
Meeting: Children's Services Overview and Scrutiny Committee
Date: 13 December 2013
Subject: 2013/14 Capital Budget Monitoring
Report of: Cllr Mark AG Versallion, Executive Member for Children's Services
Summary: The report sets out the projected full year forecast as at 30th September 2013

Advising Officer: Edwina Grant, Deputy Chief Executive / Director of Children's Services
Contact Officer: Dawn Hill, Senior Finance Manager
Public/Exempt: Public
Wards Affected: All
Function of: Council

CORPORATE IMPLICATIONS

Council Priorities:

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| <p>1. Sound financial management contributes to the Council's value for money which enables the Council to successfully deliver its priorities. The recommendations will contribute indirectly to all 5 Council priorities.</p> |
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<p>Financial:</p>

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| <p>2. The financial implications are set out in the report.</p> |
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<p>Legal:</p>

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| <p>3. There are no direct legal implications arising from the report.</p> |
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<p>Risk Management:</p>

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| <p>4. Sound financial management and budget monitoring mitigates adverse financial risks.</p> |
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<p>Staffing (including Trades Unions):</p>

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| <p>5. Not applicable</p> |
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<p>Equalities/Human Rights:</p>
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| <p>6 Public Authorities must ensure that decisions are made in a way which minimised unfairness and without a disproportionately negative effect on people from different ethnic groups, disabled people, women and men. It is important that Councillors are aware of this duty before they take a decision.</p> |
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7. Equality Impact Assessments were undertaken prior to the allocation of the 2013/2014 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:

8. Not applicable.

Sustainability:

9. Not applicable.

Procurement:

10. Not applicable.

RECOMMENDATION:

The Committee is asked to:-

- **Note the current projected full year outturn position.**

Introduction and Key Highlights (Appendices A1)

11. Children's Services annual capital expenditure budget is £27.395M (including slippage from 2012/13). The income budget is £26.691M, a net expenditure capital budget of £704k.
12. The full year expenditure outturn position for 2013/14 is £3.438M below the original budget following the capital review process. There is no expenditure deadline to the spending of the grant receipts.
13. All but two projects, Schools Access and Temporary Accommodation, are funded wholly by grant receipts that have no expenditure deadline.
14. The actual to date gross expenditure is £2.365M below the profiled budget. This is mainly due to Schools Capital Maintenance (£1.072M) which has been programmed to be delivered within the financial year with a small number of projects moved into early 2014/15 as a result of reprioritisation of works, the Alternative Secondary Provision (Free School) £541k, which is progressing well on both of its sites and will achieve target completion timeframes but is following an amended payment schedule with the contractor. The remainder of the variance to date is due to the capital review

Summary Table: Directorate Overall position (Appendices A1)

	Gross Expenditure Budget	Profiled Gross Expenditure Budget YTD	Gross Spend to Date	Gross Expenditure Variance to date
	£000	£000	£000	£000
Children Services	27,195	10,157	7,792	2,365
Partnerships	200	55	55	0
Total	27,395	10,212	7,847	2,365

15. New School Places /Basic Need

This grant funding is to enable management of pressures related to population growth and capacity within our schools. The outline programme to commission new school places over the next five years will drive the expenditure of basic need grant and will also align S106 contributions that are being collected for major projects.

16. In March 2013 the DfE announced the Basic Need allocations for 13/14 and 14/15 which has allocated £18.281m over the two years. An update to the New School Places Programme was reported to Executive in March 2013

17. The budget for 2013/14 has therefore been reviewed to take account of the actual grant funding received for 2013/14, which was not known at the time the programme was originally approved by Executive. The forecast spend for 2013/14 is £13.256M with £16.953M planned expenditure in 2014/15.

18. The New School Places Programme has recently been refreshed and was reported to the Council's Executive in February and March 2013.

19. Schools Capital Maintenance

This rolling programme is externally funded by DfE grant but does require schools to contribute to the cost of works, as set out in a formula contained within the Scheme for Financing Schools. These contributions are invoiced once planned works are complete.

20. The 2013/14 programme is now being commissioned but with a much reduced DfE grant of £2.562M as a result of Academy capital held centrally by the EFA. Works have largely commenced on the programme, however the forecast expenditure has reduced to £3.9M in the main due to £0.5k of works being removed from the indicative programme following reassessment and other schemes being re-scoped following initial survey inspections. Actual expenditure is currently behind forecast in the main this is due to the timing of the works during the school summer break, we anticipate that this shortfall will shortly be made up as works are completed and invoices received and processed.

