

STOCKTON-ON-TEES BOROUGH COUNCIL

CABINET RECOMMENDATIONS

PROFORMA

Cabinet Meeting16th June 2011

1. Title of Item/Report

Capital Investment in Schools

2. Record of the Decision

Cabinet considered a report that provided an update on the current position in respect of school capital funding. Members were reminded that from the report to Cabinet on 14 October 2010, there was an anticipated reduction in national funding available for investment in schools and a national review of funding methodology underway (the James Review).

The James Review had recently been published and details were provided to members including the 16 specific recommendations made. The review recommended a fundamental change in how Schools Capital was administered with significant implications for Local Authorities as well as DfE, Partnerships for Schools, Diocese and Schools. If implemented, the Local Authority would be responsible for developing an investment strategy for all schools (including Diocesan, Academies etc) which would focus on building condition issues and pupil capacity. Funding for routine maintenance would be issued to Councils to manage with major schemes delivered by a National agency.

The Government had yet to formally respond to the James Review report and recommendations and there were a number of areas of uncertainty including no indication of the level of funding to be allocated.

It had been anticipated that funding announcements would have been made earlier in the year which would have enabled the Council's school capital strategy to be developed and finalised. Once the funding position and the Government's response to the James Review were known, the Council would finalise the investment strategy and report the position to Cabinet.

Funding allocations had been notified to the Academies in the Borough and an update was provided along with the current status of the free school application.

With regard to Academies Cabinet noted that Partnerships for Schools were managing the Academy developments at a National level on behalf of Department of Education, and discussions to date had indicated that the preferred delivery option was for the schemes to be procured via the Local Authority. Officers had been in discussion with Sponsors and PfS but the Council was still awaiting formal clarification of the delivery mechanism and their formal approval for the schemes to commence procurement. Whilst this delivery mechanism would allow the Academies to benefit from Council expertise, the Council needed to be mindful that this could transfer financial risk to the Council as it would be responsible for the schemes. Discussions would be held with sponsors and PfS to mitigate or transfer this risk.

RESOLVED that:

1. the Borough-wide strategy for Capital Investment in Schools be developed in line with the outcome of the Government's response to the James Review and to reflect the outcome of the free school application in Ingleby Barwick.
2. Cabinet approve the Council as lead organisation on the procurement of the Academy developments in the Borough, in line with funding allocations received.
3. Reasons for the Decision

A review of the Council's capital investment strategy in schools was required following the withdrawal of Building Schools for the Future and the Primary Capital Programme funding. The Government was reviewing school capital allocation process and has recently published the James Review report, although the Government's response is still awaited.
4. Alternative Options Considered and Rejected

None
5. Declared (Cabinet Member) Conflicts of Interest

Councillor Harrington declared a personal non prejudicial interest in the item entitled Capital Investment in Schools Grant as he was a former Member of Barwick's Own Secondary School.
6. Details of any Dispensations

Not applicable

7. Date and Time by which Call In must be executed

Midnight on Friday 24 June 2011

Proper Officer
20 June 2011