

Report Title:	Schools Condition Allocation 2021-22
Contains Confidential or Exempt Information?	Main report & Appendices A, B, D - Part I Appendix C – Part II <b>Not for publication by virtue of paragraph 8 of Part 1 of Schedule 12A of the Local Government Act 1972</b>
Member reporting:	Councillor Stuart Carroll, Lead Member for Adult Social Care, Children’s Services, Health and Mental Health
Meeting and Date:	Cabinet – 17 December 2020
Responsible Officer(s):	Kevin McDaniel, Director of Children’s Services
Wards affected:	All

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## REPORT SUMMARY

1. This report seeks approval of Children’s Services’ bids to the 2021/22 capital programme, to be funded by the School Condition Allocation (SCA). This will allow planning and tendering of SCA schemes in time for delivery over the summer in 2021, before schools restart in September.
2. The Local Authority receives the SCA grant from the Department of Education (DfE) to help maintain and improve the condition of school buildings and grounds. This funding is for community and voluntary controlled schools only. Voluntary aided and academy schools (including free schools) receive funding for this via a different route.
3. In recent years the level of grant has been announced in spring, at the start of the financial year to which it applies. At the time of reporting, therefore, the level of SCA is subject to confirmation.
4. This report sets out the schemes in schools to be funded through the Schools Condition Allocation grant for 2021/22, see Appendix B.

## 1. DETAILS OF RECOMMENDATION(S)

**RECOMMENDATION:** That Cabinet notes the report and:

- i) **approves the Children’s Services 2021/22 capital bids for schemes to be funded by the School Condition Allocation, and includes them in the overall 2021/22 capital programme. This is subject to any changes that may be required to the list of schemes set out in Appendix B following confirmation of the level of grant.**
- ii) **approves the listed schemes being put out to tender.**
- iii) **delegates any variation of the list of schemes set out at Appendix B to the Director of Children’s Services, in consultation with the Lead Member for Adult Social Care, Children’s Services, Health and**

## Mental Health.

### 2. REASON(S) FOR RECOMMENDATION(S) AND OPTIONS CONSIDERED

#### Background

- 2.1 The Department for Education (DfE) allocates funding to help maintain and improve the condition of school buildings and grounds. This funding consists of:
- **Devolved Formula Capital (DFC)**, which goes to individual schools of all types, including academy, community, free, voluntary aided and voluntary controlled schools. The DFC is intended to allow schools to maintain their buildings and carry out small capital works.
  - **School Condition Allocations (SCA)**, given to eligible bodies responsible for managing an estate of school buildings. Eligible bodies include local authorities and large Multi-Academy Trusts (MATs). The SCA is intended to allow eligible bodies to fund larger schemes, which individual schools could not generally fund through their DFC and that are identified as a priority for improvement.
  - **Condition Improvement Fund (CIF)**, held by the Education, Skills and Funding Agency, and to which single academies and smaller multi-academy trusts can bid (as they do not have access to funding via the SCA).
- 2.2 This report is focused on the SCA allocation to the Royal Borough of Windsor and Maidenhead for the 2021/22 financial year. Appendix A [*electronic distribution only*] provides a more detailed summary of the grants relating to school places and buildings.
- Purpose of the School Condition Allocation
- 2.3 The SCA for the Royal Borough is intended to cover any works at community and voluntary controlled schools related to improvements to the school estate. This includes major replacements and improvements to the fabric of the buildings and grounds. The scheme includes compliance works to meet health and safety and building regulations. Schemes may, therefore, include works to:
- boilers, radiators and pipework
  - doors and windows
  - external areas such as playgrounds, paths and roads
  - floors
  - internal and external walls
  - kitchens
  - roofs, gutters and soffits
  - utilities
- 2.4 The SCA is not intended for use on new school places, as this is covered by the Basic Need grant, as set out in the separate *Demand for school places* report also going to Cabinet on 17<sup>th</sup> December 2020.

### Timings and amount of School Condition Allocation grant

- 2.5 The level of grant allocated to the Royal Borough via the SCA is not usually announced until after the start of the financial year to which it applies – the 2020/21 SCA announcement was in April 2020. This means that the level of SCA funding for 2021/22 won't be known until after Council has approved its wider 2021/22 capital programme.
- 2.6 The Royal Borough's SCA for the 2020/21 financial year was £764,240. The level of grant is based on the number of pupils attending the borough's community and voluntary controlled schools, with different weightings according to the age of those pupils. As no more schools have become academies, it is expected that the 2021/22 SCA will remain roughly the same.
- 2.7 In June 2020 the government announced a further allocation of £345,927 to the local authority's School Condition Allocation. This has not yet been spent, and so can be added to next year's expected grant to provide a 2021/22 budget of around £1.12m. There is no time limit on spending SCA (either the main grant or the additional monies received this year), although the DfE will, in 2021, be relaunching their Condition Spend Return asking local authorities to confirm how the money has been spent.

