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**Meeting:** Schools Forum  
**Date:** 5 March 2012  
**Subject:** Capital allocations 2012/13  
**Report of:** Deputy Chief Executive and Director of Children's Services  
**Summary:** To advise the Forum of the total Department for Education capital allocations to schools and the Council for 2012/13 and to invite the Forum to comment on the proposed use of the Council level allocations

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Contact Officer: Rob Parsons

Public/Exempt: Public

Wards Affected: All

Function of: Council

Reason for urgency  
(if appropriate)

#### **RECOMMENDATIONS:**

**The Forum is invited to :**

- (i) note the overall Department for Education allocations for 2012/13 and to comment on the proposed use of the Council's allocations.**
- (ii) confirm that in future the minutes of the Schools Asset Management Sub-Group be referred to the Forum for information and comment.**

#### **Background**

1. On 13 December 2011, the Department for Education set out its capital allocations to schools and Local Authorities for the next financial year 2012/13. This is another 1 year allocation pending further consideration of the recommendations of the James Review which may then influence future allocations from 2013/14 onwards. Neither do the allocations include the additional £600m for Basic Need allocated to the Department in the autumn statement.
2. For Central Bedfordshire, the allocations amounted to a total of £10,677,624. A breakdown of the allocations including schools DFC is set out at **Appendix A**.
3. Of note is that this is a significant reduction on the 2011/12 allocation which stood at £17,934,872. However, the reduction in grant funding to the Council is a reflection of two significant changes to the DfE methodology for determining allocations.

4. In terms of the grant allocation for Strategic Capital Maintenance, this reflects a total reduction of 45% but has been adjusted for 2012/13 to reflect the anticipated numbers of pupils within the area who will, as at April 2012 be expected to be accommodated in Academies. The grant funding therefore relates only to LA maintained schools. Academies will have access to separate centrally held funding through the YPLA/EFA.
5. For 2012/13, based upon the highest priority maintenance needs of schools from previous and updated condition surveys, a draft Strategic Maintenance programme has been drawn up set against the category D1, D2, C1 and C2 works which can be afforded within the available £3,454,789 grant allocation with a focus on the external fabric of the buildings and on heating systems i.e. the need to keep the property watertight and warm. The latest draft 2012/13 programme is attached at **Appendix B** although this will still be subject to further accuracy checks prior to final commitment.
6. As a consequence of major changes in the DfE methodology for calculating Basic Need, this funding to meet the growth in pupil numbers across all schools has reduced by approximately 40%. We have raised concerns with DfE officials over this to understand how the 2012/13 figure has been calculated and are awaiting a full response. Clearly, and assuming this reduced level continues over the rest of the MTFP period, this will have a significant financial impact on the Council's obligation to meet the need for places in the future. A separate "school places" report has recently been presented to the Council's Children's Services Overview and Scrutiny Committee and will be considered at the Council's Executive meeting on 27 March 2012 which sets out the anticipated capital requirements over the next 5 years to meet the need for places.
7. However, the DfE have also retained a total of £44m nationally for Basic Need funding for additional places for 16-19 year olds in schools, Academies and sixth form colleges in areas which are subject to demographic growth. This funding will also support the provision of new places for students with learning difficulties and disabilities in mainstream settings, including colleges. More details on the conditions surrounding bids for this additional funding are being sought and we will work with Post 16 providers where applicable to seek extra capital to support this particular need.
8. As in 2011/12, there is the continuation of the shift away from support to individual schools to Authority level allocations resulting in a similar level of schools DFC in 2012/13 as in 2011/12. As with the Strategic Maintenance funding, this is for LA maintained schools only and Academies will receive their funding direct from the EFA.
9. Finally, there is a separate allocation of capital funding for the VA sector through the Locally Controlled VA programme (LCVAP) with a grant allocation of £665,480 (£739,442 at 100% levels). This represents a 10% reduction from 2011/12 which may represent the number of pupils in "modernised" schools, a factor which was not considered in the 2011/12 allocations. At a recent meeting with the respective Dioceses, the LCVAP for 2012/13 was provisionally agreed and this is attached at **Appendix C**.

## **DfE/Other Consultations which may have capital implications**

10. During 2011/12, there have been two major DfE consultation exercises which could have implications for the delivery and future use of capital allocations and projects. The mechanism used to formulate a response on behalf of the council to the consultations has been through referral and discussion with the Schools Asset Management sub-group which consists of a cross section of school Governors, Headteachers and Business Managers from CBCs Upper, Middle and lower schools and specialist CBC Officers.
11. In autumn 2012, a response was forwarded to the DfE with regard to the formal consultation on proposals in connection with the James review. More recently there has been consideration of the DfE consultation on proposals to make significant amendments the School Premises Regulations and associated guidance and Building Bulletins.
12. Over the coming months, the sub group will also be asked to consider issues arising from and the potential implications of the expected DECC consultation on Carbon Reduction Commitments and proposed penalties. This will link with the role of the sub-group in terms of its overseeing and monitoring the implementation of the schools carbon reduction action plan.
13. Given its key role in supporting and developing policy for the schools estate, the Forum is asked to consider whether it would wish in future to receive copies of the minutes of the Sub-group for its information and comment.

## **Recommendations**

The Forum is invited to:

- (i) note the overall Department for education allocations for 2012/13 and to comment on the proposed use of the Local Authority allocations.
- (iii) confirm that in future the minutes of the Schools Asset Management Sub- Group be referred to the Forum for information and comment.

## **Appendices:**

Appendix A – Schools Capital Allocations

Appendix B – Draft 2012/13 school Strategic Maintenance Programme

Appendix C – Draft LCVAP 2012/13