

CABINET

17th October 2017

CAPITAL MAINTENANCE SCHOOLS (FY17/18 & FY18/19)

Report of the Director for Places

Strategic Aim:	Delivering Sustainable Growth		
Key Decision: Yes		Forward Plan Reference: FP/190517	
If not on Forward Plan:		Chief Executive Approved	N/A
		Scrutiny Chair Approved	N/A
Reason for Urgency:		N/A	
Exempt Information		No	
Cabinet Member(s) Responsible:		Councillor Oliver Hemsley. Deputy Leader and Portfolio Holder for Growth, Trading Services and Resources.	
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Ward Councillors	All		

DECISION RECOMMENDATIONS

That Cabinet:

- Authorise the release of up to £410k of School Condition Allocation (previously known as Capital Maintenance Fund) to support the overall programme during Financial Years 17/18 and 18/19.
- Authorise the Head of Property Services in consultation with the Portfolio for Growth, Trading Services and Resources and the Director of Resources to manage the programme of works and commit funding within an overall budget of £410k.
- Authorise the Head of Property Services in consultation with the Portfolio Holder for Growth, Trading Services and Resources to agree the scope of work necessary to support the conversion of schools to Academies.
- Authorise the Head of Property Services in consultation with the Portfolio Holder for Growth, Trading Services and Resources and the Director of Resources to agree the transfer of funds at a suitable point to a school undergoing Academisation.

- Authorise the Head of Property Services in consultation with the Portfolio Holder for Growth, Trading Services and Resources and the Director of Resources to agree a contribution of up to 10% of the works costs on an annual basis to support the LCVAP grant at St Mary's and St John's at North Luffenham during FY 17/18 and 18/19 .

1.0 PURPOSE OF THE REPORT

- 1.1 To authorise the release of sufficient funding to enable the completion of a programme of works that address maintenance issues in the Schools that are required for completion over the next 18 months and support the smooth transition to Academy Status
- 1.2 To seek Cabinet approvals as set out in the recommendations above. The approvals requested will ensure that works can be completed with the minimum of delays

2.0 BACKGROUND AND MAIN CONSIDERATIONS

- 2.1 In accordance with good practice Rutland County Council (RCC) undertakes a series of condition inspections on all of its assets, this includes Council controlled schools. These inspections focus on works to maintain the condition of the asset and consider a 2/3 year timeframe.
- 2.2 The total value of the works identified within this timeframe for Council maintained schools comes to approximately £232k and are set out below. This includes those schools where RCC are responsible for full funding and those where only a contribution is provided. However these are estimates at the moment and until design works are complete and packages tendered prices are not firm and may be subject to change.
- 2.3 In addition it is inevitable, given the age of the school portfolio that additional or emergency works will be identified during the next 18 months. Given this it is proposed that an additional allowance of £75k is made to cover these unplanned works.
- 2.4 A number of schools are also planning to convert to Academies. Previous experience has shown that additional works, outside the 2/3 year timeframe will be requested by the Multi-Academy Trust (MAT) taking over the operation of the school and are frequently a condition of Academisation. These are works that would become the responsibility of RCC at some time in the future if a school was not converting to an Academy. Whilst the scope of works will need to be agreed it is proposed that an additional allowance of £100k is included within the overall budget.
- 2.5 St Mary's and St John's at North Luffenham is a Church of England Voluntary Aided School. As a result they can claim up to 90% of Capital Works through the Locally Co-ordinated Voluntary Aided Programme (LCVAP). The remaining 10% is the responsibility of the Governors of the school. The Local Authority have the power to help VA school governing body with their contribution.

- 2.6 During FY17/18 St Mary's and St John's received £52k of LCVAP funding. This represents 90% of the cost of the works. It is proposed that the Council release up to £5.8k of funding to support the works. The £5.8k represents 10% of the total works cost of £57.8k
- 2.7 This however will not set a precedent as the provision of 10% to support the LCVAP will be subject to delegated approval on an annual basis.
- 2.8 Given the flexibility of the programme it is proposed that authority is delegated to the Head of Property Services in consultation with the Portfolio Holder for Growth, Trading Services and Resources and the Director of Resources to agree and manage the scope of works and to commit funding within an overall budget of up to £410k. This will include the transfer of up to 10% to support the LCVAP grant St Mary's and St John's at North Luffenham.
- 2.9 The approach proposed will allow the movement of funds from one area to another to address potential shortfalls without delay.
- 2.10 Set out below are the estimated costs.

