



Report to: Children and Young People's Panel Cabinet

Date: 8th November 2007 15th November 2007

Subject: CYPS Education Capital Programme

Report of: Director of Children and Young People's Services

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Purpose/summary: To inform Panel and Cabinet of the progress of the Education Capital Programme.

Alternative options considered and reason for selecting the one recommended: All options concerning spending or advances in allocations have previously been approved by Cabinet.

Recommendation/decision: That the report be noted.

Key Decision: This report does not involve a key decision.

Implications:

Financial: Amendments to be made within the capital programme. All anticipated expenditure will be contained within the Education Capital Programme.

Staffing: None

Policy: Wigan's Strategy for School Places and Buildings

Equal Opportunities - Has a Diversity Impact Assessment been conducted? No

Wards affected: All

Special Interest Members – Which have been consulted None

For Cabinet reports only :

Categorisation of the report:			
Discussion leading to a decision		Discussion	
Monitoring		Decision	
Sharing for corporate understanding		Information	x

Tracking/Process:

	Consultation	Ward Members	Partners
Panel	Overview & Scrutiny	Cabinet	Council
8.11.07		15.11.07	

List of Background Papers in accordance with Section 100D of the Local Government Act 1972:

Document	Date	File Reference	Place of Inspection
Wigan's Strategy for School Places and Buildings	2007/08		Progress House Westwood Park Drive Wigan WN3 4HH

Proper Officer



Date

24th October 2007

1. Background

- 1.1 This report provides an update on various capital funding allocations and proposed expenditure of the current capital programme.

2. The National Picture

- 2.1 A number of capital funding streams are available to all Local Authorities (LAs) as follows:
- devolved programmes available each year for all LAs and schools to address both national and local priorities;
 - targeted programmes available to LAs and partners through bidding processes to address specific government priorities; and
 - strategic programmes, which provide substantial funds to transform whole schools or groups of schools.
- 2.2 The Government's Comprehensive Spending Review for the period 2008-09 to 2010-11 has been announced and schools capital investment will rise to around £10 billion by the end of the period.

3. Devolved Programmes

3.1 Devolved Formula Capital

Devolved formula capital provides schools with annual investment for buildings and ICT and the funding is allocated directly to schools, by the Department for Children, Schools and Families (DCSF), according to the type of school, premises data and actual pupil numbers. This funding is used by schools, in consultation with their LA and/or Diocese, to address capital repairs or improve the suitability of premises. Condition surveys and suitability assessments that are undertaken by the authority on an annual basis enable schools to appropriately target funding and incorporate future projects within their school development plan. Devolved formula capital can also be used as a contribution to larger capital projects that are being supported by the LA and / or Diocese and many schools have used their allocations in this way.

In Wigan, community schools have previously agreed to the LA managing the funding on their behalf. This has the advantage that it permits some schools with more advanced schemes to 'borrow' funds in advance of future allocations, whilst others can carry forward their allocation for use in future years. Monitoring is carried out by the LA in close liaison with schools. Schools will be asked if they wish to continue this arrangement for the period 2008-09 to 2010-11.

Similarly, Devolved Formula Capital is held by the relevant Diocesan Authority for voluntary aided schools and expenditure is reported to DCSF at year end.

Wigan's Devolved Formula Capital allocations for all schools for the period 2008-9 to 2010-11 are given below:

2008-9 Devolved Formula Capital	£6,207,250
2009-10 Devolved Formula Capital	£6,157,250
2010-11 Devolved Formula Capital	£6,157,250
Total	£18,521,750

DFC allocations for 2009-10 and 2010-11 are provisional and will be updated to reflect pupil numbers and building data in future years.

3.2 Local Authority Co-ordinated Voluntary Aided Programme (LCVAP)

LCVAP funding is allocated to school projects by the LA and diocesan authorities working together to address issues in voluntary aided schools identified in Wigan's Strategy for School Places and Buildings.

In November 2006, Wigan accepted the offer from DCFS to have an advanced allocation of LCVAP for 2007-08, representing 50% of funds already allocated. This means that LCVAP funding in 2008-09 to 2010-11 has been reduced accordingly and this is reflected in the figures below.

Wigan's LCVAP allocation for 2008-9 to 2010-11 is given below:

2008-9 LCVAP	£3,280,824*
2009-10 LCVAP	£3,230,824*
2010-11 LCVAP	£3,230,824*
Total	£9,692,472*

*These amounts exclude the 10% contribution expected from governors.