21. All Saints Academy, Dunstable

The Academy buildings were completed in September and were occupied at the commencement of the Autumn Term. The playing-field works that remained outstanding as a result of adverse weather conditions in the growing season have been completed during the summer holiday period, 2013 and should be playable in Summer 2014. An agreed community-use scheme is now in operation.

22. The client-side team continue to work with the school in monitoring outstanding issues and will administer the final deployment of the two 'retention payments' in September 2013 and at Easter 2014. A programme of scheduled review meetings is in place in relation to finalising the terms of the original building contract. These have recently been intensified as retentions on Phase 1 (the majority of the actual new building) are due imminently. The Academy took in its first intake of Year 7 students this Autumn and the new buildings are now almost running at designed planned capacity.

23. School Devolved Formula Capital

The allocation to Schools 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 grant.

24. Temporary Accommodation

Central Bedfordshire Council provides capital funding for schools requiring temporary units where pupil numbers exceed the maximum capacity of a school. A rolling budget is used to set a programme each year, based on forecasts from the School Organisation Plan 2012-2017.

25. From the £400k budget allocation for 2013/14, £209k has been allocated under the Programme to fund temporary provision required at Church End Lower School; the removal of a temporary unit at the former Roecroft Lower School site; removal of a unit at Parkfields Middle School; works to avoid the need for temporary accommodation at Fairfield Park Lower School; and retention planning renewal fees.

The potential underspend for 2013/14 amounts to £190k although the full budget allocation will be required in 2014/15.

26. Central Beds University Technical College, Houghton Regis

This scheme was added to the Capital Programme in March 2012 and involved converting existing premises at the Kingsland Campus, Houghton Regis, vacated by Central Bedfordshire College, together with the addition of a small new adjoining block. The project, which was undertaken in three phases, is now complete.

27. By agreement with the UTC governors the Council retained the new build block, which housed the PRU until the end of the Summer Term in order to free up the PRU accommodation for the scheme referred to at paragraph 34 (below) to be implemented for an opening September 2013. The PRU's use for students has concluded and arrangements are in hand to handover the Block to the UTC Trust in October in the condition it was originally completed in order to comply with the legal agreement between the Council and Trust. A series of adjustments to some of the original buildings, to provide a better relationship between the UTC's areas at Kingsland were completed, including a prestigious logistics teaching resource, and were handed over on 02 September, 2013.

28. The project was funded by external capital grant from the Education Funding Agency together with some £400k of 'section 106' funding for additional local secondary school provision. An element of this budget was centrally retained by the Council and was used to cover project support costs and the capital costs of relocating some existing users of the Kingsland Campus within the site.
29. The total spend for this project is £6.8M with £6.6M spent in 2012/13. The value and funding of this project was not known at the time the capital programme was originally approved by Executive. The project has been completed within budget and the remaining resources are for paying the contractual retentions relating to the 3 Phases of original works.
30. **School Access Initiative**
- Central Bedfordshire Council provides capital funding to improve access to mainstream schools for pupils with disabilities. All Central Bedfordshire Schools, with the exception of voluntary aided schools and academies, can apply for funding on a bid basis. A multi-agency Panel of officers from the SEN and Inclusion Service, the School Organisation, Admissions and Capital Planning Team and disability specialists from the Central Bedfordshire Special Schools consider bids in March and September and award funding on a priority basis, as identified in Central Bedfordshire Council's Accessibility Strategy.
31. The budget allocation for 2013/14 is £304k including slippage from 2012/13
32. The March Panel awarded funding for equipment (including hearing and sight aids) and access works projects. The Panel met again in September to consider the final bidding round and awarded further funding with some final costs to be confirmed.
- Due to low demand for funding this year a potential underspend of £189k has been identified and a reduced budget allocation for 2014/15 will only be necessary.
33. **Alternative Provision Free School (APFS) - the Academy of Central Bedfordshire (ACB)**
- This project is intended to provide remodelled provision and new build on each of the APFS's sites at the Kingsland Campus and the former Roecroft Lower In Stotfold.
34. Works to the Kingsland buildings, originally occupied by the Pupil Referral Unit (PRU) were originally funded from S106 contributions and direct revenue transfer from SEN budgets to address urgent health and safety issues, following disaggregation of the PRU from Bedford Borough Council and the more intensive use of the existing building.
35. The Kingsland buildings used by the PRU are now part of the Alternative Provision Free School which opened in September 2013, with a DE confirmed capital budget of £2.9M of capital grant which will come through the Council's capital programme. A business case setting out works required to deliver the Free School's curriculum, has been approved, by the Council's Executive, as has the two schemes' project management and procurement, which includes some works to partially relocate the adult learning service at Kingsland and to slightly change the area used by the UTC, primarily to ensure safeguarding arrangements for the various student/learner groups and other site users can be effectively maintained.