School	Description	Estimated Cost (£k)			Comment
		Base Cost (£k)	Contingency (£k)	Total Cost (£k)	
Great Casterton	Front Office Change	40	4	44	100% Funding. 10% Contingency
Great Casterton	Boiler Replacement	36	3.6	39.6	100% Funding. 10% Contingency
Empingham	Roof Lights	36	3.6	39.6	100% Funding. 10% Contingency
Empingham	Ramp from Playground	13.6	1.4	15	100% Funding. 10% Contingency
Exton	Roof Lights	18.2	1.8	20	100% Funding. 10% Contingency
Uppingham	Boiler Replacement	43.6	4.4	48	100% Funding. 10% Contingency
Uppingham	Roof Lights	18.2	1.8	20	100% Funding. 10% Contingency
St Mary and St John – North Luffenham	Door replacement, Window Replacement & Kitchen Refurbishment.	5.8	0	5.8	Voluntary Contribution. Match funding of 10% therefore no contingency built into this element
Total		211.4	20.6	232	
Unplanned Works		65	9.8	74.8	15% Contingency
Overall Total		279.4	30.4	309.8	

Academy Conversions Works		100		100	This is an approximate figure based upon previous experience.
Project Works Value		379.4		409.8	

- 2.11 The Base cost includes all fees including design, supervision, internal management and overhead costs. Where work has been partially defined a contingency allowance of 10% has been made. Where work is not programmed a contingency allowance of 15% has been made to reflect any unknowns that may be encountered. The sum allocated to 'Academy Conversion Works' represents an allowance that will be transferred to the Academies after or during conversion.

3.0 CONSULTATION

- 3.1 Consultation has taken place internally with Senior Elected Members, Chief Officers, Legal Services, and Finance

4.0 ALTERNATIVE OPTIONS

- 4.1 The 'Do Nothing' is the only other alternative option and this would involve retaining the funding. Failure to release the funds as outlined in this report would lead to schools that are unable to provide a suitable asset for education and a likely delay in the Academisation Programme.

5.0 FINANCIAL IMPLICATIONS

- 5.1 As of the date of this report RCC holds £1,099k of School Condition Allocation. It is proposed that Cabinet Agree the release of up to £410k to allow the completion of a programme of works.
- 5.2 Dependent upon the pace of Academisation there is the potential for significant funds to remain unspent. The School Condition Allocation is not ringed fenced and would be retained by the Council even if all schools achieved Academy status. The only condition being that the funds are used for capital expenditure.
- 5.3 Whilst the use of the balance will be subject to a future report to Cabinet the intention of the fund is to support the provision of suitable educational assets. Given the Council's statutory obligation to provide suitable school places within the County it is anticipated that these funds will be used to support this provision.

6.0 LEGAL AND GOVERNANCE CONSIDERATIONS

- 6.1 All work will be procured and delivered in accordance with the Public Contracts Regulations 2015 (if relevant), Contract Procedure Rules and State Aid Rules.
- 6.2 Delegation of Authority to the Head of Property Services in consultation with the Portfolio Holder for Growth, Trading Services and Resources, and the Director of Resources will ensure that the works can move forward without delay.

7.0 EQUALITY IMPACT ASSESSMENT

- 7.1 This report seeks approval for the release of funding only. Whilst not required at this stage an EIA will be completed later in the process when the full scope of the works becomes clear.

8.0 COMMUNITY SAFETY IMPLICATIONS

- 8.1 There are no community safety implications

9.0 HEALTH AND WELLBEING IMPLICATIONS

- 9.1 There are no community safety issues

10.0 ORGANISATIONAL IMPLICATIONS

- 10.1 Procurement Implications

- 10.1.1 There are no procurement implications in relation to this report as the works will be procured in accordance with the Public Contracts Regulations 2015, Contract Procedure Rules and State Aid Rules.

11.0 CONCLUSION AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS

- 11.1 The release of funds as set out in this report will ensure the Council can enter into a programme of works to address issues on Council maintained schools and support the transition – where applicable to Academy Status.
- 11.2 The proposed delegations will ensure that RCC will be able to move forward without delay

12.0 BACKGROUND

- 12.1 There are no background papers

13.0 APPENDICES

- 13.1 There are no Appendices