

Report Title:	Schools Condition Allocation 2023-24
Contains Confidential or Exempt Information	Report and appendices A, B, C and E are Part I. Appendix D is Part II, and not for publication by virtue of paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972.
Cabinet Member:	Councillor Carroll, Cabinet Member for Children’s Services, Education, Health, Mental Health and Transformation.
Meeting and Date:	27 April 2023
Responsible Officer(s):	Lin Ferguson, Director of Children’s Services
Wards affected:	All

REPORT SUMMARY

The Royal Borough of Windsor and Maidenhead receives School Condition Allocation (SCA) from the government to help maintain and improve the condition school buildings and grounds. This funding is for community and voluntary controlled schools only. Voluntary aided and academy schools receive funding for this through a different route.

This report seeks approval of a number of projects to be carried out in the 2023/24 financial year using the SCA. This will allow the planning and tendering of those schemes to start.

The proposed projects set out in this report will help provide quality infrastructure for children and young people, meeting the corporate objective of ‘Inspiring Places’.

1. DETAILS OF RECOMMENDATION(S)

RECOMMENDATION: That Cabinet notes the report and:

- i) Recommends approval of the capital schemes set out in Appendix B, and their budgets as set out in Appendix C (Part II) for inclusion in the 2023/24 capital programme.**
- ii) Delegates approval of a second round of prioritised projects for inclusion in the 2023/24 capital programme to the Director of Children’s Services.**
- iii) Delegates authority to the Director of Children’s Services and the Procurement Manager to undertake procurement and enter into contracts for the delivery of the schemes set out at Appendix B, including where varied under recommendation (ii).**
- iv) Requests that consideration be given to establishing a corporate revenue fund for survey and feasibility works relating to the maintenance and development of the council’s assets.**

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 2023/24 financial year. Appendix A 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 (VC) 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 *Demand for school places* report considered by Cabinet in December 2022.

The 2022/23 School Condition Allocation programme

2.5 Cabinet approved the list of schemes for the 2022/23 school condition programme on 27th January 2022. The programme was subsequently amended at Council on 26th April 2022 to take account of new funding made available through the Public Sector Decarbonisation Scheme (see paragraphs 2.23 to 2.29 for more details).

- 2.6 Appendix B sets out the progress on school condition schemes in 2022/23. 17 projects have been completed, with £256k of savings on the initial budgets for those schemes. 6 are underway and expected to complete before September. 5 have been delayed but should now be carried out over summer 2023. 4 have been dropped, as no longer being required, with a saving of £84k.
- 2.7 At the end of the 2022/23 programme, the borough has £421,981 School Condition Allocation unspent and not assigned to any projects. This can be used for new projects in 2023/24.

School Condition Allocation grant

- 2.8 The Royal Borough's SCA for 2022/23 was £1,268,455.57. The level of grant is based on the number of pupils attending the borough's community and VC schools, with different weightings according to the age of those pupils. As two schools (All Saints CE Junior School and Woodlands Park Primary School) have converted to academy status since April 2022, the amount of SCA was expected to fall for the 2023/24 financial year.
- 2.9 The 2023/24 capital programme, approved by Council¹ in February, therefore contained £1.1m additional budget for school condition projects. This was an estimate as the DfE does not release the SCA figures until late March each year.
- 2.10 The DfE has now confirmed the 2023/24 SCA figure, which is slightly above expectations at £1,170,524. An adjustment to the relevant budget line in the capital programme has been submitted to April Council for approval.
- 2.11 In total, therefore, the borough expects to have £1.59m of SCA available for new projects in 2023/24 (£1.17m new allocation + £421,981 funding available from 2022/23).

Department for Education Condition Data Collection 2 (CDC2) programme

- 2.12 The DfE is currently partway through a programme to visit every government-funded school to collect data about the condition of school buildings. Running from 2021 to 2026, CDC2 will provide the DfE with an up-to-date evidence base to inform national discussions around funding for school building improvements. CDC2 replaces the earlier Condition Data Collection programme, CDC1.
- 2.13 Data from both programmes is useful for high level analysis but is less suitable for local asset management purposes. It is a visual survey only; does not identify structural issues, report on hazardous materials (e.g. asbestos) or address health and safety issues.

