



Report sponsor: John Whitby, Cabinet Member for Children's Social Care, Learning and Skills, Andy Smith, Strategic Director for People Services.

Report author: Gurmail Nizzer, Director for Commissioning & Delivery.

ITEM 8

Schools Capital Programme 2024/25

Purpose

- 1.1 The Council is currently awaiting notification from the Department for Education (DfE) of school condition maintenance allocations for 2024/25 for Community and Foundation schools.
- 1.2 In order to commence scheme development, and to complete essential work during the school summer holiday period, early approval of schemes is necessary. It is therefore proposed to seek scheme approval for schemes based on an indicative allocation of £3m, in line with the current DfE allocation formula and recent allocations for Derby. This is a minimal risk for the Council and has been standard practice for several years.
- 1.3 A breakdown of the indicative school maintenance Capital Programme funding for 2024/25 is set out within Appendix 1. The proposed phase 1 schools capital programme schemes for 2024/25, including proposed individual school condition maintenance projects, are outlined in Appendix 2. As set out in paragraph 8.2, full construction contracts will not be awarded until final allocations have been confirmed by the DfE.
- 1.4 The proposal is for funding to be prioritised to deal with essential school condition and maintenance issues across the schools estate for Council maintained schools. An on-going programme of work is required in school premises to deal with essential condition and health and safety issues to ensure that school buildings remain safe and open.
- 1.5 This report seeks Council Cabinet approval for the schools maintenance capital programme for 2024/25 as set out within Appendix 2.

Recommendation(s)

- 2.1 To approve, subject to recommendation 2.4 below, the Schools Capital Programme priority schemes for 2024/25 as outlined in Appendix 2.
- 2.2 To approve scheme commencement of schemes outlined in Appendix 2, subject to recommendation 2.4 and paragraph 8.2 below.

- 2.3 To approve the update of the approved 2024/2025 and indicative 2025/26 capital programme with the revised budget projections detailed in Appendix 1 and the proposed scheme allocations detailed in Appendix 2.
- 2.4 To note that once confirmed by the Department for Education (DfE), final capital allocations and any adjustments to the funding of schemes on the Schools Capital Programme 2024/25 will be reported to Cabinet as part of the quarter 1 monitoring update 2024/25, should there be any variation from the indicative allocation.
- 2.5 To approve the delegation of decisions to add/amend a scheme to the approved capital programme up to £0.250m, if contained within the programme area, as set out in appendix 3.

Reason(s)

- 3.1 An on-going programme of work is required in school premises to deal with essential condition and health and safety issues across the schools estate to ensure that school buildings remain safe and open. In order to complete as much work as possible during the school summer holiday period, early approval of schemes is necessary.
- 3.2 To comply with Financial Procedure Rules and delegated approvals associated with the School Capital Programme.

Supporting information

4.1 School Condition Capital Programme

Capital investment across the schools estate in Derby is essential to address condition issues. There remains a significant backlog of condition issues across the schools estate, which is in excess of £25m for priority works. This condition backlog only covers building condition issues and excludes costs associated with betterment (unless required under Building Regulations), asbestos identification/removal, work identified as a result of fire risk assessments or any water hygiene remedial work.

- 4.2 Indicative Condition funding for 2024/25 is yet to be confirmed by the Department for Education (DfE), but it is expected Derby will be allocated approximately £3m for Community and Foundation schools, in line with the current DfE allocation formula and recent allocations for Derby.
- 4.3 In order to commence scheme development, and to complete essential work during the school summer holiday period, early approval of schemes is necessary prior to the confirmation of the final Condition funding. Once confirmed by the DfE, final capital allocations will be reported to Cabinet and the Schools Capital Programme 2024/25 will be updated accordingly as part of the Qtr. 1 2024/25 capital monitoring update. This represents a minimal risk to the Council, as full contracts will not be signed until final allocations are confirmed, and no commitments will be made beyond those the Council is already able to fund from existing DfE school condition funding already received. A breakdown of indicative Schools Capital Programme Funding for 2024/25 is set out within Appendix 1.

