



**FOR PUBLICATION**

**DERBYSHIRE COUNTY COUNCIL**

**CABINET**

**Thursday, 8 December 2022**

**Report of the Executive Director - Children's Services**

**Children's Services Capital Budget - Further Allocations**

**1. Divisions Affected**

1.1 County wide

**2. Key Decision**

2.1 This is key decision because it will result in the Council incurring expenditure totalling £6,799,966 and affects communities living or working in an area comprising two or more divisions/county electoral areas.

**3. Purpose**

3.1 To approve further allocations from the Children's Services Capital Budget and from temporary borrowings to individual projects.

**4. Information and Analysis**

4.1 As reported to Cabinet on 28 July 2022 there is an unallocated balance of **£27,999,358** in the Children's Services Capital budget made up of Basic Need and School Condition Allocations.

The report informed Cabinet of the DfE Basic Need allocations for the Authority for 2023-24 (school places needed by September 2024) and 2024-25 (school places needed by September 2025) for new school

places in Derbyshire totaling £21,204,935. Cabinet approved allocations totaling £2,384,262 for projects at five schools from the 2023-24 Basic Need allocation. However, following the approval of the report it was found that DfE no longer paid Basic Need funding in advance, as was previous practice, and as a result the allocations could not be actioned.

- 4.2 In a further report on 23 August 2022 the Executive Director for Children's Services approved the amendment of the allocations for four of the projects from Basic Need to the Children's Services Capital budget 2020-21 School Condition Allocation. These allocations and other allocations approved under delegated powers by the Children's Services Head of Development and the Executive Director for Children's Services are detailed in Appendix 2. The allocations total £2,020,851.
- 4.3 To progress the fifth project at Harpur Hill Primary School and other Basic Need projects approval of £5,908,536 from previous years balances is requested in advance of the receipt of the 2023-24 Basic Need allocation. The funds to be returned to the appropriate years upon receipt the 2023-24 Basic Need allocation. Details of the scheme are included in Appendix 3.
- 4.4 The report of 23 August 2022 also detailed funds returned to the Children's Services Capital Budget as set out in Appendix 4.
- 4.5 The report to Cabinet on 28 July 2022 included £442,530 School Condition funding previously approved for David Nieper Academy being returned to the 2022-23 working budget. There was an error in the reporting of the amount, which should have been £422,530. An adjustment of £20,000 has been made to the balance of the School Condition Allocation 2022-23 budget as detailed in Appendix 1 – Financial Implications to correct the error.
- 4.6 Further allocations for consideration are set out in Appendix 3. If the allocations set out in Appendix 3 are approved, and the returned funds as set out in Appendix 4, the unallocated balance of the Children's Services Capital budget will be as detailed in the Appendix 1 – Financial Implications.

## **5. Consultation**

- 5.1 Not applicable

## **6. Alternative Options Considered**

The School Condition is an annual allocation of school condition capital from the DfE. This capital grant is to improve and maintain the condition of the school estate (buildings and grounds). The grant allocation is determined by the DfE and takes into account the information collected through the Property Data Survey programme. Basic need is an allocation from the DfE for providing new school places by either expanding existing schools or by establishing or new schools in Derbyshire. The allocation is determined by the DfE based on the data collected in the School Capacity Survey (SCAP).

The list of allocations has been drawn up to address the most pressing condition related issues at schools and to provide places where pupil projections indicate there will be pressure on places in a school place planning area. The funding is to ensure there is sufficient capacity at all the schools involved and that the accommodation is suitable to support the delivery of education.

The School Condition Allocation must be spent in accordance with the terms of the grant to improve and maintain the condition of the school estate and cannot be used for any alternative purposes. Similarly, the Basic Need Allocation must be spent in accordance with the terms of the grant to provide new school places.

## **7. Implications**

- 7.1 Appendix 1 sets out the relevant implications considered in the preparation of the report.

## **8. Background Papers**

- 8.1 These are held in the Children's Services Development Section.