4. Local Authority Formulaic Allocation

LA formulaic allocation is made up of modernisation, new pupil places and schools access initiative funding for community and voluntary controlled schools. The funding is delivered through the Single Capital Pot which allows LAs to plan flexibly to meet their schools' needs. As with LCVAP, the LA formulaic funding is allocated according to the LAs strategic priorities as identified in Wigan's Strategy for School Places and Buildings.

Modernisation funding is intended to reduce the backlog of condition repairs and to improve the suitability of school buildings. Modernisation funding is allocated to LAs on the basis of pupil numbers and each LA's assessment of schools' condition and suitability needs that is reported biennially to DCFS. New pupil place funding is allocated to LAs by comparing actual pupil numbers on roll to forecasts. Schools Access Initiative funding is deployed strategically by LAs to assist mainstream schools to become fully accessible as defined by the Disability Discrimination Act.

As with LCVAP funding, Wigan accepted the offer from DCFS to have an advanced allocation of Modernisation funding for 2007-08. This means that Modernisation funding in 2008-09 to 2010-11 has been reduced accordingly and this is reflected in the figures below:

Guidance from DCSF on Extended Schools Funding and ICT Harnessing Technology Funding is expected to follow shortly.

Wigan's LA formulaic allocation for 2008-9 to 2010-11 is given below.

	2008-9	2009-10	2010-11
Modernisation	£1,970,853	£1,716,437	£1,716,437
Basic Need	£845,991	£845,991	£845,991
Schools' Access Initiative	£394,312	£394,312	£394,312
Extended Schools	£491,595	£520,857	£269,207
ICT Harnessing Technology	£933,553	£1,014,628	£1,099,724
Total	£4,636,304	£4,492,225	£4,325,671

5. Targeted Programmes

5.1 14 – 19 Diplomas

Those LA's not in BSF waves 1-6 have been allocated £8m (2m in 2009-20 and 6m in 2010--11) each for their priority projects relating to 14-19 delivery and/or special needs provision.

In addition, the new TCF standards and diversity fund will invite applications which meet published criteria.

Guidance from DCSF on the Targeted Capital Fund for 16-19 Diplomas is expected to follow shortly.

	2008-9	2009-10	2010-11
Targeted Capital Fund	Nil	£2,000,000.	£6,000,000
Total			£8,000,000

5.2 Post 16 Capital Fund

The 16-19 capital fund became operational in April 2006 and brings together capital formerly administered by the DCSF for new sixth form places and the Learning and Skills Council's (LSC) funding for new sixth form colleges. The LSC administers the fund which is primarily for strategic expansion of 16-19 provision. Resources that may be made available for Wigan's two 11-18 schools are not yet known, but it is expected that this funding stream will be dovetailed with BSF funding where appropriate, to achieve area wide objectives.

5.3 Children's Centre Funding (Phase 3)

The first phase of the Government's children's centre project concentrated on providing children's centres in some of the most disadvantaged areas in the country. The latest funding will pay for developing, extending and modifying centres in the remaining areas of the Borough that were not included in Phases 1 and 2.

	2008-9	2009-10	2010-11
Children's Centre Funding	£261,120	£561,687	£303,311
Total			£1,126,118

6. Strategic Programmes

6.1 One School Pathfinder

Because Wigan is in one of the later waves for Building Schools for the Future (BSF), with a start not expected before 2012, the DCSF has invited the LA to participate in the one school pathfinder scheme. This is essentially a down payment on BSF and it is expected that, whatever project the LA undertakes with the funding, it will be part of a coherent long term strategy for its secondary school provision.

The rebuilding of Abraham Guest will form the LAs one school pathfinder project and the funding allocation of £18,158,967 is phased as follows:

	2007/08	2008/09	2009/10
One School Pathfinder	£1,500,000	£13,000,000	£3,658,967

Further to this, DCSF have awarded an additional £750,000 funding due to inflation on the base line dates when the project will start on site. Phasing of this additional funding is not yet known. This increases the funding allocation for the one school pathfinder project to £18,908,967.

A more detailed report on the scheme appears elsewhere on the agenda.

6.2 Primary Capital Programme

From 2009 onwards, all LAs will be part of a 15 year strategic initiative to renew the primary school estate. During 2009-10 and 2010-11 all LAs will share an additional £1 billion across the two years.

