

Lewisham Schools Forum		
Report Title	School contributions to capital minor works programme	
Key Decision	Yes	Item No. 7
Ward		
Contributors	Officers from Estate Management, Programme Manager, SGM Capital Programme Regeneration and Place	
Class		Date: 21 June 2018

1. Purpose of the Report

The purpose of this report is to review schools contribution to the minor works capital programme.

2. Recommendation

- i. Agree to the contribution from schools to capital works being proportional in line with devolved Formula Capital (DFC) and the table below in 5.1

3. Summary

This School Condition Allocation (SCA) for 2018/2019 is £3,347,558.

This report proposes a fairer and more affordable methodology for calculating school contributions to capital works at their premises. The revised method will allow schools to contribute an affordable amount which can be covered by their devolved formula capital allocation.

4. Background

In the past Schools have been asked for a flat rate of 5% contribution towards minor capital works at their premises.

Last year £100,000 from the SCA was set aside and schools were invited to bid for 'small works' to this fund for which they would be required to make a 50% contribution.

Aside from the small works fund, capital works have been managed by the Capital Programme Delivery team and are included in a design and build term contract with Pinnacle (who receive a fee of 5.13% of the works cost).

As well as the SCA, schools receive a small amount of capital funding directly from the Department for Education. This Devolved Formula Capital (DFC) is allocated based on pupil numbers as follows;

- £4000 +
- £11.25 per pupil for primary school pupils
- £16.88 per pupil for secondary school pupils
- £22.50 per pupil for post 16 pupils
- £33.75 per pupil for special / PRU school pupils

The amount of DFC varies from school to school. Last year some schools received an allocation of less than £5000 and some received more than £25,000. For schools with a lower allocation this can mean that their contribution to the minor capital works programme, including small works, must come from other general funding and could impact on their ability to provide educational services.

5. Alternative Contribution

Using the alternative method below, contributions would be proportional to the amount of DFC schools receive.

If schools are encouraged to carry out some small works themselves with funding support from the SCA the amount paid to the term contractor could be reduced. However, the capital programme delivery team would continue to manage any works of a specialist nature via the term contractor regardless of their value.

5.1 We propose setting out contributions as follows;

Cost of capital work including small works	Typical works carried out by schools	Contribution from Schools with <£10,000 DFC	Contribution from Schools with >£10,000 DFC	Previous cost Capital 5%	Previous Small works 50%
£,1246	1)Patch repair to resurface playground with new tarmac	100%	100%	N/A	623
£8,000	2)Installation of electronic gates	£4,000	£8,000	N/A	£4,000
£18,000	3)Girls & boys	£2,700	£5,400	£900	N/A

	toilet refurbishment				
£45,000	4)Boiler plant room works	£4,500	£9,000	£2,250	N/A
£250,000	5)Replacement Roof,	Capped £5,000	Capped £10,000	£12,500	N/A

Explanation Notes:

1) Previously 50% £623

LBL pays remaining £623

Proposing;

Schools cover all cost of works £5,000 and under

2) Previously 50% £4,000

LBL pays remaining £4,000

Proposing;

Same as before because it's under £10,000

3) Previously 5% £900

LBL pays remaining £17,100

Proposing;

Schools cover between 15 & 30% of costs of work.

This would have been done under capital works

4) Previously 5% £2,250

LBL pays remaining £42,750

Proposing;

Schools cover between 10 & 20% of costs of work.

This would have been done under capital works

5) Previously 5% £12,500

LBL pays remaining £237,500

Proposing;

Contribution towards works will be capped at £5,000 for schools receiving <£10,000 through DFC and £10,000 for schools receiving >£10,000 through DFC.

This would have been done under capital works

The advantages /implications of proportional contributions as above are;

- Schools are unlikely to be asked to contribute an amount higher than the capital received through DFC.
- Schools will project manage the smaller works (<£10,000) unless they are of a specialist nature. This means that there will be a lower cost to the works overall, less pressure on the Capital Programme Delivery team and no payment made to the term contractor.
- The Capital Programme Delivery team will not collect the previous 5% school contributions for large works and this could impact on the budget overall, as it is likely to result in less capital funding available for the programme.
- The estate management team will be reliant on schools cooperation in carrying out some small works which could differ from their wants.

6. Conclusion

Despite some disadvantages, this will be a more efficient way to keep our school estate in good condition and will make better use of the resources available. In addition, there will be less pressure on schools to contribute to capital works from budgets other than that made available through DFC.

7. Further Information

Should you require any additional information regarding the items contained in this report, please contact Matthew Henaughan.

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