Consideration of the School Condition Allocation schemes for 2023/24

- 2.14 Accordingly, the Royal Borough carries out its own surveys of its school buildings to assess need. The most recent full survey was a 2018 Mechanical and Electrical (M&E) survey which fully assessed the condition of electrics, pipework, heating systems and so on at all community and VC schools. This survey is now somewhat out-of-date.

¹ Page 36, [Appendix 3, 2023/24 Budget, Report to Council, RBWM](#), 21st February 2023

- 2.15 A new M&E survey has been commissioned, therefore, which will help with the identification and prioritisation of works to address electrical and mechanical needs. This survey is due to complete in late spring 2023.
- 2.16 A comprehensive roofing survey has also been commissioned (due to complete in late spring 2023), alongside a separate lighting survey, to support an estate-wide upgrade to LED lighting.
- 2.17 Schools were also consulted in Autumn 2022 on what they felt their school condition needs were. This generated 107 requests for works, including numerous roofing and M&E works.
- 2.18 As the surveys are currently underway, a full list of projects for prioritisation is not yet available. The total cost of these schemes will be well in excess of the funding available for 2023/24, but less urgent works can be allocated to future years. This will provide the council with a draft multi-year programme of works, which will continue to be updated annually for each new financial year.
- 2.19 Schools are also being advised of where they could use their own Devolved Formula Capital to carry out lower cost projects that they may have identified. See Appendix A for a fuller explanation of Devolved Formula Capital.
- 2.20 Even without the surveys it has been possible to identify some immediate priorities for the School Condition Allocation, as set out in Appendix C and Appendix D (Part II, with budgets). The total estimated cost for these is £1.094m, out of the £1.593m available.
- 2.21 Cabinet are asked, therefore, to approve the list of schemes and their budgets in Appendices C and D (Part II, with budgets).
- 2.22 For the remaining £499k of SCA available in 2023/24, this report recommends that authority is delegated to the Director of Children's Services to prioritise projects to be funded following the outcome of the M&E and roofing surveys.

Energy efficiency and the Public Sector Decarbonisation Scheme

- 2.23 Section 6 of Appendix A sets out how school condition projects are prioritised, to ensure that the most urgent building needs are met first.
- 2.24 Energy efficiency needs tend to sit outside this classification unless the equipment itself is failing. Nevertheless, this is an area of work that needs to be prioritised, in response to the climate emergency and rising energy costs.
- 2.25 Schools were asked in Autumn 2022 whether some of the School Condition Allocation funding should be specifically set aside for energy efficiency, and all but one school supported this (the other was a "don't know").
- 2.26 The borough is proposing, therefore, a comprehensive programme of lighting upgrades at community and VC schools. This will replace older lighting with LED lighting, significantly reducing school electricity bills and carbon emissions. A survey is currently being carried out to establish the scope and cost of the required works. In order to achieve greater economies of scale whilst also benefiting more schools, academies and Voluntary Aided (VA) schools are being given the opportunity to join the programme. They will need to cover their portion of the costs.

- 2.27 The LED lighting programme is likely to run over two financial years, given the scale of works required. A contribution towards the cost may be sought from the borough's Carbon Offsetting Fund, provided that sufficient carbon savings are demonstrated by the LED lighting survey. If this contribution can be made, then this will release SCA funding for other priorities (including other energy efficiency works). As this would be a change to the capital budget, this would likely require Council approval.
- 2.28 Separately, the borough has continued to be successful with bids to the Public Sector Decarbonisation Scheme (PSDS). This scheme, run by the new Department for Energy Security and Net Zero is providing capital for projects that reduce carbon emissions and energy bills. This scheme has gone through successive waves, and the borough was successful in wave '3a' in getting funding for the replacement of oil-fired boilers and other energy efficiency improvements at a number of schools. This was reported to Council in April 2022², and progress on those projects is set out in Appendix B.
- 2.29 The borough has also been successful in wave 3b, with funding to support the replacement of the oil-fired boiler at The Lawns and the gas boiler at the Chiltern Road Primary School site with Air Source Heat Pumps. Under the requirements of the grant, a contribution is required from the borough. As reported to Council in February 2023, this will be funded from the School Condition Allocation, and the relevant budget adjustments have already been approved. The schemes are included in Appendices C and D (Part II).

