

AGENDA

Meeting: CABINET CAPITAL ASSETS COMMITTEE
Place: Committee Room C - Council Offices, Monkton Park, Chippenham
Date: Tuesday 15 November 2011
Time: 2.00 pm

Please direct any enquiries on this Agenda to James Hazlewood, of Democratic Services, County Hall, Bythesea Road, Trowbridge, direct line 01722 434250 or email james.hazlewood@wiltshire.gov.uk

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Membership:

Cllr John Noeken	- Resources
Cllr Fleur de Rhe-Philippe	- Strategic Planning, Economic Development and Tourism
Cllr Jane Scott OBE	- Leader of the Council
Cllr Toby Sturgis	- Waste, Property and Development Control Services
Cllr John Thomson	- Deputy Leader and Adult Care, Communities and Housing

AGENDA

Part I

Items to be considered while the meeting is open to the public

Key Decisions Matters defined as 'Key' Decisions and included in the Council's Forward Work Plan are shown as 

1. **Apologies**

2. **Minutes of the previous meeting** (*Pages 1 - 12*)

To confirm and sign as a correct record the minutes of the Cabinet (Capital Assets) Committee meeting held on 14 September 2011.

3. **Chairman's Announcements**

4. **Declarations of interest**

To receive any declarations of personal or prejudicial interests or dispensations granted by the Standards Committee.

5. **Capital Monitoring Report** (*Pages 13 - 24*)

To consider the attached report of the Chief Finance Officer.

6. **Rural Estates Issue** (*Pages 25 - 28*)

To consider the attached report of the Corporate Director (Transformation and Resources).

7. **Priority Schools Building Programme** (*Pages 29 - 34*)

To consider the attached report of the Corporate Director (Children and Education).

8. **Urgent items**

Any other items of business that the Chair agrees to consider as a matter of urgency.

9. **Exclusion of the Press and Public**

To consider passing the following resolution:

To agree that in accordance with Section 100A(4) of the Local Government Act 1972 to exclude the public from the meeting for the business specified in the following item(s) because it is likely that if members of the public were present there would be disclosure to them of exempt information as defined in paragraph xxx of Part I of Schedule 12A to the Act and the public interest in withholding the information outweighs the public interest in disclosing the information to the public.

Part II

Items during whose consideration it is recommended that the public should be excluded because of the likelihood that exempt information would be disclosed

Meeting to be followed by an informal briefing by Councillor Fleur de Rhé-Philippe

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CABINET CAPITAL ASSETS COMMITTEE

MINUTES of a MEETING held in COMMITTEE ROOM C - COUNCIL OFFICES,
MONKTON PARK, CHIPPENHAM on Wednesday, 14 September 2011.

Cllr John Noeken	Cabinet Member for Resources
Cllr Fleur de Rhe-Philippe	Cabinet Member for Strategic Planning, Economic Development and Tourism
Cllr Jane Scott OBE	Leader of the Council
Cllr Toby Sturgis	Cabinet Member for Waste, Property and Development Control Services
Cllr John Thomson	Deputy Leader and Cabinet Member for Adult Care, Communities and Housing

Also in Attendance:	Cllr John Brady
	Cllr Christopher Cochrane
	Cllr Lionel Grundy OBE
	Cllr Jeff Osborn
	Cllr Stuart Wheeler

51. Apologies

Apologies were received from Cllr Alan Macrae.

52. Minutes of the previous meeting

The Leader noted that two changes were recommended to the minutes of the meeting held on 26 July:

Resolved:

To approve as a correct record and sign the minutes of the meeting held on 26 July 2011, subject to the following changes:

- **Minute no. 49 to be amended to reflect Mrs Browning's point that the Council should propose terms and conditions to Hadston and not vice-versa, and the Strategic Projects and Development Manager's confirmation that the Council had already done so.**
- **Minute no. 47, part 2 of resolution be amended to clarify the Committee's decision that Category 2 and 3 applications are to be delegated to Area Boards for determination (as per paragraph 20 of the report).**

53. Leader's Announcements

The Leader noted that she had agreed to accept the following item as urgent business as the matter could not wait until the next scheduled meeting, minute no. 62 refers.

