
Meeting: Children's Services Overview and Scrutiny Committee
Date: 6 September July 2011
Subject: Capital Budget Management Report Quarter ended 30 June 2011
Report of: Cllr Mark A G Versallion, Executive Member for Children Services
Summary: The report sets out the projected full year forecast as at 30 June 2011 for Children's Services Capital

Contact Officer: Edwina Grant, Deputy Chief Executive / Director of Children Services
Public/Exempt: Public
Wards Affected: All
Function of: Council

CORPORATE IMPLICATIONS

Council Priorities:

Sound financial management contributes to the Council's value for money and enables the Council to successfully deliver its priorities. The recommendations will contribute indirectly to all 5 Council priorities

Financial:

The financial implications are set out in the report.

Legal:

None

Risk Management:

None

Staffing (including Trades Unions):

Any staffing reductions as a result of compensatory efficiencies or grant reductions are being carried out in accordance with the Council's Managing Change Policy and in consultation with the Trade Unions.

Equalities/Human Rights:

Equality Impact Assessments were undertaken prior to the allocation of the 2010/2011 budgets and each Directorate was advised of significant equality implications relating to their budget proposals. Many of the pressures outlined in this report are in relation to those needs led services which support the most vulnerable children in our communities.

Community Safety:

Any savings of efficiency proposals and reduction in grant that remove or change the level of service provided may have an impact on the community safety priorities and potentially result in an increase in crime, anti social behaviour, fear of crime and public confidence.

Sustainability:

None

RECOMMENDATION(S):

That the Children's Services Overview and Scrutiny Committee:

- (a) Note the current projected full year outturn position to be on budget.**
- (b) Note the management actions, where exceptions reported to relevant schemes, within paragraph 5.**

Purpose of Report

1. The report sets out the projected financial position to the end of March 2012 based on the information available as at the end of June 2011, being the first quarter of the year.

Introduction and Key Highlights (Appendices A1)

2. Children's Services annual capital expenditure budget is £28.04M and income budget is £26.13M which leaves a net expenditure capital budget of £1.91M.
3. The full year projected outturn position for 2011/12 is currently on budget.
4. The major capital budgets have been profiled. The budget to date is £0.6M compared to actual spend to date of £1.14M, above budget by £0.54M. The spend to date variance is mainly due to NDS Modernisation (schools capital maintenance), a standards fund project that slipped from 2010/11. Slippage from 2010/11 is not being approved until the July Executive, however ongoing spend continues.
5. There are no new major projects for 2011/12 or uncontrolled key risks to highlight. It is anticipated that a number of projects will slip into 2012/13.
6. The Roecroft School project continues and is now part funded by £2M of the Basic Need grant releasing the Council contribution to the scheme.

Summary Table: Directorate Overall Position (Appendices A1)

Approved net Budget	Net Spend to Date	Variance to date (-under)/overspend	Net Full Year Forecast Variance (-under)/overspend
£000	£000	£000	£000
1,909	1,144	542	0

Capital Position – exception reporting

7. (a) Etonbury Middle School

This project is mostly funded by Section 106 funding and the forecast budget for 11/12 of £696K are works that are likely to slip into 2012/13.

(b) Tithe Farm Lower

The project has made a series of improvements to the school's accommodation and site and will be handed over in July shortly before a second project concentrating on several condition elements is planned to commence at the start of the school summer holiday. The original OBC approval for the project was to use £1774k PCP funds between 2009/10 and 2012/13 (but principally in 2010/11 and 2011/12) with £624K of that being expended from April 2011. However with PCP funds ceasing from 2011/12 onwards, the project has been re-cast with the improvement half contained within the £1,150K PCP funds actually provided, and the 'Condition' half now being funded from CBC's Strategic Maintenance Programme with a commissioned budget of £438K including fees (tenders returned 4 July 2011).

(c) Schools Access Initiative

The programme enables the Council to meet its statutory obligations to enable pupils with disabilities to attend local schools. There have been delays in some of these projects, and therefore slippage from 2010/11 to the current year.

(d) Arnold Middle School

The project is now underway but budget has slipped from 2010/11 to 11/12 due to late contract commitments. However the project is due to be handed over on 22 August 2011 providing it recovers as expected from being 1 week behind programme. Financially the project is well within budget.

(e) Schools Capital Maintenance (formerly New Deal for Schools)

The 11/12 strategic maintenance programme is now in place and is expected to be fully spent by the end of the financial year.

