

## HAMPSHIRE COUNTY COUNCIL

### Decision Report

<b>Decision Maker:</b>	Executive Lead Member for Children's Services
<b>Date of Decision:</b>	17 November 2010
<b>Decision Title:</b>	Children's Services capital programme issues
<b>Decision Reference:</b>	2028
<b>Report From:</b>	Report of the Director of Children's Services and County Treasurer

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#### 1. Executive Summary

- 1.1. The purpose of this paper is to set out proposed changes to the 2010/11 capital programme.
- 1.2. The proposals contained in this report are derived from the departmental service plan(s), which have been developed to support the priorities of the Corporate Strategy.

#### 2. Contextual information

- 2.1. Taking into account changes since the 2010/11 programme was approved in January 2010 (including those proposed in this report) the revised cash limit for the programme is made up as shown in Table 1.

	£'m
Cash limit reported in July 2010	85.266
Reduction in DfE Grant – Extended Schools	-0.570
Reduction in DfE Grant – Targeted Capital Fund 14-19 Diplomas	-0.658
Reduction in DfE Grant – Youth Capital Fund	-0.257
Reduction in DfE Grant – Early Years Private, Voluntary & Independent	-3.627
Reduction in DfE Grant – Devolved Formula Capital (change in pupil numbers based on January 2009 PLASC)	-0.365
Specialist Schools Funding – Four schools initial designation	0.080
Specialist Schools Funding – Robert May's redesignation	0.025
Swanwick Lodge – CCTV DfE Grant	0.331
Cranford Park School, Yateley – Prudential Borrowing for schools merger	1.326
Oak Farm (Samuel Cody) – Sports Hall Specific DfE Grant *	0.058
Robert May's School, Odiham – Football Foundation Grant	0.179
<b>Total</b>	<b>81.788</b>

\* This item relates to a grant received from the DfE in 2009/10 which now needs to be added to the 2010/11 cash limit.

### **3. Amendments to the 2010/11 capital programme**

#### **St Bede Church of England Primary School, Winchester**

- 3.1. Approval was given by the Executive Lead Member for Children's Services (ELMCS) on 15 January 2010 to the siting of a double temporary classroom on the school site. This followed agreement by the governing body to increase the school's Published Admission Number (PAN) from 45 to 60, due to the pressure on primary school places in Winchester. A developer contribution of £0.427m from the Francis Gardens development, which is within the St Bede C of E Primary school catchment area, has been negotiated to contribute towards a permanent build solution. The Director of PBR&IT has produced a detailed feasibility study for a three classroom extension which has been costed at £0.820m including fees. As this project will need to proceed in advance of receiving the developer contribution, 50% anticipated in 2011/12 and the remainder in 2012/13, prudential borrowing approval will be required to cover the £0.214m. It is therefore recommended that Cabinet approval for this borrowing is sought.
- 3.2. It is proposed that the shortfall of £0.393m (including fees) be met from the New Pupil Places funding held within the 2010/11 capital programme. Upon completion of the project the double temporary classroom will be removed from site.

#### **Youth Capital Grant 2010/11**

- 3.3. The original 2010/11 capital allocation was £0.514m. As part of the government's reduction in capital grant the Department for Education (DfE) reduced the in year grant for Youth Capital by 50%. The revised allocation, including a carry forward from 2009/10, leaves a budget of £0.264m. Due to the late notification of the revised allocation the project at Bridgemary Youth Centre, Gosport has had to be cancelled; other schemes in the programme can proceed. The revised list of projects submitted for approval is shown at Appendix 1.

#### **Cranford Park Primary School, Yateley**

- 3.4. Following approval by Cabinet on 4 February 2010, prudential borrowing of £1.326m can be added to the Children's Services capital programme, together with other funding from the programme of £0.574m, which has been identified following the amalgamation of Yateley Infant and St Peter's Junior Schools to form a 1 form entry primary, at a cost of £1.9m. The prudential borrowing will be repaid from a future capital receipt from the sale of the former Junior School site.

#### **Developers' contributions received**

- 3.5. Details of funds received to date are listed at Appendix 2. The contributions will be set aside for future projects in the Fleet area to respond to growth in primary pupil numbers.

