986k.

Capital cost of project	2020/21	2021/22	Future Years	Total
	£000	£000	£000	£000
Westfields Special School feasibility report	75			75
Secondary Basic Need feasibility reports	120			120
Primary Basic Need feasibility reports	200			200
Contingency and fees	80			80
TOTAL	475			475

Funding streams (indicate whether base budget / external / grant / capital borrowing)	2020/21	2021/22	Future Years	Total
	£000	£000	£000	£000
Preliminary works to inform key investment need throughout the county (corporate borrowing)	475			475
TOTAL	475			475

37. The figures shown are not final costs however they are based on a detailed analysis of the proposed schemes and current professional advice on the costs for similar types of schemes. Any revenue implications will be funded by the schools who will be involved throughout the feasibility process.

Legal implications

38. Under s13 of the Education Act 1996 the council has a duty to secure efficient primary and secondary education to meet the needs of the population of the county. The proposed feasibilities would support the council's decision making in this regard.
39. There are no other legal implications arising from this report.

Risk management

40. There may be a reputational risk to the council if the government grants are not spent effectively.
41. Each feasibility study would have to be accompanied by its own individual report which would have to be reviewed by officers prior to publication.
42. If the basic need, specific grants and government one-off funding streams' allocations are insufficient to cover capital investment requirements identified by the feasibility reports, other funding sources, including council prudential borrowing, may need to be requested through full Council.
43. There is a risk that there will be insufficient places when they are required. This might lead to some pupils being transported to other areas of the county/out of county to receive their education which will be at additional cost to the council.

Consultees

44. In accordance with the principles in the schools capital investment strategy the council will work with schools to consult on options for where, when and how any additional capacity is created or other improvements are made. Schools and academies will be invited to make their own proposals for improvements can be made, as well as discussing any existing problems with their sites and buildings.
45. The cabinet member for commissioning, procurement and assets and the cabinet member for children and families have been consulted and their comments will be noted here.
46. Political groups have been consulted and no responses were received.

Appendices

None

Background papers

None identified

Glossary of terms, abbreviations and acronyms used in this report.

BREEAM	Building Research Establishment Environmental Assessment Method
DfE	Department for Education
LD	Learning Disabilities
SEN	Special Education Needs