

HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Executive Lead Member for Children's Services
Date of Decision:	12 July 2018
Decision Title:	Children's Services Capital Programme update
Report From:	Director of Children's Services and Director of Corporate Resources – Corporate Services

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1. Recommendation(s)

- 1.1 To approve the updated Children's Services Capital Programme for 2018/19 to 2020/21. This includes further capital grant announcements by the Department for Education on 29 May 2018.
- 1.2 That the revised capital programme cash limit of £92.734m for 2018/19 be approved, including the carry forward of £20m contingency resources to 2019/20.
- 1.3 That the revised 2018/19 capital programme at Appendix 1 be approved, along with the amendments to the 2018/19 capital programme.
- 1.4 That it be a recommendation to Cabinet that resources of £34.210m as set out in Appendix 2 be carried forward from the 2017/18 to the 2018/19 capital programme.
- 1.5 That the projects approved under delegated powers by the Director of Children's Services in Appendix 3 be noted.
- 1.6 That resources of up to £0.35m (including fees) be approved from the 2018/19 capital programme towards capital improvements at Hamble Leisure Complex.

2. Executive Summary

- 2.1 This report seeks approval for the updated Children's Services Capital Programme for 2018/19 to 2020/21.
- 2.2 This report also sets out the proposed changes to the 2018/19 capital programme.
- 2.3 The report has been prepared in consultation with the Executive Lead Member for Children's Services (ELMCS).

- 2.4 The Secretary of State announced details of individual local authority capital allocations on 29 May 2018. These were for Basic Need in 2020/21 and additional funding for Special Educational Needs and Disability (SEND) for the period 2018/19 to 2020/21.
- 2.5 The proposals contained within this report are derived from the departmental service plan(s) which have been developed to support the priorities of the Corporate Strategy.

3. Background

- 3.1 The Secretary of State has now announced details of individual local authority capital allocations for Basic Need (BN) and additional funding for Special Educational Needs and Disability (SEND). The announcement covers the period 2020/21 for BN and 2018/19 to 2020/21 for SEND.
- 3.2 The Children's Services Capital Programme is based on government grants, capital receipts, developer contributions and local resources.

4. Capital Programme 2018/19 to 2020/21

- 4.1 On the basis of recent DfE announcements, resources available for each of the three forward years to 2020/21 are as set out in Table 1.

Table 1 – Three year capital resources summary

	2018/19 (actual)	2019/20 (actual)	2020/21 (actual)	Total
	£m	£m	£m	£m
Basic Need - new pupil places	28.377	0	14.712	43.089
Schools' Devolved Capital	3.350	3.350	3.350	10.050
SEND Grant	1.262	1.849	1.556	4.667
Developers' contributions anticipated	7.235	31.462	24.807	63.504
ESFA Free School Funding*	40.726	0	0	40.726
Corporate capital resources	0.100	0.100	0.100	0.300
Carry forward resources to 2018/19 & 2020/21 (Table 10)	10.818	0	0	10.818
2018/19 Resource Adjustments (as listed in Table 3 and previously reported on 9 May 2018)	11.866	0	0	11.866
Carry forward resources to 2018/19	38.000	0	0	38.000
Carry forward resources to 2019/20	-46.000	46.000	0	0
Carry forward resources to 2020/21	-3.000	-22.000	25.000	0
Carry forward resources to	0	0	-15.000	-15.000

2021/22				
Totals	92.734	60.761	54.525	208.020

Note: *Subject to government approval

Basic Need Allocation 2020/21

- 4.2 The most recent capital announcement by the DfE allocated £14.712m to Hampshire for 2020/21. Government grant for the period 2018-2021 totals £43.089m and the grant allocations from the DfE have largely caught up with the forecast demand for school places. The DfE have developed a fair and transparent way of allocating Basic Need funding that directly relates to the forecast need. In Hampshire, some new school place funding has been provided for places yet to be delivered. There is the potential for a zero or very low capital allocation in 2021/22 as the DfE assess the impact of the free school places that they directly fund. At this stage, it is unclear exactly how this will be calculated, with guidance from the DfE awaited.