- 4.4 School capital projects for 2024/25 have been prioritised for those schools with the highest level of need, to ensure that buildings are safe by addressing priority health and safety works. The priority condition schemes for 2024/25 primarily fall into the following five categories:

- Boiler replacements;
- Building Fabric and Structural works;
- Fire Risk Assessment works;
- Roofing works;
- Window replacement works.

The proposed priority school condition projects for 2024/25 are shown in Appendix 2, including details of the proposed work and budget estimates. These indicative budget estimates are subject to a detailed feasibility, design development and procurement process.

- 4.5 There are a range of projects proposed within the Schools Capital Programme 2024/25, detailed in Appendix 2, to address high priority maintenance and condition issues across the schools estate.

4.6 **Schools Devolved Formula Capital**

The DfE is also still to confirm school Devolved Formula Capital funding for individual schools. This funding is to be used by schools on maintenance and condition projects. This is a small funding stream based on a formulaic allocation of £0.004m per school, and a small per pupil element. Schools prioritise this funding in line with their School Asset Management Plan.

Public/stakeholder engagement

- 5.1 The Council have developed the priority projects set out in this report in conjunction with the schools.

Other options

- 6.1 The available capital funding has been prioritised to deal with the most urgent condition and health and safety issues within Community and Foundation schools.

Financial and value for money issues

- 7.1 The Council's school condition maintenance allocation available for 2024/25 is expected to be approximately £3.858m for Community and Foundation schools. This is made up of an expected 2024/2025 allocation of £3m from the DfE and £0.858m from the balance of previously announced unallocated school condition funding (subject to 2023/24 year-end). The schools Devolved Formula Capital allocation is expected to be approximately £0.300m.

- 7.2 The 2024/25 capital programme budget, approved at February 2024 Cabinet, included historical indicative budget estimates for School Condition Allocation and Devolved Formula Capital funding, as set out in Appendix 1. The capital programme needs to be updated to reflect the respective current allocation forecasts, set out in Appendix 1.
- 7.3 Appendix 1 outlines funding for the Schools Capital Programme for 2024/25 to be invested across the schools' estate. Appendix 2 outlines the proposed school condition projects.
- 7.4 All School Capital Programme schemes will be procured in line with the Council's Contract Procedure Rules.
- 7.5 Cabinet has previously approved delegated authority to add schemes to the capital programme to ensure the schools capital programme is delivered effectively during the year. Cabinet is asked to confirm approval of this delegation, alongside current Financial Procedure Rules delegations and variation thresholds, as outlined in Appendix 3

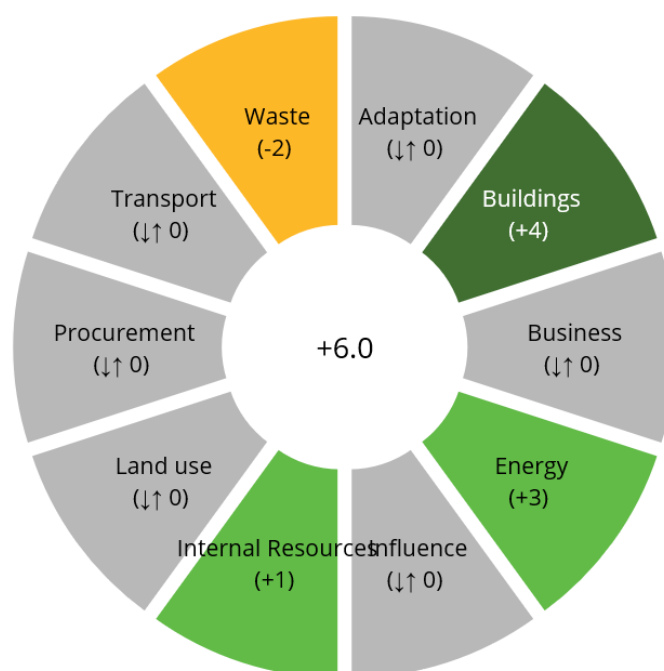
Legal implications

- 8.1 If any works require planning permission approvals, these will be sought prior to works commencing.
- 8.2 In principle scheme approval is being sought ahead of DfE notification of final funding allocations being confirmed. The Council will proceed to develop schemes but will not sign full construction contracts that create financial commitments of the indicative allocation, in respect of these schemes, until confirmation of funding allocations are received from the DfE. Until the final allocations are confirmed, only financial commitments will be made which can be funded from existing confirmed capital allocations, or if a limited commitment for a limited sum is required and there is a high degree of certainty that the costs will be covered by the final announced allocation.

