

**REPORT FOR: EDUCATION
CONSULTATIVE FORUM**

Date of Meeting: 27 June 2011

Subject: INFORMATION REPORT - Capital Update

Responsible Officer: Amanda Henton, Interim School Capital Programme Team Manager

Exempt: No

Enclosures: None

Section 1 – Summary

This report sets out the latest position on schools capital, outlining progress and developments in the 2011/12 Capital Programme for schools.

FOR INFORMATION

Section 2 – Report

Introduction:

1. At the previous Education Consultative Forum (EdCF) meeting of 6th April 2011, the Forum took note of the intended Capital Programme for the Department for Education (DfE) funding for the Financial Year 2011/12. The Forum agreed that the projects were in line with expectations of how the funds would be allocated, and agreed that the proposed projects may proceed to the council's approval process for projects.
2. This report provides an update on the how the projects have developed through this process and gives a brief outline of how they are developing through the construction stages.
3. The report also provides a brief update to EdCF on the changes to Capital Strategy currently taking place for future projects.

Project Development:

4. Several Business Cases were presented at Capital Forum on 27th April 2011. These included three school amalgamation projects (Grange, Elmgrove and Longfield schools), the first phase of a proposed school rebuild (Marlborough), and a number of Catering projects which are to be completed using budgets carried forward from the previous year (9 satellite kitchens for primary schools and dining facilities at Salvatorian College).
5. These business cases were all approved, and signed off by all relevant parties (including the Corporate Director, Portfolio Holder, Head of Finance, and where relevant the Leader).
6. Further Business cases for Weald schools and small scheme/feasibility study works will be submitted over the next two capital forums.
7. The completion of feasibility works, production of outline design, and in some cases development of detail design and production of agreed prices with our Partner Contractor are well underway, and we aim to have two of the three amalgamation works complete by the new school term in September 2011. Elmgrove schools amalgamation works include a new build entrance which will not be complete until next year, however, necessary amalgamation works are being progressed such that the school is ready to operate as one school by September 2011. The satellite kitchen work is also all due to be ready for the start of the 2011 school year, although schools may opt to start using the facilities a little later than this due to practical issues of commencing the new arrangements at the beginning of term.

8. We are underway with the Marlborough Primary School design where many surveys have already taken place as well as outline discussion with the Planning Department regarding the feasibility of eventually increasing to three forms of entry school at this popular location and outstanding school.

Section 3 – Further Information

9. The Capital Strategy for Harrow is currently under review. It is likely that changes to allocation of Schools Capital funded by DfE will be relatively unaffected, except that project selection and approval will need to comply with more rigorous approvals processes now being established at Capital Forum, and an improved monitoring regime.
10. However, for the Council Capital, a new regime will be established which will shift the focus of allocation of funding to a project based system. Each directorate will place bids for council capital, and their bids will be assessed against a set criteria based on the Capital Strategy objectives. This means that it is therefore feasible that schools projects may be selected as part of that funding, although there are many requirements from areas where there is no other funding source available which may take precedence over the remaining schools projects once the DfE funding is spent.
11. In terms of development of a comprehensive assessment of school needs and resulting prioritised projects lists, this work is underway and will continue until complete. It is anticipated that this may take some time, but the aim will be to have a more informed view in time for allocation of Capital funds for Financial Year 2012/13.

Section 4 – Financial Implications

12. The approved Children's Services capital budget for 2011/12 totals £8.05m, of which £6.7m is financed by DfE capital grants. To date business cases' totalling £5.6m have been approved. The current position is that the budgets set out for the projects are adequate and there are no forecast budget variances. As detailed above the remaining business cases are being developed and will be submitted over the next two capital forums for approval.

Section 5 – Corporate Priorities

13. These considerations will support the Council's Corporate Priorities for 2011-2012.
 - United and involved communities: a Council that listens and leads
 - Supporting and protecting people who are most in need

Name: Emma Stabler



on behalf of the
Chief Financial Officer

Date: 15 June 2011

Section 6 - Contact Details and Background Papers

Contact:

For any further information on the progress of the Capital Programme, please contact Amanda Henton on 0208 4241520.

Background Papers:

Previous EdCF report '2011/12 Schools' Capital Programme' dated 6th April 2011.