- Middlefields / 357 Hungerdown Lane Site, Chippenham

No other announcements were made.

54. Declarations of interest

There were no declarations of interest.

55. Capital Monitoring - month 4

Cllr John Brady, Cabinet member for Finance, Performance and Risk, presented a report which informed the Committee on the position on the 2011/12 Capital Programme as at 31 July 2011 and sought approval to recommend to Council, via Cabinet, a change to the Transformation programme.

It was noted that the proposed change, set out at paragraph 5 of the report, had been approved by the Committee at the 7 February 2011 meeting, but due to the timing of the decision had not been included as part of the capital budget setting report which went to Council on 22 February.

Resolved:

- a. Note the budget changes in Appendix A and in section 1 of Appendix B.**
- b. To recommend that Council, via Cabinet, approve the allocation of the £8.295 million to the Transformation Programme.**
- c. Note the current position of the capital programme as at month 4 in Appendix C.**

Reason for Decision

To inform the Committee of the current position of the 2011/2012 capital programme and to highlight changes in the capital programme.

56. **Nomination to Wiltshire Community Land Trust Board**

Cllr John Thomson, Cabinet member for Adult Care, Communities and Housing, presented a report which informed the Committee of the Wiltshire Community Land Trust, and recommended that the Committee nominate a Council representative to sit on the Trust's board.

Cllr Thomson considered that the work of this organisation could relate to some of the Council's strategic projects, such as the Campus initiative. As such, it was important that the Council had an awareness of the work of the organisation and had a senior level link to the organisation.

It was suggested that a lead officer also be appointed in due course, and that the role of Board and status of the Council representative be clarified.

Resolved:

- a. That Councillor John Thomson be appointed as the Council's representative on the Wiltshire Community Land Trust Board.**
- b. That an officer appointment also be made, following the outcome of the on-going restructure of the Corporate Leadership Team.**
- c. That further information be sought from the organisation, in relation to the legal relationship between Wiltshire Community Land Trust and Wiltshire Community Land Trust Board, and the legal status of the Council's representative.**

Reasons for Decision

To respond to the request from Wiltshire Community Land Trust for the co-option of a Member of the Council to serve as a Member of their Board, and to establish an active link at Member level to ensure close partnership working to help achieve the aims and objectives of both the Council and local communities.

57. **Quarterly Progress Update - Transformation Programme**

Cllr Stuart Wheeler, Cabinet member for Campus Development and Culture (including Leisure, Sport and Libraries), presented a verbal update on the progress of the Transformation Programme, raising following points:

- The Transformation Programme was currently within budget and within planned timescales; this was confirmed by regular monitoring and reporting on both aspects. In addition, the Corporate Programme Office was in the process of rolling out Sharepoint 2010 across the programme. This tool would allow consistent reporting on all corporate programmes.
- Nine Shadow Community Operations Boards were now in place, working under the auspices of the Area Boards to consult with local communities

and develop campus proposals. In addition, work was on-going to establish a Shadow Community Operations Board for a Campus proposal in Tidworth.

- The programme was actively seeking and developing opportunities for partnership working across a range of sectors, including strategic partners, private and voluntary sectors.
- A series of staff events was being planned for November and December 2011 to support all staff across the organisation to engage with the Transformation Programme. These sessions would focus on talking with staff about why changes to working environments were taking place and to paint a picture of the future.
- Proposals for the three “pathfinder” campuses (Corsham, Melksham and Salisbury) were in the process of being approved by their respective Area Boards and were expected to be presented to Cabinet in November.

It was confirmed that proposals would be subject to scrutiny by the Campus and Operational Delivery Programme Scrutiny Task Group prior to being submitted to Cabinet.

