

Draft Education Provision in North Somerset ~ A Commissioning Strategy 2021 – 2024

Capital Funding

- 1.1 Capital allocations for new school places come to the Council from a range of sources including: Basic Need; Targeted Basic Need; s106 contributions/Community Infrastructure Levy (CIL) and Free School Bids. The Department for Education (DfE) may also allocate bespoke funding for priority areas as national priorities dictate. There have not been any Targeted Basic Need funding opportunities open to councils for a while.
- 1.2 Whereas the Local Authority (LA) receives a Capital Maintenance Allocation to cover urgent health and safety and condition needs of community and Voluntary Controlled (VC) schools, and Voluntary Aided (VA) schools are supported by the Locally Coordinated Voluntary Aided Programme (LCVAP), all schools have ear-marked Devolved Capital (DC) paid to them to meet the improvement needs of their sites. Smaller academies/academy chains can bid for funds from the Academies Condition Improvement Fund whilst larger academy chains qualify for School Condition Allocations.

The Council's Capital Maintenance Allocation for the 12 LA schools for which the Council is now responsible (as at January 2021) from allocations received over the past 3 financial years is as below:

2018/19 £	2019/20 £	2020/21 £	2020/21 'Boris' Uplift £
600,767	384,833	370,543	172,087
600,767	384,833	542,630	

This fund is currently based on a formula that reflects the numbers of pupils in schools. As school convert to academy status, the overall pot is reduced.

The individual school DC allocations in 2020/21 are as below:

	£
Banwell Primary	6,036
Churchill C of E Primary	6,059
Golden Valley Primary	8,613
Kewstoke Primary	4,952
Sandford Primary	5,676
St Andrew's C of E Primary	6,543
Winscombe Primary	6,385
Wrington C of E Primary	6,284
Baytree Special	6,221
Ravenswood Special	7,881
VLC – Milton and Oldmixon sites	6,565
Westhaven Special	8,253

The recent site assessments for these schools show condition needs amounting to £10,159,805 excluding M&E assessments.

Capital Maintenance allocations will not normally be allocated to those maintained schools who have indicated an intention to transfer to academy status unless there are urgent health and safety needs that must be addressed with urgency. In most cases a contribution towards upgrades may be discussed with the new Trust.

- 1.3 Whilst the Council was granted a total basic need allocation of £31,641,935 between the 2018/19 and the 2019/20 financial years, the allocations for the 2020/21 and 2021/22 financial years have both been announced as £0.

Basic need is paid to support the provision of new mainstream school places, whether at academies or LA maintained schools. There is an expectation that Council's contribute c30 - 40% of their funds to each project. Council funding is rarely allocated to school projects.

- 1.4 The Council was allocated £788,484 between the 2018/19 and the 2020/21 financial years to support adaptations/expansions to its Special Educational Needs and Disabilities (SEND) provision. This was further enhanced by £181,508 across this period. The further payment of this grant in the future is unknown and cannot be relied upon. This money is intended to create new SEND places.

- 1.5 The Council was successful in a Wave 13 Free School bidding round in May 2018 and Learn@MAT was announced in July 2020 as the sponsor to run a new Social, Emotional and Mental Health (SEMH) school from a Council-owned site in Churchill. In addition to gifting its land, the Council will be expected to pick up any abnormal project costs not covered by the Education, Skills and Funding Agency (ESFA). These could run into hundreds of thousands of pounds.

- 1.6 Capital allocations have previously been prioritised based on the following priorities:

- Invest to maintain
- Invest to grow (population)
- Invest to grow (economic)
- Invest to save (reduced costs)
- Invest to save (generate income)

For the Council's Capital Maintenance allocations, the priority will continue to be to:

- Invest to maintain to resolve:
 - Urgent emergency health and safety requirements
 - Projects identified as potentially resulting in school closure

For basic need and SEND allocations:

- Invest to grow (population) to meet sustained increases in pupil population need

North Somerset Council has clear strategies for school place provision. Organisational and building changes to address basic need will only normally be progressed where they contribute to school standards; provide, where appropriate, community facilities to support national and local agendas; and meet pupil demand.

- 1.7 The Council has provided every North Somerset pupil with a local school place that asked for one. Our ability to continue to provide local places for local pupils will be dependent on having capital resources to facilitate this.
- 1.8 The Council only retains influence over its remaining 17 LA schools for whom it is the Decision Maker. This will continue until they convert (or not) to academy status.

For all other schools, decisions are taken by the Regional Schools' Commissioner (RSC) and the Secretary of State (SofS) /Department for Education (DfE). In these circumstances the Council is a consultee, although officers maintain open dialogue with the RSCs office and DfE officials so the Council's position and recommendations can be shared. This makes planning (and paying) for the Council's statutory duty to secure sufficient school and early years places complex.

- 1.9 In meeting new demand, business cases may need to be developed to support Council borrowing. The dilemma members may need to consider is that whilst a business case for need may show significant revenue savings over time, with the exception of home to school transport costs, most revenue savings will be beneficial to the Dedicated Schools Grant (DSG) and not to the council budgets responsible for meeting the borrowing costs. The highest capital need for the Council is within the High Needs area for additional SEND places. With the High-Needs block of the DSG expected to have a -£7.57m overspend by the end of the 2020/21 financial year, the Strategic Schools Forum (SSF) and the Council may look to secure savings to this budget before any 'invest to save' schemes can be progressed.

Review:

Do you feel the funding currently available to progress school-based projects is sufficient to meet new demand?

Do you feel that 'invest to save' schemes should be progressed as part of the strategy to reduce the overspend on the High-Needs block? If so, who should be contributing to the up-front funding required?