### Early consideration of the School Condition Allocation schemes

- 2.8 Many school improvement projects happen over the six-week summer holiday, in order to minimise disruption to teaching and learning.
- 2.9 This report seeks, therefore, provisional approval of the prioritised list of SCA schemes (attached at Appendix B). This will enable officers to proceed with the planning, design and procurement of projects in time to allow delivery in summer 2021.
- 2.10 It will also make it easier to achieve better prices from contractors. As many schools, MATs and local authorities will be carrying out improvement works over the summer, late tendering can lead to higher contract prices. Contractors can also reach capacity very quickly once decisions about the summer programme start to get made. Getting provisional approval of the programme now means that the procurement process can start in good time, maximising the likelihood of tenders attracting more competitive bids from good contractors.

### Provisional schemes for the 2021/22 School Condition Allocation

- 2.11 Appendix B provides the list of schemes for 2021/22. Most of the schemes are school specific projects where, if provisional approval is given, the planning and design works can begin immediately. These schemes have been identified through school requests, use of the DfE school condition surveys and site visits by contracted engineers.
- 2.12 The list also includes a generic line for feasibility works, to fund the various investigative and feasibility works required to identify future school condition schemes.
- 2.13 Finally, there is a line for contingency, which will allow the borough to carry out any unplanned maintenance works, and also address any increased tender prices on estimated budgets.

- 2.14 The amounts set for the feasibility and contingency lines are based on previous experience of spending in these categories. Any unspent funding in either line will then be carried forward into following year to help fund the 2022/23 programme.
- 2.15 Due to the commercial sensitivities around budgets for individual schemes, the costs are omitted from Appendix B. Appendix C, which is a Part II paper, includes these costs.

#### Public Sector Decarbonisation Scheme

- 2.16 The Department for Business, Energy and Industrial Strategy's Public Sector Decarbonisation Scheme (PSDS) will be providing capital for projects that reduce carbon emissions and energy bills. All state schools (Community, Voluntary Controlled, Voluntary Aided, Academy and Free) are initially eligible for funding, provided that works could be carried out to reduce the carbon impact of heating; reduce overall energy demand or enable a future decarbonisation project. The highest priority appears to be for the replacement of coal and oil-fuelled heating systems with low carbon alternatives such as heat pumps.
- 2.17 The borough has seven Community and Voluntary Controlled schools with oil-fired heating systems. Five of these have already been identified as a priority for replacement next year, and are either already in the capital programme, or are in the list for approval at Appendix B.
- 2.18 The borough has successfully bid for funding under the PSDS for feasibility works to inform a full bid to the scheme by early January 2021. Feasibility works are underway on all seven schools, with an expectation that successful bids will be confirmed in early February. This means that it is possible that some, or all, of the boiler schemes in Appendix B, plus one already in the programme but not yet tendered, may be funded by the PSDS. This will then release funding from the SCA to fund other priorities further down the list in Appendix B.
- 2.19 A number of Voluntary Aided and Academy schools also have oil-fuelled boilers, which may be replaced under the PSDS programme as well. The schools are outside the scope of the SCA and so any successful schemes here will not impact on the borough's capital programme.

#### Managing the 2020/21 School Condition Allocation

- 2.20 The total cost of the schemes included in Appendix B is £1.60m which is significantly above the £1.12m SCA expected. This is not unusual – the initial bid for the 2020/21 programme sought £1.9m, well over the then expected £765k grant. This approach is possible, without overspending, because it is not always possible to deliver planned schemes within the financial year (e.g. due to lack of capacity with contractors and/or project managers. This is a particular risk with schemes that would disrupt teaching and learning, and so have to be completed over the summer holiday). This gives officers the opportunity to manage and prioritise the programme to ensure that it stays within the overall SCA. In addition, the Public Sector Decarbonisation Scheme could mean that up to £461k of planned works may not need funding from the SCA.

- 2.21 If the SCA is less than the £765k expected, then the schemes will need to be tailored according to overall affordability and priority, using the order set out in the Appendix B. It is likely that schemes slipping below the affordable budget line will then be included in the 2022/23 programme, with the next round of priorities, which will come back to Cabinet for approval in late 2021.