Revised Capital Programme 2017/18

- 4.3 As a result of the deferral of resources by the County Council at its meeting on 22 February 2018 and other programme amendments, the revised cash limit for the programme is shown in Table 2.

Table 2 – Revised 2017/18 Cash Limit	£'000
Cash limit reported 15 January 2018	135.151
Projects and resources carried forward to 2018/19	-34.210
Pilgrim's Cross CE (VA) Primary – additional TVBC Grant	0.070
Additional developer contribution – Razers Farm	0.178
East Anton developer contribution reduction	-0.003
Woodcroft Primary Capital Receipt	0.012
Total	101.198

Carry Forward from 2017/18

- 4.4 A total of £45.078m will be carried forward into 2018/19. This includes resources and projects (totalling £10.868m) within the 2018/19 capital programme which was approved on 15 January 2018. Of this sum, £16.501m is already committed and £20m is being carried forward in to 2019/20 to support future basic need projects.
- 4.5 The £8.577m uncommitted funding will be added to the 2018/19 contingency giving a total contingency for the programme of £14.287m.

Given the overall value of the programme this is considered a prudent sum. A detailed breakdown of these resources is attached at Appendix 2.

- 4.6 Taking in to account changes since the 2018/19 capital programme was last approved on 9 May 2018 (including those proposed in this report), the revised cash limit for the programme is shown in Table 3.

Table 3 - Revised 2018/19 Cash Limit	£'000
Cash limit reported 9 May 2018	77.031
Projects carried forward (not included in original cash limit)	34.210
Resources carried forward to 2019/20	-20.000
Resources brought forward from 2020/21 – Rownhams St John’s CE Primary	0.551
Developer contribution – Harwood Farm	0.018
Developer contribution – Cadnam Farm	0.030
Developer Contribution – Boorley Park	0.240
Deferral of resources – Norman Gate School	-0.030
The Vyne School – External funding	0.684
Total	92.734

5. Amendments to the 2018/19 Programme

The Hamble School

- 5.1 Reported elsewhere on this agenda is a recommendation about the procurement of the sports facilities at Hamble School. The report recommends that a contract is awarded by the County Council to a leisure operator to manage and operate the Hamble Leisure Complex. The complex has accrued a significant deficit and continues to make a loss. As part of the negotiation process with the leisure operator, a capital contribution is required to make improvements to the existing facilities. These works will help generate a higher income through increased membership and usage of the facilities.
- 5.2 Subject to the approval of the leisure contract, it is proposed that a capital contribution of up to £0.35m for the expansion of the gym area, creation of a studio room and other improvements be approved. The Council is working closely with Eastleigh Borough Council who fully support the retention and improvement of these facilities.
- 5.3 Therefore, it is recommended that resources of £0.35m (including fees) be approved from the 2018/19 capital programme.

Rownhams St John's CE Primary

- 5.4 The project to expand Rownhams St John's CE Primary to 1.5fe was approved by ELMCS on 15 January 2018. At that time, it was expected that the project would start in 2020/21. However, following an update of the forecast pupil numbers, it is proposed to bring the scheme forward to the current financial year.
- 5.5 Therefore, it is recommended that the project at Rownhams St John's CE Primary School is added to the 2018/19 capital programme at a sum of £0.551m (including fees).

Park View Primary, Basingstoke

- 5.6 A scheme to expand Park View Junior (now a primary school) by 2 classrooms was reported on 20 January 2016. However, the decision has been taken to defer the expansion project following a review of the forecast pupil numbers in the local area. Further work will take place over the summer to look in detail at the forecast numbers across the school place planning area.
- 5.7 To create a primary ethos for the primary school, internal alterations are to be undertaken to create internal access between the buildings and to create a single staff room. In addition there is a requirement for more car parking and improved pedestrian access through the site. The total cost of these works is expected to be £0.47m (including fees).

South Farnborough Infant, Farnborough

- 5.8 Following an increase in pupil numbers at the school, an expansion of the kitchen facilities is required to manage the increased demand.
- 5.9 Therefore it is recommended that the project at South Farnborough Infant be added to the capital programme at a cost of £0.35m (including fees).