36. Since the last report the formal arrangements for opening the new ACB have been approved by the Department for Education and the Secretary of State has signed the Funding Agreement, which gives the new Academy legal status. Therefore the Council is no longer formally involved in the process to establish the Alternative Provision Free School (APFS) as its governing body is now in place.
37. At the Kingsland Campus the work achieved handover on 02 September 2013 and students were admitted in the following week. The adult education development has been handed-back to the service area and the UTC minor works referred to in the last paragraph were completed on 02 September, alongside the ACB project at Kingsland.
38. At the former Roecroft School site, Stotfold the project design has been completed and planning permission has been secured. The build-programme has been agreed and the contractors started on site on 29 July 2013 and are scheduled to complete in February 2014. At the date this report was compiled this project is running slightly ahead of programme.
39. **Short Breaks for disabled children – Development of the South Hub, Dunstable.**

Executive agreed on 10 January 2012 that services for disabled children, young people and their families should be delivered through a 'hub & spoke' model of service delivery. Executive agreed there should be 2 hubs, one in the north, Biggleswade and one in the south, Dunstable.

40. A hub and associated services is being delivered in the north of authority from the Ivel Valley Primary School site in Biggleswade, which become fully operational in January 2013
41. The existing residential properties at 39 Oakwood Avenue and the vacant section of Downside Neighbourhood Centre are being refurbished to provide local services in the south to disabled children and their families. This will enable the delivery of targeted services to disabled children and their families who are some of our most vulnerable and most at need.
42. The location of the property on Oakwood Avenue has the added advantage of its proximity to the Downside Children's Centre. It is also in close proximity of the Area Special School whose pupils will be utilising the facility. The space at the site provides the added benefit in that it will allow GP's and other clinicians to attend and utilise the facilities to support the special needs and care of the child and their family.

43. In all securing Oakwood Avenue for use by Children's services will:
- Enable Central Bedfordshire Council (CBC) to deliver the core 'hub' and associated services to disabled children, young people and their families living in south of the authority.
 - Transform and improve services to some of the most disadvantaged and marginalised young people and their families in society.
 - Provide services where there is the most need
 - Surrender the lease of 'Poppies' in Aspley Guise currently rented from Aragon Housing (3 months notice is required).
 - Relocation of services currently provided at 'Poppies' will ensure an increased efficiency of service delivery.
 - Develop integrated working and practice and prepare for the Government's 'personalisation' agenda.
 - Link and contribute to the requirements of the forthcoming Children and Families Bill and Achievement for All agendas.
 - Retain and improve a CBC asset.
 - Achieve milestones agreed by Executive January 2012.

The project handover date was delayed due to the gas utility provider having to remove supply pipework and took place on 27 September 2013.

44. This funding allocation of £550k was committed as planned by August 2013.
45. **Local Public Service Agreement (LPSA) & Local Area Agreement (LAA)**
This funding belongs to the Central Bedfordshire Together partnership (CBT) and the Council holds this for administrative purposes. How it is spent rests with the CBT.
46. A proposal was approved by the Board of CBT on 27 June for £55k to be allocated for the purchase of Automatic Number Plate Recognition (ANPR) cameras. This will be match funded by Bedfordshire Police to install 11 ANPR cameras in the Biggleswade area.
47. The Board had previously allocated £200k to contribute towards the roll out of superfast broadband across Central Bedfordshire. It is anticipated that this funding will be drawn down by the project during 2013/14.
48. Early Years places for 2 year olds from lower income households
On 27 November 2012, the Department for Education announced revenue and capital funding allocations to local authorities to secure early education places for two-year-olds from lower income households. Central Bedfordshire is to receive a capital allocation of £349k to support implementation of early education for two year olds by increasing capacity where these new places are required.
49. Central Bedfordshire also received £506k transitional funding which School Forum has approved for additional capital allocation so the working budget for the programme is potentially £854k.

50. The Childcare Development Team are working to identify areas where additional places are required and work with new and existing providers to develop capacity. Funding allocations will be approved through the Childcare Panel which will meet in November and again in February to consider applications for funding and to ensure these new places are available from September 2014. The expected spend for 2013/14 is £150k with the balance slipping into 14/15 for spend during the early part of the year.

Appendices: Appendix A1 Directorate Overall position