(f) Basic Need

This grant funding is to enable management of pressures related to population growth and capacity within our schools and has in part funded Roecroft Lower School by £2M. The balance of £7.79M may slip into 2012/13 whilst feasibility studies are carried out. A further report on this will be prepared for early autumn. There is no expenditure deadline on this grant.

(g) Roecroft Lower School

Due to delays caused by last winter's severe weather, the school is content that its relocation will now be completed at the October half term. Financially the project remains within its programme provision.

(h) Temporary Accommodation

This funding covers planning renewal fees for existing temp units and provides funding for additional school accommodation. Last year's budget was reduced to £100K, and there is a slippage amount of £52,491 to carry into 2011/12. However this year there is more demand for funding and the total budget has already been allocated to various lower schools.

(i) All Saints Academy

The commencement of this project was delayed from 2010/11 due to the review by the Department for Education on Academy and BSF capital schemes. The project is now on site but the Academy has now requested approval to retain a part of the former school building, to achieve its proposal to extend its age range. The proposal is being evaluated and CSMT will receive a report in due course.

(j) Teaching / Learning Practical Food Skills at KS3 at Gilbert Inglefield & Parkfields Middle Schools.

The Gilbert Inglefield Food Block was handed over on 16 March 2011 and is already proving to be a very popular and successful facility with pupils and staff. The Parkfields Food Block has also included HAST funded 'special education' provision and will be handed over on 7 July 2011 having also been caught at a vulnerable stage by the early severe winter. Financially both projects were largely completed before 2011/12 and have kept approximately to budget.

(k) Asbestos / Health & Safety

A series of asbestos surveys is underway, building on the work undertaken in 10/11 and prioritised on the basis of risk. Remedial work is being programmed across our school estate.

(l) School Devolved Formula Capital

The allocation to Schools of £938K is for use on capital condition / improvement works on their buildings in line with the priorities in their School Improvement Plan and in context with the Schools Asset Management Plan.

The schools have three years to spend the funds and are deemed spent for this purpose of reporting.

(m) Children Centres

Following grant reduction in summer 2010 the programme was scaled back and spent accordingly.

(n) Short Breaks (AHDC)

£90K under spend on the 2009/11 allocation to be clawed back by the DfE following unavoidable delays and despite contractual commitment on the East Beds Family project which is now in construction. The project is sponsored by the Lawns Early Excellence Centre, Ivel Valley School and Children with Disabilities Service. The clawback, mid project, leaves a shortfall of funding for the remainder of the construction contract of £182K.

However approval has been obtained from PfS for the original grant of £183K that was allocated for the co-location of the Council's Youth Support Services with front line delivery services from the third sector in Dunstable and Houghton Regis to be reallocated to complete the existing AHDC East Beds Family project.

A new AHDC capital allocation for 2011/12 has been announced in the past week of £167K which will need to be spent in year. A new business case is being developed and will be presented to CSMT in July.

(o) Standards Fund for Extended Schools

Following grant reduction in July 2010 the programme was reviewed and spent all except for £15K allocated to St Leonards Preschool, which was instead paid from Sure Start grant to ensure that funding was not lost. This balance to be reallocated.

(p) Holmemead School ASD Provision

This project is now practically complete.

(q) Youth Capital Fund - Non School

This was funded by area based grant that is no longer available.

(r) Various Children's ICT Projects – unfunded by the 'Your Space' programme.

(s) Youth Services

The original proposal to create a collocation facility at Vernon Place, Dunstable for a range of Children's Services and voluntary sector partners is unfortunately undeliverable as a result of the reduction in services over the past year and the move to locate remaining Children's Services in Watling House.

However approval has been obtained from PfS for the original grant of £183K to be reallocated to complete the existing AHDC East Beds Family project – see (n) above.

(t) NDS Modernisation

Approximately £1.6M was planned to be spent between April 2011 and August 2012, due to issues on projects primarily in the Dunstable and Houghton Regis Area there has been some delay and there is likely to be slippage in the region of £200K.

(u) Improvements to School Kitchens

DfE grant funding of £622,006 was awarded to CBC to support 22 projects to improve school dining and/or kitchen areas at a total estimated cost of £1.49M with each of the schools funding the (59%) balance of the costs. 21 of these projects will be complete by the expenditure deadline of 31 August 2011 benefitting over 10,000 pupils. However, one project with a grant award of £18,792 has been unable to proceed. It is proposed that this sum be allocated to support the Asbestos/Health and Safety budget which is also managing Asbestos/gas safety shut-off in school meals kitchens.

Appendices:

Appendix A – Central Bedfordshire Capital Programme 2011/2012