Reinforced Autoclaved Aerated Concrete

- 2.30 Reinforced Autoclaved Aerated Concrete (RAAC) is a lightweight form of concrete that was often used in public buildings built between the 1950s and mid-1990s. It is usually found in roofs and, less often in walls and floors. Unfortunately, it is much weaker than traditional concrete and now poses a risk of collapse.
- 2.31 The government has been in communication with Responsible Bodies (i.e. local authorities, academy trusts and so on) about RAAC since late 2018, with a series of surveys and guidance notes. The Royal Borough of Windsor and Maidenhead has complied fully with these, as far as they relate to Community and VC schools. Academies (including free schools) and VA schools are responsible for their own compliance.
- 2.32 A survey was carried out in mid-2022 by professional surveyors on the 19 Community and VC schools thought to be at risk of having RAAC, based on the age of their buildings. Academies and VA schools were offered the opportunity to join the survey (at their cost) and three schools did.
- 2.33 No RAAC was found at any school in the survey. Six schools had areas that it was not possible to survey without more intrusive works (e.g. scaffolding to access hall ceilings). Based on the type of construction and locations, the risk of RAAC being in place was felt to be very low at all six schools. This outcome has been reported to the DfE, and further survey works on those areas may be commissioned for 2023/24. The borough will continue to engage fully in the RAAC investigations by the DfE.

² Pages 93 to 107, [Schools Capital Allocations 2022-23](#), Report to Council, 26h April 2022

Structural integrity of 'system-build' schools

2.34 The DfE has recently highlighted a key risk where:

“one or more blocks in some schools, which are at or approaching the end of their designed life-expectancy and structural integrity is impaired. The risk predominantly exists in those buildings built in the years 1945 to 1970 which used ‘system build’ light frame techniques.”³

2.35 There are currently no indications of any issues with schools in the borough, but further investigation is now required.

Options

Table 1: Options arising from this report

Option	Comments
<p>Recommends approval of the capital schemes set out in Appendix B, and their budgets as set out in Appendix C (Part II) for inclusion in the 2023/24 capital programme.</p> <p>This is the recommended option</p>	<p>This will allow the borough to proceed with urgent projects at community and voluntary controlled schools, to help ensure that they remain safe, warm and dry.</p>
<p>Delegates approval of a second round of prioritised projects for inclusion in the 2023/24 capital programme to the Director of Children’s Services.</p> <p>This is the recommended option</p>	<p>This will allow the borough to approve a second round of projects for 2023/24, taking account of the outcome of several site surveys that are still underway.</p>
<p>Delegates authority to the Director of Children’s Services and the Procurement Manager to undertake procurement and enter into contracts for the delivery of the schemes set out at Appendix B, including where varied under recommendation (ii).</p> <p>This is the recommended option</p>	<p>This will allow the borough to procure and deliver the schemes in a timely manner, and in line with the borough’s contract rules and constitution.</p>
<p>Requests that consideration be given to establishing a corporate revenue fund for survey and feasibility works relating to the maintenance and development of the council’s assets.</p> <p>This is the recommended option</p>	<p>This will allow the borough to continue to properly assess the condition of its assets, whilst complying with financial and auditing regulations.</p>

3. KEY IMPLICATIONS

Table 2: Key Implications

Outcome	Unmet	Met	Exceeded	Significantly Exceeded	Date of delivery
Agreed schemes delivered by:	>31/03/24	31/03/24	<31/03/24	n/a	31/03/24

³ Pages 19 and 106, [Department for Education, Consolidated annual report and accounts](#), December 2022, DfE.