Vyne Community School, Basingstoke

- 5.10 The Vyne Community School has recently been successful in securing external funding from the Football Foundation and Basingstoke & Deane Borough Council to provide a new 3G artificial grass pitch for the school and the local community.
- 5.11 Therefore, it is recommended that funding of £0.684m (including fees) be added to the 2018/19 capital programme. The project is due to complete in the autumn term.

Boorley Park Primary School, Fair Oak

- 5.12 The scheme to build the Boorley Park Primary School was approved on 15 January 2018 at a total cost of £6.47m which is to be funded by ESFA grant. Following ground investigations and detailed design issues, additional funding will now be required to complete the project.
- 5.13 Therefore, it is recommended that additional funding of £0.24m (including fees) be added to the programme.

Kings Furlong Infant and Nursery School and Kings Furlong Junior School

- 5.14 A scheme to expand Kings Furlong Infant and Nursery School and Kings Furlong Junior School by 1fe was reported on 20 January 2016. However, the decision has been taken to cancel the expansion project following a review of the forecast numbers in the local area. This will also require a revocation of the Public Notice. The position has been shared with the headteachers and governing bodies who understand the situation.
- 5.15 However, there remains an intention to invest in a new nursery building for the infant school that will allow for the school to manage the bulge in pupil numbers. The revised scheme will provide for a nursery building to accommodate 42 pre-school children together with improvements made to the outside teaching and play areas at an estimated cost of up to £1.25m.

6. Action taken by the Director of Children's Services

- 6.1 Under delegated powers, and following consultation with the Executive Member for Children's Services, the actions set out in Appendix 3 have been taken and it is recommended that these approvals are noted.
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CORPORATE OR LEGAL INFORMATION:**Links to the Strategic Plan**

Hampshire maintains strong and sustainable economic growth and prosperity:	yes
People in Hampshire live safe, healthy and independent lives:	yes
People in Hampshire enjoy a rich and diverse environment:	yes
People in Hampshire enjoy being part of strong, inclusive communities:	yes

Other Significant Links

Links to previous Member decisions:		
<u>Title</u>	<u>Reference</u>	<u>Date</u>
Children's Services Capital Programme 2017/18 to 2019/20	7917	18 January 2017
Children's Services Capital Programme update	n/a	19 June 2017
Children's Services capital programme update	n/a	20 September 2017
Direct links to specific legislation or Government Directives		
<u>Title</u>		<u>Date</u>

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

DocumentLocation

None

IMPACT ASSESSMENTS:

1. Equality Duty

1.1 The County Council has a duty under Section 149 of the Equality Act 2010 ('the Act') to have due regard in the exercise of its functions to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act;
- Advance equality of opportunity between persons who share a relevant protected characteristic (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, gender and sexual orientation) and those who do not share it;
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

Due regard in this context involves having due regard in particular to:

1. The need to remove or minimise disadvantages suffered by persons sharing a relevant characteristic connected to that characteristic;
2. Take steps to meet the needs of persons sharing a relevant protected characteristic different from the needs of persons who do not share it;
3. Encourage persons sharing a relevant protected characteristic to participate in public life or in any other activity which participation by such persons is disproportionately low.

2. Equalities Impact Assessment:

Equality and diversity objectives are not considered to be adversely affected by the proposals of this report.

3. Impact on Crime and Disorder:

Crime and disorder objectives are not considered to be adversely affected by the proposals of this report.

4. Climate Change:

How does what is being proposed impact on our carbon footprint / energy consumption?

When the Children's Services Capital Programme invests in new build, replacement or refurbishment works, Property Services colleagues include an assessment of reductions in energy consumption (carbon use) in the design. In all new buildings and in the majority of refurbishment type investments, the latest technologies and materials are specified in order to maximise the impact on reducing carbon consumption. Many projects are also able to employ passive design approaches including natural ventilation and improved insulation to actively reduce consumption in summer and winter conditions.

How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts?

The proposals seek to provide compact and energy-efficient building envelopes. Any new build or extensions will meet current building regulations standards for thermal performance. Where possible appropriate sustainable materials will be employed to reduce the environmental impact of the proposals.