

Appendix 1:

School Condition Programme –School Condition and Basic Need Allocation - 2021 -22+ FUTURE YEARS

Requirements and Financial Model.

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1. Financial Modelling Approach

In order to deliver the Schools Capital Programme within available resource the following approach is taken:

Step 1: Requirements

Define future requirements for the schools' capital programme:

- i) priority maintenance requirements to prevent school closure for 2021– 22 +
- ii) additional places required in special and mainstream schools for 2021 – 22 +

Step 2: Resources available

Set out the confirmed funding for the delivery of the capital programme and identify how many of the requirements can be met from the available capital funding

Step 3: Affordability measures

Quantify the requirements that must be found either through:

- i) maximising use of existing space
- ii) identifying alternative funding sources (Section 106, school contributions, bidding opportunities, LCVAP, Community Infrastructure Levy, future Basic Need / School Condition Allocations, Capital Receipts, Free School Applications, Corporate Resources etc.)

The number of school places required may change during the development of options for the School Basic Need Capital programme as a result of Free Schools and Academy expansions and as a result of changes to net migration.

2. School Condition Funding Allocations

The School Condition funding allocations announced to date are:

	Assumed School condition Allocations			
2020/21 £m	2021/ 22 £m	2022 / 23 £m	2023 / 24 £m	Total £m
4.000*	9.000**	8.800**	8.600**	30.400**

* Balance from 20/21 allocation

** Assumed based upon previous 3 years' allocations of £10.160m, £10.070m and £9.505m adjusted for academy conversions up to April 20.

In addition to the EFA funding, the Service has been allocated Corporate Resources towards the Schools Capital Maintenance Programme for Academy Conversions.

Corporate Resources		
2020/ 21 £,000	2021 / 22 £,000	Total £,000
3.750	0	3.750

The sections below set out how we intend to deliver the requirements of each stage within the resource available. A degree of re-profiling of the funding available will need to be carried out as the development of preferred options clarifies the cost of each individual solution.

This is part of the annual update to Cabinet and covers: -

- i) Changes to requirements based on demographic analysis and updates regarding Academy and Free School expansions
- ii) Update on funding including any new funding streams or capital allocations
- iii) Modelling of requirements for the current and next stages of the capital programme
- iv) Update on solutions developed and any re-profiling of capital requirements within resources available
- v) Update on delivery against capital programme output

Basic Need Funding Allocation

The Basic Need funding allocations announced to date are:

Confirmed Basic Need Allocations			
2020/21 £m	2021/22 £m	2022/23 £m	TOTAL £m
9.609*	0.00	23.208**	32.817

*Estimated balance of Basic Need allocation carried forward.

**Confirmed Allocation.

The Annual SCAP return for 2019 resulted in a 'Nil' allocation for the year 2021/22. This was due to a change in the application of abatement. In previous years, primary requirements were abated against primary places funded but not provided, and secondary requirements against secondary places. For 2020, the DfE changed its methodology and set off Secondary requirements against Primary places funded. However, the data used by the DfE did not take into consideration the permanent primary expansions that were still in delivery and we are in the process of providing. We have submitted additional data to the DfE to demonstrate our case and that the funding provided for Primary places has been fully utilised, however they have confirmed that they will not be providing additional funding and this will be assessed in future allocations. This decision by the DfE meant that we could not meet the demand for 7 FE's for the year 2021/22 which equates to 1050 places. In order to meet this demand fully, a successful capital bid of £19.656m for Corporate Resources has replaced the funding not allocated by the DfE.

Corporate Resources			
2021/22 £m	2022/23 £m	2023/24 £m	TOTAL £m
10.174	9.482	0	19.656

Special Provision Fund Allocations

The Special Provision funding allocations announced by DfE in March 2017 are:

Confirmed Special Provision Fund Allocations			
2019/20 £m	2020/21 £m	2021/22 £m	TOTAL £m
1.122*	0.920	0.000	2.042

The Special Provision Fund allocations are to support local authorities to make capital investments in provision for pupils with special educational needs and disabilities. This will be for investment in new places and improvements to facilities for pupils with education, health and care (EHC) plans in mainstream and special schools, nurseries, colleges and other provision.

Schools Condition Allocation

As part of the Skilts New Build project, we have a contribution of £340k of SCA funding transferred to Basic Need in 20/21 which will be utilised in 21/22.

Skilts balance of SCA funding			
2021/22 £m	2022/23 £m	2023/24 £m	TOTAL £m
0.340	0.000	0.000	0.340

3. Section 106 Funding

The service currently holds a balance of £3.162m of Section 106 income which can be used for Capital works in accordance with the conditions attached. Where appropriate, we will require a deed of variation to fully utilise the funding.

4. School Condition Programme Future Requirements

School Condition Resources	Allocation announced to date £m	Projected Profile Spend		
		2021/22 £m	2022/23 £m	2023/24 £m
School Condition	30.400	13.000	8.800	8.600
Corporate Resources Prudential Borrowing	3.750	3.750		
Totals	34.150	16.750	8.800	8.600

5. Basic Need Programme Future Requirements

Additional Places Resources	Allocation announced to date £m	Projected Profile Spend		
		2021/22 £m	2022/23 £m	2023/24 £m
Basic Need	32.817	9.609	11.000	12.208
Corporate Resources	19.656	10.174	9.482	0
SCA (for Skilts)	0.340	0.340	0	0
Special Provision Fund	2.042	2.042	0	0
S106 Funding	3.162	1.915	1.247	0
Totals	58.017	24.080	21.729	12.208