

NORTH LINCOLNSHIRE COUNCIL

PEOPLE
CABINET MEMBER

EDUCATION FUNDING AGENCY PRIORITY SCHOOL BUILDING PROGRAMME 2 (PSBP2)

1. OBJECT AND KEY POINTS IN THIS REPORT

- 1.1 To seek approval to submit expressions of interests to the Education Funding Agency (EFA) requesting that five schools be rebuilt as part of the government's Priority School Building Programme 2 (PSBP2).
- 1.2 To outline the key features of PSBP2 and identify local authority (LA) schools which may meet PSBP2 eligibility criteria.
- 1.3 The decision is urgent in order to meet the closing date for applications which is 21 July 2014.

2 BACKGROUND INFORMATION

- 2.1 On 1 May 2014, the Minister of State for Schools announced that the Government would fund a further phase of the Priority School Building Programme (PSBP), with a value of around £2 billion. The new PSBP2 phase will be a five year programme operating between 2015 to 2021. The EFA published guidance for potential applicants on 19th June 2014.
- 2.2 PSBP2 supersedes the initial PSBP1 which was announced in July 2011. Seven successful applications were awarded as part of PSBP1 from schools and academies within North Lincolnshire (see appendix 1).
- 2.3 Under PSBP2, schools may qualify for whole school rebuilds or major refurbishment projects where they have significant condition needs across all buildings on the school site. This is likely to include a need to replace existing roofs, structural issues (such as cracks and defects in load bearing walls), large-scale replacement of windows and doors and mechanical and electrical services

replacement. PSBP2 will not use private finance and will be entirely capital-based.

- 2.4 Schools may also be selected where significant condition need is isolated to specific buildings rather than the entire school site. Under these circumstances, it may make economic sense to rebuild or refurbish specific buildings and not the entire school.
- 2.5 The EFA have confirmed that expressions of interest are more likely to be successful where:
 - The cost of addressing the need would be hardest for responsible bodies to fund locally through their regular maintenance allocations – in other words, those where the cost of meeting the need is very significant and would necessitate a complete rebuild or major refurbishment of a school building.
 - The costs of continuing to maintain the site or the building are so high that it clearly makes better economic sense to address the need wholesale – either by rebuilding or completely refurbishing it.
 - The EFA would not be expected to prioritise buildings which have recently benefited from significant capital investment. Where an individual building has had cumulative capital investment in excess of £500k which has improved its condition need since 2011.
- 2.6 Based on the current condition of LA maintained schools in North Lincolnshire, the following establishments have been identified as possibly meeting the PSBP2 eligibility criteria:
 - Sir John Nelthorpe School
 - Enderby Road Infant School
 - Frodingham Infant School
 - Winterton Junior School
 - Killingholme Primary School
- 2.7 The EFA advise that the success criteria will be exacting. Therefore, only a relatively small number of projects, where it can be demonstrated that schools require a complete rebuild or major refurbishment, will be considered. Given the limited nature of the programme, the EFA advise that this should be taken into account when considering whether to apply.
- 2.8 The local authority has prepared expressions of interest for maintained schools. The EFA will use their Property Data Survey (PDS) to assess the scale and severity of condition need. This is supplemented with the LA's condition survey data and professional opinion. In addition, expressions of interest will be tested against the Department's knowledge of long-term pupil demand from the school capacity data collection (SCAP). The

EFA would not expect to prioritise projects where there is little evidence of sustained demand for places. If appropriate, academies will apply directly to the EFA.

- 2.9 The EFA's target date for informing successful applicants is December 2014

3. OPTIONS FOR CONSIDERATION

There are two options for consideration:

Option 1: To submit expression of interest to the EFA for the five schools identified in paragraph 2.6.

Option 2: Not to submit the expressions of interest to the EFA.

4. ANALYSIS OF OPTIONS

4.1 Option 1

- 4.1.1 The schools identified are in need of significant capital investment in order to improve the quality of the establishments. A number of the schools are in the current capital maintenance programme. If the expressions of interest are successful, this will release funding which has been identified for maintenance on a selected number of schools listed in paragraph 2.6.
- 4.1.2 New school facilities will support the ambitions of the Children and Young People's Plan (2013 -16), by increasing the number of good quality schools which children are able access.
- 4.1.3 New build schools will require low levels of maintenance and will allow grant funding to be used on other priorities. The prospect of new build schools will enhance the school estate and provide a better and more modern learning environment for our children and young people.
- 4.1.4 The EFA advise that the success criteria will be exacting and only a relatively small number of projects will be approved. Therefore, it is important to manage expectations.
- 4.1.5 At this stage in the process, the LA is only submitting an 'expression of interest'. This does not contractually commit the LA into an agreement with the EFA. Relevant School leaders have welcomed the possibility of being part of PSBP2.

4.2 Option 2

- 4.2.1 Based on estimated future capital grant settlements, it is extremely unlikely that the LA would be able to fund major capital projects for five schools, within a relatively short period of time.
- 4.2.2 Relevant school leaders have supported the opportunity to be included in PSBP2. If the expressions of interest are not submitted, school leaders may be disappointed.

5. RESOURCE IMPLICATIONS (FINANCIAL, STAFFING, PROPERTY, IT)

5.1 Finance:

- PSBP2 will not use private finance and will be entirely capital-based.
- If the PSBP2 projects are approved, this will allow maintenance grant to be used on other school estate priorities.

5.2 Property:

- Unlike the previous PSBP1 application criteria, PSBP2 allows expression of interest to be submitted where school buildings are *listed*.
- New-build establishments will be more economical to run and maintain.
- All schools proposed for rebuilding under the programme will be Disability Discrimination Act (DDA) compliant.

5.3 Environment:

- PSBP would support the reduction of the carbon footprint through replacing old school buildings with modern, energy efficient facilities.

6. OUTCOMES OF INTEGRATED IMPACT ASSESSMENT (IF APPLICABLE)

- 6.1 An integrated impact assessment has not been completed at this stage. If the expressions of interests are accepted, appropriate integrated impact assessments will be completed accordingly.

7. OUTCOMES OF CONSULTATION AND CONFLICTS OF INTERESTS DECLARED

- 7.1 School leaders of relevant establishments (para 2.6) have been consulted and support the proposal to submit expressions of interest to the EFA.
- 7.2 Further consultation will take place, if the expressions of interest are accepted by the EFA.

8. RECOMMENDATIONS

- 8.1 To approve the submission of applications to the PSBP2 on the basis of the key condition survey data and professional opinion.
- 8.2 To agree to receive a further report on the outcome of the application process in January 2015 or earlier if further information becomes available.

DIRECTOR OF PEOPLE

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Background Papers used in the preparation of this report:

- 1) People Cabinet Member Paper: Educational Capital Priority Schools Building Programme: 13 November 2011
- 2) Priority School Building Programme 2: Expression of Interest Information for applicants. June 2014.
- 3) Children and Young People's Plan (2013 -16).

Appendix 1

Application that were successful in North Lincolnshire from the first PSBP initiative.

School	Estimated Start on Site	Estimated Completion
Brumby Junior	24.02.15	19.02.16
Burton Upon Stather Primary School	24.02.15	19.02.16
Crosby Primary School	24.02.15	19.02.16
Grange Lane Infant / Junior (Primary)	24.02.15	19.02.16
Henderson Avenue Oasis Academy	05.01.15	04.01.16
Baysgarth School	24.02.15	18.10.16
The Vale Academy	24.02.15	18.10.16