#### **Relocation of The Samuel Cody School, Farnborough to the Oak Farm School site, Farnborough**

- 3.6. Reported elsewhere on this agenda is the planned relocation of The Samuel Cody Specialist Sports College from its current site to the Oak Farm Community School site in Farnborough when that school closes on 31 August 2011. Approval was given by the ELMCS on 11 March 2010 to part of the funding earmarked through the Targeted Capital Fund (TCF) being used to address high priority SEN projects. The relocation of The Samuel Cody School is one of those

priorities, for which approval of £0.645m (including fees) is sought. Subject to that approval the Director of PBR&IT will produce a detailed feasibility study with a view to works starting in April 2011. A detailed report on the building works will be brought to a later decision day.

#### **Early Years Private, Voluntary and Independent (PVI) Capital Grants**

- 3.7. Following the review of capital allocations by the DfE in July, the PVI grant through the Sure Start Early Years Capital Grant (SSEYCG) allocation for the financial year 2010/11 was reduced by £3,626,666. The reduction of funding was aligned to 18 projects in the Early Years PVI Programme that had not started or entered into contractual agreements. The projects affected were put on hold in July and notified in August that funding was no longer available. The total cost of abortive fees associated with the cancelled projects is £0.166m. Additional abortive fees of £0.037m were also incurred for the four projects reported to the 22 July 2010 ELMCS Decision Day at Burley Primary School, Bursledon Infant School, Brockenhurst Primary School and Havant Academy. The total cost of abortive fees £0.203m can be met from the PVI programme.
- 3.8. Detailed work continues to take place on the remainder of the programme to identify savings and where possible, bring back into the programme some of the cancelled schemes by offering smaller grants to allow essential works to take place. An update will be reported to the Decision Day in January 2011. Appendix 3 shows the affected settings with their original grant and abortive costs.

#### **New Specialist Schools**

- 3.9. It is recommended that the £0.020m to be received by each of four schools (Henry Tyndale School, Farnborough, Glenwood School, Emsworth, Limington House School, Basingstoke and Hardley School, Holbury), totalling £0.080m be added to 2010/11 capital programme. The DfE has reduced the initial designation grant from £0.100m per school to £0.020m for 2010/11. Robert May's School, Odiham, has received a grant of £0.025m for redesignation.

#### **Swanwick Lodge Secure Unit, Fareham**

- 3.10. Following a successful bid to the DfE, a specific grant of £0.331m has been made available to upgrade the CCTV equipment and install a perimeter alarm system. It is recommended that this funding be added to the 2010/11 cash limit as shown in table 1.

#### **Capital receipt – Rachel Madocks School, Waterlooville**

- 3.11. A sum of £0.600m has been agreed for the sale of land adjacent to Rachel Madocks School, Waterlooville for which completion is expected during the current financial year. On 9 September 2010 the Executive Member for Policy and Resources approved the use of this receipt to fund improvements at the school. A future report will seek authority to proceed once a scheme has been fully developed and costed.

#### **Building Schools for the Future – Havant Academy Outline Business Case**

- 3.12. A report to Cabinet on 26 July 2010 (Building Schools for the Future – Update report) noted that, following the decision to stop a number of Building Schools for the Future (BSF) projects, the DfE would be undertaking an assessment of the eligibility of academy projects for continuation in the programme. On 6 August, formal confirmation was received from the DfE that BSF investment in Hampshire's Havant Academy project would proceed.
- 3.13. On 27 September 2010 Cabinet approved inclusion of the Havant Academy capital project in the 2011/12 Children's Services capital programme, at an estimated cost of £10.085m, to be met from Government grant. An Outline

Business Case for the project was submitted to Partnerships for Schools on 1 October 2010 and approval is awaited. Design work is progressing, with the aim of achieving financial close in early April 2011. Cabinet also agreed that the initial capital costs to be incurred prior to capital grant funding being received following financial close, currently estimated to be in the region of £1m, should be met from provision in the 2010/11 capital programme for BSF projects. This expenditure would be reimbursed when Government grant is received.

**Park Community School, Havant – Co-location Project**

- 3.14. Part of the funding to deliver a permanent community facility on the school site required a £0.120m contribution from the Extended Schools budget.
- 3.15. Table 1 refers in part, to the capital funding that has been called back by the DfE. The scheme at Park Community School was to receive Extended Schools funding of £0.120m but was one of the schemes for which government funding was withdrawn. In order for the project (costed at £0.925m) to proceed the Director of Children's Services has approved under delegated powers an allocation of £0.120m from the Secondary Schools Improvements budget. This decision is included in the delegated items for approval at Appendix 4.