Climate implications

- 9.1 All school capital programme schemes will be carried out in line with the latest Building Regulations approved documents on environmental performance. Where possible, schemes will be designed to allow for future improvements to move towards net zero carbon goals, where possible and subject to future funding availability. It is not possible to convert the Council's existing school building stock to net zero carbon in operation from the limited school condition funding allocations available. The proposed schemes are prioritised to deal with essential condition and health and safety issues to ensure that school buildings remain safe and open.
- 9.2 In line with Council requirements for Cabinet reports, an initial Climate Impact Assessment summary is set out below. This indicates that the proposed schemes will make a positive contribution to the Council's climate change commitments, and in particular for buildings, energy and internal resources. There will inevitably be

some waste generated from life expired building components as they are removed from site. Due to their nature it is not always possible to recycle such materials.



Socio-Economic implications

- 10.1 School capital projects for 2024/25 have been prioritised for those schools with the highest level of priority condition need, and to assist in keeping buildings open and safe by addressing priority health and safety works. Works are prioritised to prevent school or building closures which could otherwise impact on all pupils within the school(s). Potential closures would pose a risk of disproportionately impacting any pupils who are already experiencing socio-economic disadvantage.

Other significant implications

11.1 Personnel

None arising from this report.

11.2 Health and Safety

The priority projects are important for Health and Safety reasons and to conform to Workplace (Health, Safety and Welfare) Regulations 1992 and Building Regulations 2010. Health and Safety procedures will be followed in delivering schemes in line with the Construction (Design and Management) Regulations 2015.

11.3 Equalities Impact

The Council aims to take reasonable steps to remove, alter or provide reasonable means of avoiding physical features that make it impossible or unreasonably difficult for disabled people. Where appropriate, schemes will take account of any accessibility requirements.

11.4 Corporate objectives

This report supports the following Council priority focus areas:

- Green City – lowering CO² emissions/improving energy efficiency
- City of Growth – more children and young people achieving their potential through education, skills and development.

11.5 **Property and Asset Management**

An on-going programme of work is required in school premises to deal with essential condition and health and safety issues to ensure that school buildings remain safe and open. Appropriate monitoring will be required at those schools where priority works are not proposed as part of the 2024/25 school capital programme.

11.6 **Risk Management and Safeguarding**

The priority projects will reduce the risk of future school closures due to structural, mechanical or electrical failures. It should be noted that the overall school condition backlog exceeds the funding available, therefore schemes are prioritised where there is greatest risk of school closure in order to ensure schools remain safe and open. All projects will be managed and monitored in line with the Council's project management and risk assessment procedures. Where it has not been possible to prioritise schemes, mitigation plans will be developed in consultation with schools.

11.7 **IT**

Any potential IT implications for prioritised schools will be addressed as part of the detailed planning and design work for each scheme. There are no IT implications for the Council's own IT systems as a consequence of any of the proposed schemes.