Outcome	Unmet	Met	Exceeded	Significantly Exceeded	Date of delivery
Programme spend compared to budget:	>+0.5%	+0.5% to -2%	-2% to -6%	n/a	31/03/24

4. FINANCIAL DETAILS / VALUE FOR MONEY

- 4.1 The 2023/24 School Condition Allocation (DfE grant) is £1,170,524. This and the unassigned £422k from the 2022/23 programme are recommended to be allocated as set out in the main body of this report.
- 4.2 A number of schemes in the 2022/23 programme are still underway or have not yet started. These have been slipped into the 2023/24 financial year. Any underspends/savings in the School Condition Allocation are carried forward into the following financial year to fund that year's programme.
- 4.3 The proposed schemes will have budgets from within the overall, grant funded, school condition budget for 2023/24 that Council has already approved (see paragraph 2.10 to 2.11), as amended to reflect the slightly higher SCA allocation. In approving these, Cabinet will be agreeing to the virement of that agreed funding to new cost centres.

Table 3: Financial impact of report's recommendations

REVENUE COSTS	2023/24	2024/25	2025/26
Additional total	£0	£0	£0
Reduction	£0	£0	£0
Net Impact	£0	£0	£0

CAPITAL COSTS	2023/24	2024/25	2025/26
Additional total	£0	£0	£0
Reduction	£0	£0	£0
Net Impact	£0	£0	£0

- 4.4 The programme will be managed so that the 2023/24 spend does not exceed the available grant.
- Investigations to support delivery of the capital programme
- 4.5 Survey works, such as the roofing and M&E surveys referred to in paragraphs 2.15 and 2.16, are essential for professional assessment of the condition of the different elements of school buildings. This then allows schemes to be prioritised against each other, so that the most urgent and important works are funded first.
- 4.6 Financial and auditing rules mean that survey works can only be paid for from capital budgets – capitalised – if the work leads to a new or improved asset. This is often not the case, however, as (to be comprehensive) surveys will necessarily investigate assets that do not yet need to be replaced. Surveys are, therefore, usually a revenue cost, but there is no revenue budget available for survey works.

- 4.7 Some capital grants allow a portion of the allocation to be converted to revenue, but that is not the case with the School Condition Allocation. Officers have asked the DfE if the terms of the grant can be amended in future to allow this.
- 4.8 In the past, survey costs have been capitalised, but in 2022/23 the RAAC, M&E and roofing surveys have been funded through revenue, leading to an overspend on the relevant revenue code. Part of these costs will be capitalised in future, in proportion to identified schemes that are then taken forward.
- 4.9 This report recommends that further work is undertaken on establishing a corporate revenue fund for survey and feasibility works relating to the maintenance and development of the council's assets. It is recognised that, even if approved, this may not become available until the 2024/25 financial year.

5. LEGAL IMPLICATIONS

- 5.1 The Royal Borough of Windsor and Maidenhead is, as the local authority, the 'Responsible Body' in relation to community and Voluntary Controlled schools in the borough. As such, the Royal Borough is responsible for prioritising, distributing and assuring the use of School Condition Allocations⁴.

⁴ Page 3, [Condition grants spend guidance](#), DfE, March 2022.

6. RISK MANAGEMENT

Table 4: Impact of risk and mitigation

Threat or risk.	Impact with no mitigations in place or if all mitigations fail.	Likelihood of risk occurring with no mitigations in place.	Mitigations currently in place.	Mitigations proposed.	Impact of risk once all mitigations in place and working.	Likelihood of risk occurring with all mitigations in place.
Higher than expected costs and/or emergency works result in overspend on the programme.	Major	High	Monthly budget monitoring meetings are held to ensure that spending is tracked and within budget. Major changes to the programme are considered by the Capital Review Board. Some funding is always held in reserve as a contingency.	The borough will continue to carry out tendering exercises in accordance with Contract Rules to achieve best value for money.	Low	Low
No further survey or investigations work is carried out, due to financial rules and lack of revenue budget. Issues with school buildings and sites are not identified in time and schools cannot be kept safe, warm and dry.	Major	Major	Schools are invited to identify issues as they arise. Property Services regularly visits schools.	A corporate revenue budget is established to fund survey and feasibility works.	Low	Low