Wigan applied to participate in a pilot scheme under the primary capital programme and was chosen by DCFS to take part. This provides the LA with an additional £6.5 million during 2008-09. The rebuild of Leigh Central and Leigh Sacred Heart Catholic Primary Schools is currently being investigated under the pilot programme. The allocations for the primary capital programme for 2008-9 to 2010-11 is as follows:

2008-9 Primary Capital Programme (pilot scheme)	£6,500,000
2009-10 Primary Capital Programme	£3,893,522
2010-11 Primary Capital Programme	£6,271,522
Total	£16,665,044

A report outlining proposals for future years appears elsewhere on the agenda.

7. Monitoring and Managing the CYPS Education Capital Programme

- 7.1** Officers in Children and Young People's Services, working with colleagues in the Finance and IT Department, monitor and manage the CYPS Education Capital Programme. All proposed projects are submitted to Capital Strategy Management Group (CSMG) for approval.
- 7.2** Priorities for expenditure are determined by the medium and long term needs for each area as assessed by pupil numbers; roll projections; and asset management data on sufficiency, condition and suitability for each school. Wigan's Strategy for School Places and Buildings contains detailed information on each area and school, and criteria for expenditure. Cabinet, Diocesan Officers and schools are consulted on the priorities each year.
- 7.3** Expenditure is approved either by Cabinet, or by the Director of Children and Young People's Services and the Director of Finance and IT under delegated powers.
- 7.4** DCSF feedback on Wigan's management of the CYPS Education Capital Programme is extremely positive and acknowledges the effective use of resources, value for money and imaginative projects.

The attached table shows the value for money part of this feedback, showing the DCSF regionally adjusted cost per square metre and actual cost per square metre for recent schemes.

Project	Net £/m2	Notes
2000 DCFS guide cost with regional adjustment	756.60	
Westleigh ROSLA	731.13	Bankruptcy of builder
Higher Folds Primary	905.41	
Bedford Laboratories	708.05	
Byrchall Teaching	712.15	
2001 Update of DCFS guide cost with regional adjustment	836.27	
Abraham Guest Laboratories	953.41	Severe land conditions
Westleigh Laboratories	803.15	
Rosebridge Teaching Block	773.88	
2002 Update of DCFS guide costs with regional adjustments	889.31	
Worsley Mesnes Primary - New School	850.92	Severe land conditions
Abraham Guest - changing block	1,180.19	
2003 Update of DCFS guide cost with regional adjustment	1,048.00	
Byrchall High - additional accommodation	842.54	
Standish High - additional accommodation	1,010.45	
Cansfield high - additional accommodation	999.89	
Shevington High - additional accommodation	796.16	
2004 Update of DCFS guide cost with regional update (including acoustics, DDA, etc)	1,170.00	
Woodfield Primary - new school	1,425.82	School site and tree issues
Fred Longworth - additional places		
Hindley J&I - new school	1,173.47	
Westfield - new school	1,188.98	
	1,146.80	

Project	Net £/m2	Notes
2005 Update of DCFS guide cost with regional adjustment (including acoustics, DDA, etc)	1,255.00	
Platt Bridge - new school	1,260.99	Co location issues
Golborne Primary - new school	1,055.35	

8. Future Capital Requirements

8.1 The unallocated part of the capital allocations contained within sections 3 to 6 of this report will be prioritised amongst the following needs;

- any projects that may arise due to the updating of the Primary Decision Making Model which may highlight schools in need of review and which have capital implications;
- the review of secondary school provision that is currently underway;
- any schools with serious condition and suitability issues that are not already being addressed through the review programme; and
- any projects which the LA is committed to and are at a feasibility stage and whose estimated costs may rise due to a variety of factors including rising tenders.

9. Proposals

9.1 It is proposed that the report be noted and the capital programme be amended accordingly.

10. Conclusions

10.1 Wigan's CYPS Education capital programme continues to grow. Total allocations for 2008-09 to 2010-11 total £66,333,539. (This figure excludes the One School Pathfinder Project £18,908,967). Comparing the capital allocation received in 2005/06 to 07/08 these amounted to £35 million. The capital programme is being delivered without additional internal staffing resource.

10.2 Priorities are being identified in line with DCSF guidance on individual funding streams and will be reported to Panel, Cabinet and CSMG at the earliest opportunity.

24th October 2007
 Typed by JC amended by GA
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