This report has been approved by the following people:

Role	Name	Date of sign-off
Legal Finance	Simon Brown, Lawyer	20/03/2024
	Janice Hadfield, Head of Finance, Children and Young People	01/03/2024
	Toni Nash, Head of Finance Organisation and Governance	06/03/2024
Service Director(s)	Gurmail Nizzer, Director for Commissioning & Delivery	26/02/2024
Report sponsor	John Whitby, Cabinet Member for Children's Social Care, Learning and Skills	15/03/2024
	Andy Smith, Strategic Director for People Services	15/03/2024
Other(s)	Richard Roper, Technical & Compliance Services Manager	04/03/2024
	Mark Lowe, Property Capital Projects & Maintenance Manager	01/03/2024

Background papers:	None
List of appendices:	Appendix 1 – School Maintenance Capital Programme 2024/25 Funding Appendix 2 – Proposed School Priority Condition Projects 2024/25 Appendix 3 – School Capital Programme Delegations

Schools Maintenance Capital Programme 2024/2025 Funding

	Local Authority Schools Capital Programme	Budget
To be allocated to proposed schemes in Appendix 2	New 2024/25 Condition Funding Allocation: The current approved capital programme contains provision for an anticipated School Condition Allocation of £1,100,000. Following changes to the DfE allocation formula, it is anticipated that the Council's allocation for 2024/25 will now be £3,000,000, in line with the 2023/24 allocation.	£3,000,000
	Existing remaining 2023/24 School Condition Buildings At Risk funding, phased in 2024/25 (indicative subject to 2023/24 year end)	£858,701
	Total available for school condition projects (subject to 2023/24 year-end)	£3, 858,701

School Devolved Formula Capital 2024/25 (Local Authority)	
New Allocation for 2024/25 (Indicative): The current approved capital programme contains provision for an anticipated School Devolved Formula allocation of £120,000. It is anticipated that the Council's allocation for 2024/25 will now be £300,000, in line with the 2023/24 allocation.	£300,000

Proposed Schools Capital Programme Priority Condition Projects for 2024/25

School	Scheme Description	New 24/25 Allocation	2024/25 Scheme Phasing	2025/26 Scheme Phasing
Alvaston Infant and Nursery School	Boiler Replacement: Works are required to replace the schools obsolete heating boilers and associated pumps to avoid potential block closure. To reduce the reliance on gas, as part of the Council's Climate Change commitments, it is proposed to install a hybrid heating solution consisting of an air source heat pump running alongside new modern energy efficient gas fired boilers. The proposal is to also separate the Infant heating system from the neighbouring Junior school and will require the creation of a new dedicated plant room for the Infant school.	£424,000	£416,000	£8,000
Dale Primary School	Building Fabric and Structure Demolition of a temporary timber building (Block F) situated on the playground which is passed its designed life span and is not repairable. When the building has been removed the playground will be resurfaced as part of the making good works, as the existing playground surface is failing in a significant number of areas, causing health and safety trip hazards. The temporary building is not currently used by the school and removal will provide additional external space on the restricted school site.	£200,000	£194,000	£6,000
Gayton Community Junior School	Boiler Replacement: Phase 2 - To reduce the reliance on gas, as part of the Council's Climate Change commitments, it is proposed to install a hybrid heating solution consisting of an air source heat pump running alongside the new modern energy efficient gas fired boilers. Phase 1 work included the installation of the new boilers and was completed during 2023. Phase 2 will complete works including installation of a new air source heat pump.	£108,000	£103,000	£5,000
Gayton Community Junior School	Building Fabric and Structure: Phase 2 - A large proportion of the timber floors have started to fail, including the main corridor floor. Works are required to replace the corridor floor to prevent tripping hazards. It is proposed to undertake works in phases, phase 1 consisted of replacing approximately half of the main corridor with a permanent concrete floor in the summer of 2023. Phase 2 will complete the rest of the corridor with a new concrete floor and infill redundant heating ducts.	£70,000	£67,000	£3,000
Littleover Community School	Roofing works: A Block Phase 2: Removal of existing failing roof covering, installation of additional insulation and provision of new weather tight roof covering to prevent further water ingress and damage to the building fabric. This phase of work will be for the next highest priority classroom wing of the main A block of the school, leading to the school hall and kitchen.	£498,000	£490,000	£8,000