7. POTENTIAL IMPACTS

- 7.1 Equalities. An Equality Impact Assessment is available as Appendix E.
- 7.2 Climate change/sustainability. Many school improvement projects, including new boilers, windows and doors, and roofs can have a positive environmental impact and reduce energy costs. A number of projects proposed in this report will contribute directly to this, including the LED lighting upgrade and the boiler replacement projects proposed for four schools.
- 7.3 Data Protection/GDPR. There are no data protection or GDPR implications arising from the recommendations in this report.

8. CONSULTATION

- 8.1 Community and VC schools were consulted in Autumn 2022 on what their priorities were for improvements to their buildings. The results of that consultation are being used to help prioritise which schemes should go ahead and when.

9. TIMETABLE FOR IMPLEMENTATION

- 9.1 Implementation date if not called in: It is proposed that the design and planning works on the schemes listed in Appendix B begin immediately. Projects will then be delivered over the 2023/24 financial year.

10. APPENDICES

- 10.1 This report is supported by 5 appendices:
- Appendix A – Summary of education capital.
 - Appendix B – Summary of progress on 2022/23 SCA schemes.
 - Appendix C – Provisional schemes for SCA spending in 2023/24.
 - Appendix D – Provisional schemes for SCA spending in 2023/24, including estimated costs. Part II. Not for publication by virtue of paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972.
 - Appendix E – Equality Impact Assessment

11. BACKGROUND DOCUMENTS

- 11.1 This report is supported by three background documents:
- [Reinforced Autoclaved Aerated Concrete \(RAAC\) Estates Guidance](#), DfE, December 2022.
 - [Condition grants spend guidance](#), DfE, March 2022.
 - [Department for Education, Consolidated annual report and accounts](#), December 2022, DfE.

12. CONSULTATION

Name of consultee	Post held	Date sent	Date returned
<i>Mandatory:</i>	<i>Statutory Officer (or deputy)</i>		
<i>Deputies:</i>			
Andrew Vallance	Head of Finance (Interim S151 Officer)	17/03/23	22/03/23
Elaine Browne	Head of Law (Deputy Monitoring Officer)	17/03/23	20/03/23
<i>Mandatory:</i>	<i>Procurement Manager (or deputy) - if report requests approval to go to tender or award a contract</i>		
Lyn Hitchinson	Procurement Manager		
<i>Mandatory:</i>	<i>Data Protection Officer (or deputy) - if decision will result in processing of personal data; to advise on DPIA</i>		
Samantha Wootton	Data Protection Officer		
<i>Mandatory:</i>	<i>Equalities Officer – to advise on EQiA, or agree an EQiA is not required</i>		
Ellen McManus-Fry	Equalities & Engagement Officer		
<i>Other consultees:</i>			
<i>Directors (where relevant)</i>			
Tony Reeves	Interim Chief Executive		
Andrew Durrant	Executive Director of Place		
Kevin McDaniel	Executive Director of Adult Services		
Lin Ferguson	Director of Children’s Services		
Stuart Lines	Director of Public Health		
<i>Heads of Service (where relevant)</i>			
<i>External (where relevant)</i>			
N/A			

Confirmation relevant Cabinet Member(s) consulted	Cabinet Member for Children’s Services, Education, Health, Mental Health and Transformation.	
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REPORT HISTORY

Decision type:	Urgency item?	To follow item?
Key decision First entered into the Cabinet Forward Plan: 19/10/2022	No	No

Report Author: Ben Wright, School Place Planning & Capital Programme
Manager - Operations