**Robert May's School, Odiham**

- 3.16. A successful bid to the Football Foundation has secured a grant of £0.179m towards a Synthetic Turf Pitch (STP) at this school. The total cost of the project is £0.474m, with the school contributing £0.46m. There is provision in the programme for a £0.170 contribution. However, due to a favourable tender, this can be reduced to £0.149m, with the balance being applied to the capital programme contingency.
- 3.17. The project started on site in October 2010 and is expected to be completed by February 2011.

**4. Action taken by the Director of Children's Services**

- 4.1. Under delegated powers, and following consultation with the Executive Lead Member for Children's Services, the actions set out in Appendix 4 have been taken and it is recommended that these approvals are noted.

**5. Recommendations**

- 5.1. That the following variations to the 2010/11 – 2012/13 capital programme be approved:
- (a) For the 2010/11 capital programme:
- A reduction in a number of DfE grants totalling £5.477m
  - £1.326m added for Cranford Park School, Yateley in respect of prudential borrowing to fund a schools merger
  - £0.058m added in respect of Oak Farm Community School (Samuel Cody School), Sports Hall Specific DfE Grant
  - £0.179m added in respect of Robert May's School, Odiham Football Foundation Grant
  - £0.080m added in respect of specialist status one off funding
  - £0.025m added in respect of redesignation funding
  - £0.331m added in respect of Swanwick Lodge

- A three classroom extension at St Bede C of E Primary School, Winchester, at a cost of £0.820m (including fees)
  - That Cabinet be recommended to approve the use of prudential borrowing of up to £0.214m to fund part of the cost of the extension at St Bede C of E Primary School, Winchester, to be repaid from the expected developer's contribution
  - Investment of £0.645m in Samuel Cody Special School, Farnborough (relocation to Oak Farm Community School)
- (b) Variations to the Early Years PVI projects as listed at Appendix 3.
- (c) That action taken by the Director of Children's Services under delegated powers in respect of allocations listed at Appendix 4 be noted.

**CORPORATE OR LEGAL INFORMATION:****Links to the Corporate Strategy**

<b>Hampshire safer and more secure for all:</b>	yes
Corporate Business plan link number (if appropriate):	
<b>Maximising well-being:</b>	yes
Corporate Business plan link number (if appropriate):	
<b>Enhancing our quality of place:</b>	yes
Corporate Business plan link number (if appropriate):	
<b>OR</b>	
<b>This proposal does not link to the Corporate Strategy but, nevertheless, requires a decision because:</b>	
<i>NB: Only complete this section if you have not completed any of the Corporate Strategy tick boxes above. If it is not applicable, please delete.</i>	

*NB: If the 'Other significant links' section below is not applicable, please delete it.*

**Other Significant Links**

<b>Links to previous Member decisions:</b>		
<u>Title</u>	<u>Reference</u>	<u>Date</u>
Children's Services Capital Programme 2010/11 to 2012/13	1002	15 January 2010
Children's Services capital programme issues	1540	22 July 2010
<b>Direct links to specific legislation or Government Directives</b>		
<u>Title</u>	<u>Date</u>	

**Section 100 D - Local Government Act 1972 - background documents**

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

<u>Document</u>	<u>Location</u>
None	

## **IMPACT ASSESSMENTS:**

### **1. Equalities Impact Assessment:**

Equality and diversity objectives are not considered to be adversely affected by the proposals of this report.

### **2. Impact on Crime and Disorder:**

Crime and disorder objectives are not considered to be adversely affected by the proposals of this report.

### **3. Climate Change:**

- a) How does what is being proposed impact on our carbon footprint / energy consumption?

When the Children's Services Capital Programme invests in new build, replacement or refurbishment works, Property Services colleagues include an assessment of reductions in energy consumption (carbon use) in the design. In all new buildings and in the majority of refurbishment type investments, the latest technologies and materials are specified in order to maximise the impact on reducing carbon consumption. Many projects are also able to employ passive design approaches including natural ventilation and improved insulation to actively reduce consumption in summer and winter conditions.

- b) How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts?

The proposals seek to provide compact and energy-efficient building envelopes. Any new build or extensions will meet current building regulations standards for thermal performance. Where possible, appropriate sustainable materials will be employed to reduce the environmental impact of the proposals.