School	Scheme Description	New 24/25 Allocation	2024/25 Scheme Phasing	2025/26 Scheme Phasing
Mickleover Primary School	Building Fabric and Structure: The school building is a timber Vic Hallam system building construction type and is beyond its anticipated and design life span. Work is required to replace the structural timber window panels and posts to prevent potential school closure. Final proposed works will be confirmed following ongoing discussion with the DfE regarding the anticipated school replacement scheme, as part of the DfE School Replacement Programme. The Council will prioritise only the most pressing works required at the school before it is replaced.	£235,000	£229,000	£6,000
Murray Park School	Window and door Replacement: Phased window and door replacement to Block A at the school. Replacement of failing single glazed, metal framed windows with modern powder coated aluminium double-glazed units. It is proposed to carry out replacement of the highest priority ground and first floor windows and doors predominately on the south and east elevations. Additional phases will be considered for future work subject to prioritisation and future capital allocations.	£283,000	£277,000	£6,000
Oakwood Infant & Nursery School	Electrical Rewiring: Phase 2 works to complete a whole school rewiring, including power outlets, ICT data cabling, lighting, emergency lighting, fire alarms and intruder alarms.	£363,000	£356,000	£7,000
Pear Tree Infants School	Boundary Walls Repairs, improvements and repointing is required to brick work, to address urgent condition issues to boundary wall prior to DfE SRP scheme at the school. The DfE SRP does not cover works to existing boundary treatments unless there is a requirement for replacement as part of the scheme.	£70,000	£67,000	£3,000
Ridgeway Infant School	Building Fabric and Structure: The school building is a timber Vic Hallam system building construction type and is beyond its anticipated and design life span. Work is required to replace the structural timber window panels and posts to prevent potential school closure. Final proposed works will be confirmed following ongoing discussion with the DfE regarding the anticipated school replacement scheme, as part of the DfE School Replacement Programme. The Council will prioritise only the most pressing works required at the school before it is replaced.	£320,000	£313,000	£7,000
Roe Farm Primary School	Window Replacement: It is proposed to begin a phased window replacement to the whole school. Replacement of failing single glazed, metal framed windows with modern powder coated aluminium triple glazed units. Phase 1 will include window replacement of 65 of the highest priority windows around the school.	£310,000	£303,000	£7,000
Rosehill Infants School	Building Fabric and Structure: Replacement tiles, batons and flashing, included priority works to address leaking roof valleys on priority areas of the pitched roof that is in poor condition and passed its designed life span. Works are to prevent further water ingress.	£90,000	£87,000	£3,000

School	Scheme Description	New 24/25 Allocation	2024/25 Scheme Phasing	2025/26 Scheme Phasing
Shelton Junior School	Fire Risk Assessment works: Final phase of fire precaution works required following a fire risk assessment, it is proposed to include new fire doors and associated ironmongery to classrooms and storerooms.	£74,000	£71,000	£3,000
	Sub Total	£3,045,000	£2,973,000	£72,000
Buildings at Risk	Remaining Buildings at Risk - Condition Funding contingency: Subject to 2023/24 year-end and final 2024/25 allocation announcements from the DfE. To include mitigation works, and urgent health and safety condition works to prevent potential school closures. Further schemes to be prioritised and reported to Cabinet as necessary.	£813,701	-	£813,701
		£3,858,701	£2,973,000	£885,701

School Capital Programme Delegations

To note delegated approvals are in place for updating the approved School Capital Programme.

In order to deliver the approved schools capital programme effectively during the year, and make the best use of school holiday periods to undertake works, it is necessary to delegate authority to officers to add schemes to the capital programme and agree variances (as long as they can be contained within the programme area). Delegated approvals are in place as follows:

Delegation to add schemes to the capital programme	
Value	Delegation to
Up to £50,000	Head of School Organisation and Provision.
Between £50,001 and £250,000	Director for Commissioning & Delivery (People Services) in consultation with the Cabinet Member for Education and Skills.

Scheme Budget Variation	
Value	Delegation to
Up to 10% or £50k variation (whichever is the greater)	Head of School Organisation and Provision.
£50k - £250k variation	Head of School Organisation and Provision – with the approval of the Cabinet Portfolio Member for Education and Skills.

Updates to the approved School capital programme, approved under officer delegation, are then reported to Cabinet through Quarterly Financial Monitoring reports.