## **9. Appendices**

- 9.1 Appendix 1 – Implications
- 9.2 Appendix 2 – Approvals made under delegated powers
- 9.3 Appendix 3 – Allocations
- 9.4 Appendix 4 – Funds returned

## **10. Recommendation(s)**

That Cabinet:

a) Notes the allocations made under delegated powers by the Executive Director for Children's Services and the Children's Services Head of Development as detailed in Appendix 2.

b) Notes the receipt of the funds received/returned to the Children's Services Capital Budget as detailed in Appendix 4

c) Approves £5,908,536 from previous years balances in advance of the receipt of the 2023-24 Basic Need allocation as detailed in Appendix 3.

d) Approves the allocations to the projects as detailed in Appendix 3

## **11. Reasons for Recommendation(s)**

11.1 To inform Cabinet of the approvals under delegated powers and the return/receipt of funds.

11.2 To address the most pressing maintenance issues in schools to ensure the school estate is maintained to a high level.

11.3 To ensure there is sufficient capacity at schools in the County.

## **12. Is it necessary to waive the call in period?**

12.1 No

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**Implications****Financial**

- 1.1 The financial considerations are as explained in section 2 of the report with detailed breakdowns of allocations included in Appendices 2&3.
- 1.2 The unallocated balance of the Children's Services Capital budget is as set out in the table below. The balances shown in previous reports did not include full information pre 2020-21. The table now includes balances for the years 2015-16 to 2019-20.

<b>Year</b>	<b>Type of Funding</b>	<b>Opening Balance £</b>	<b>Funding Received / Returned</b>	<b>Allocations in this Report</b>	<b>Balance £</b>
2015-16	Basic Need & School Condition	928,025		625,000	303,025
2016-17	Basic Need & School Condition	1,766,970		1,425,000	341,970
2017-18	Basic Need & School Condition	1,224,637		958,536	266,101
2018-19	Basic Need & School Condition	1,395,212		1,100,000	295,212
2019-20	Basic Need & School Condition	2,136,026		1,800,000	336,026
2020-21	School Condition	1,567,468 less delegated approvals of 1,766,406	11,750 44,976 257,250		115,038

2021-22	School Condition	1,135,147		891,430	243,717
2022-23	School Condition	3,810,923	200,000		4,010,923
2023-24 (for schemes to be delivered by September 2024)	Basic Need	14,871,710	2,384,262		17,255,972
2024-25 (for schemes to be delivered by September 2025)	Basic Need	4,448,963			4,448,963
<b>Total</b>		<b>31,518,675</b>	<b>2,898,238</b>	<b>6,799,966</b>	<b>27,616,947</b>

- 1.3 All goods, works and services required to undertake the identified projects in the report will be procured and awarded in accordance with the Council's Financial Regulations. In-line with the Council's Financial Regulations this report also seeks approval from Cabinet to obtain permission to commence the procurement process. The projects will be considered as included within the Council's Forward Procurement Plan and any subsequent contract award will be in accordance with the Council's Departmental Scheme of Delegation. It should be noted that these procurement exercises will normally take the form of a competitive tender process, but should it be decided that using a Framework is the best option, a separate report will be submitted seeking approval for this.

## Legal

- 2.1 The funding allocations are made in accordance with the local authority's financial regulations.
- 2.2 The LA has a duty to secure efficient primary and secondary education and further education to meet the needs of the population of their area under sections 13 and 13A of the Education Act 1996.

## **Human Resources**

3.1 None

## **Information Technology**

4.1 None

## **Equalities Impact**

5.1 No impact

## **Corporate objectives and priorities for change**

6.1 Not applicable.

## **Other (for example, Health and Safety, Environmental Sustainability, Property and Asset Management, Risk Management and Safeguarding)**

7.1 To maintain the safe condition of the school estate.

7.2 To support the Council's ability to meet its ambition of being a net zero carbon organisation.