**Table 1: Options arising from this report**

<b>Option</b>	<b>Comments</b>
Approves the Children's Services 2021/22 capital bids for schemes to be funded by the School Condition Allocation, and includes them in the overall 2020/21 capital programme. This is subject to any changes that may be required to the list of schemes set out in Appendix B following confirmation of the level of grant and consideration of the overall capital programme by Council. <b>Recommended option</b>	Will allow the borough to begin the planning and design of schemes early, making it more likely that they can be delivered next Summer. This should also help keep costs down. If this is not approved, design and tendering will be delayed until approval is given, making delivery over the summer much less likely, and increasing costs.
Approves the listed schemes being put out to tender. <b>Recommended option</b>	This will allow officers to put the schemes listed in Appendix B out to tender without having to return subsequently to Cabinet for approval, whilst still ensuring that the overall cost of the programme remains in budget.
Delegated any variation of the list of schemes set out at Appendix B to the Director of Children's Services. <b>Recommended option</b>	This will allow for changes to be made to the schemes listed in Appendix B, particularly in response to any changes in the level of SCA (due to be announced in April 2021).

### 3. KEY IMPLICATIONS

**Table 2: Key Implications**

<b>Outcome</b>	<b>Unmet</b>	<b>Met</b>	<b>Exceeded</b>	<b>Significantly Exceeded</b>	<b>Date of delivery</b>
Agreed schemes delivered by	01/4/2022	31/8/2021	01/5/2021 to 31/8/2022	30/04/2021	31/3/2022
Programme budget (under) / overspend	>+0.5%	+0.5% to -2%	-2% to -6%	< -6%	31/3/2022

### 4. FINANCIAL DETAILS / VALUE FOR MONEY

- 4.1 The 2021/22 School Condition Allocation (DfE grant) is estimated to be approximately £765k, which, together with an additional £346k grant in

2020/21, makes an available budget of £1.12m for new schemes. The 2021/22 allocation is expected to be confirmed in April 2021.

- 4.2 A significant number of schemes in the 2020/21 programme have not yet started, due in part to the Covid-19 crisis. Some of these may slip into the 2021/22 financial year. Work is still being carried out to assess which can go ahead now, and which will need to be delayed. Any underspends/savings in the School Condition Allocation are carried forward into the following financial year to fund that year's programme.
- 4.3 Although the cost of the schemes listed in Appendix B totals £1.60m, which is above the £1.12m expected, the programme will be managed so that the 2021/22 spend does not exceed the available grant.

**Table 3: Financial Impact of report's recommendations**

<b>REVENUE COSTS</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>
Reduction	£0	£0	£0
Net Impact	£0	£0	£0

<b>CAPITAL COSTS</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>
Additional total	£0	est. £1.12m	£0
Reduction	£0	£0	£0
Net Impact	£0	est. £1.12m	£0

## 5. LEGAL IMPLICATIONS

- 5.1 The Council is required to produce a balanced budget that provides Service Directors with sufficient resource to meet their own statutory requirements.

## 6. RISK MANAGEMENT

**Table 6: Impact of risk and mitigation**

<b>Risks</b>	<b>Uncontrolled risk</b>	<b>Controls</b>	<b>Controlled risk</b>
Lower than expected School Condition Allocation in 2021/22, means that some or all of the programme set out in Appendix B cannot be carried out.	Medium	Although preparation for carrying these schemes will proceed, no contracts will be signed until the SCA allocation is approved. Current messages from the DfE are that the national spend on school condition works in 2021/22 will be higher than this year.	Low
Higher than expected costs and/or emergency works result in overspend on the programme.	Medium	The borough will carry out tendering exercises in accordance with Contract Rules to achieve best Value for Money. Monthly budget monitoring meetings are held to	Low

Risks	Uncontrolled risk	Controls	Controlled risk
		ensure that spending is tracked and within budget. The inclusion of a sum for contingency ensures that there is some capacity built in to address these risks.	

## 7. POTENTIAL IMPACTS

- 7.1 **Equalities:** An Equalities Impact Assessment (EqIA) is attached at Appendix D.
- 7.2 **Climate change/sustainability:** The government is placing increasing importance on the sustainability of school buildings. Many school improvement projects, including new boilers, windows and doors, and roofs can have a positive environmental impact. A number of projects, including some boiler replacements that are not immediately urgent could be completed under the Public Sector Decarbonisation Scheme, which will help further reduce carbon emissions.
- 7.3 **Data protection/GDPR:** There are no data protection or GDPR implications arising from this report.

## 8. CONSULTATION

- 8.1 Decisions about spending the SCA are based on a prioritisation of schemes by officers, taking into account requests from schools and surveys carried out by specialists.

## 9. TIMETABLE FOR IMPLEMENTATION

- 9.1 It is proposed that the design and planning works on the schemes listed at Appendix B begin immediately. Procurement will proceed once the availability of funding is confirmed. Projects will then be delivered over the 2021/22 financial year.

## 10. APPENDICES

### Attached to report

- Appendix B – Provisional schemes for School Condition Allocation spending in 2021/22.
- Appendix C – Provisional schemes for School Condition Allocation spending in 2021/22, including estimated costs. Part II only.

### Electronic only

- Appendix A – Summary of education capital
- Appendix D – Equalities Impact Assessment Form

## 11. BACKGROUND DOCUMENTS

11.1 None.

## 12. CONSULTATION (MANDATORY) REPORT HISTORY

Name of consultee	Post held	Date sent	Commented & returned
Cllr S Carroll	Lead Member for Adult Social Care, Children's Services, Health and Mental Health.	27/11/2020	30/11/2020
Duncan Sharkey	Managing Director	27/11/2020	02/12/2020
Russell O'Keefe	Director of Place	27/11/2020	
Adele Taylor	Director of Resources/S151 Officer	27/11/2020	01/12/2020
Kevin McDaniel	Director of Children's Services	27/11/2020	30/11/2020
Hilary Hall	Director Adults, Commissioning and Health	27/11/2020	29/11/2020
Andrew Vallance	Head of Finance	27/11/2020	
Elaine Browne	Head of Law	27/11/2020	30/11/2020
Mary Severin	Monitoring Officer	27/11/2020	30/11/2020
Nikki Craig	Head of HR, Corporate Projects and IT	27/11/2020	01/12/2020
Louisa Dean	Communications	27/11/2020	
Karen Shepherd	Head of Governance	27/11/2020	30/11/2020

<b>Decision type:</b> Key decision; entered into Forward Plan 20/10/2020	<b>Urgency item?</b> No	<b>To Follow item?</b> No
Report Author: Ben Wright, School Places and Capital Team Leader		

## Appendix B: Provisional schemes for School Condition Allocation spending in 2021/22.

Shaded schemes could be funded by the government's Public Sector Decarbonisation Grant

Scheme Name	Directorate	Description
Courthouse Junior School boiler replacement.	C&YP	Replacement and upgrade of life expired oil-fired boiler, unreliable biomass boiler and obsolete heating controls.
Courthouse Junior School boiler replacement (swimming pool).	C&YP	Replacement of life expired boilers and repairs to water leak on cold water service.
Oakfield First School boiler replacement.	C&YP	Replacement of oil-fired boiler.
Alexander First School boiler replacement.	C&YP	Oil to gas conversion, replacement of life-expired boilers and obsolete heating controls.
Braywood First School boiler replacement.	C&YP	Replacement of life-expired boiler.
School kitchen oven upgrades.	C&YP	Ongoing programme of installing combi-ovens and removal of fat fryers.
Hilltop First School subsidence scheme	C&YP	Address building subsidence.
Alwyn Infant and Nursery School upgrade of air conditioning.	C&YP	Replacement of air conditioning units and condenser pump.
All Saints CE Junior School water pipework replacement.	C&YP	Replacement of obsolete copper piping, which is affecting the quality of hot and cold water.
Cookham Nursery electrical upgrade.	C&YP	Upgrade to the school's electrical distribution system.
Hilltop First School pipework upgrade.	C&YP	Replacement of general and plantroom pipework. Heating emitter replacement.
Hilltop First School boiler replacement	C&YP	Replacement of life-expired boiler and pumps.
Waltham St Lawrence Primary School cold water booster.	C&YP	Cold water booster tank system to address low water pressure at entry to school.

**Appendix B: Provisional schemes for School Condition Allocation spending in 2021/22 (continued).**

<b>Scheme Name</b>	<b>Directorate</b>	<b>Description</b>
Riverside Primary School new gas meter.	C&YP	Replacement of gas meter
Boyne Hill CE Infant and Nursery School hot and cold-water systems.	C&YP	New hot water heaters, and replacement of hot and cold-water distribution equipment.
Boyne Hill CE Infant and Nursery School electrical upgrade.	C&YP	Electrical upgrade including replacement of electrical switch gear, distribution equipment. Rewiring and new small power unit for the plant room.
Maidenhead Nursery School conversion to mains water.	C&YP	Conversion of cold-water system to mains, removing non-compliant cold-water tank.
Larchfield Primary School heating upgrade.	C&YP	Replacement of secondary heating pump, some pipework and heating emitters.
Woodlands Park Primary School heating upgrade.	C&YP	Replacement of heating pipework in the main school and plant room. Replacement of heating emitters.
Woodlands Park Primary School heating pipework replacement	C&YP	Replacement of secondary pipework associated with direct hot water service.
Eton Wick CE First School electrical works	C&YP	Replacement of incoming power supply service, switch gear, sub mains distribution cabling and earthing.
Eton Wick CE First School plant room works	C&YP	Replacement of power supply in plant room.
Boyne Hill Infant and Nursery School fire alarm works	C&YP	Fire alarm upgrade.
Larchfield Primary School fire alarm works	C&YP	Fire alarm upgrade.
Hilltop First School fire alarm works	C&YP	Fire alarm upgrade.
Woodlands Park Primary School fire alarm works	C&YP	Fire alarm upgrade.
SCA Contingency	C&YP	For any emergency repairs and to address any increased costs over estimated budgets