Resolved: To note the verbal update.

58. Aiming High for Disabled Children (AHDC) Capital Grant 2011-12

Cllr Lionel Grundy, Cabinet member for Children’s Services, presented a report which sought approval for a capital programme for 2011-12 to benefit disabled young people and their families.

Details of the proposed spend were set out on pages 32-33 of the agenda. It was noted that the government grant (£248,487) for this programme was not ringfenced to spending on disabled children, but that the grant-giving body had recommended that it be spent on Aiming High for Disabled Children (AHDC) schemes. The proposed projects were in line with these recommendations. It was also noted that the proposed projects supported the Council’s commitment to supporting disabled and vulnerable young people.

Resolved:

That the Cabinet Capital Assets Committee approve the Capital Programme as detailed in the report.

Reason for decision

The proposals sought to match the funding available through the Aiming High for Disabled Children (AHDC) Capital Grant 2011-12 to projects which will meet the commissioners priorities for short breaks for disabled children and young people in Wiltshire.

59. **Sarum Academy, Salisbury**

Cllr Lionel Grundy, Cabinet member for Children's Services, introduced the report, and invited the Strategic Projects and Development Manager to present the background.

In order to maintain the safety of children during the redevelopment of Sarum Academy, the Council had investigated using 2.5 hectares of land to the north of the site as a builders' compound and car park. The proposed agreement with the existing landowner also included an option for the Council to purchase the site for future educational purposes. In return, the Council would permit the existing access to the Academy to be used as a pedestrian and bus link between the Bemerton Heath residential estate and the proposed Fugglestone Red development, subject to planning permission. It was confirmed that the agreement was without prejudice to the Council's role as Local Planning Authority.

Cllr Chris Cochrane, a Governor at Sarum Academy, commented that the redevelopment works were currently on schedule and the new buildings were forecast to be occupied in September 2013. He also drew the Cabinet's attention to the excellent work which is being done by Richard Pearce as Project Manager.

Resolved:

That the Council acquires an Option to purchase the 2.5 hectares (6.2 Acres) of land adjoining Sarum Academy, Salisbury on terms to be agreed by the Director of Transformation and Resources and the Solicitor to the Council.

Reasons for Decision

The Option Agreement will safeguard the need for land to provide further secondary school places, together with the benefit of providing flexibility and mitigating health and safety risks during the proposed construction at Sarum Academy.

60. **Corsham Mansion House and Library**

Public participation

Mr Ian Storey addressed the committee on this issue.

Cllr Toby Sturgis, Cabinet member for Waste, Property and Development Control Services, presented a report which updated the Committee on the disposal of Corsham Mansion House.

At the meeting on 26 July, the Committee had approved a proposal to sell the site to Hadston at open market value. Since then, a further bid for the site had

been received from another company, and a further expression of interest received from a third party. In order to ensure the process was fair and to avoid any legal challenge, in addition to securing the best price possible, the Committee's approval was now sought to offering the sale on the open market.

Cllr Stuart Wheeler, Cabinet member for Campus Development and Culture (including Leisure, Sport and Libraries), emphasised that any sale would only be finalised once planning consent and an acceptable construction tender had been obtained for the proposed Campus. The Library and Youth Services would continue to operate from the existing site, until the new premises were ready for occupation.

It was also confirmed that the Council could not demonstrate a transparent and equitable open market disposal by insisting that all offers must include community benefits. However this could be part of the assessment criteria. Officers undertook to make this clear to the public through the Corsham Area Board.

Resolved:

To offer the Mansion House and Library at Pickwick Road, Corsham, for sale on the open market.

Reasons for Decision

To demonstrate that the Council has obtained the best price possible in the disposal of these assets.

61. Preferred Development Framework / Burnham House, Malmesbury

Cllr John Thomson, Cabinet member for Adult Care, Communities and Housing, presented a report which provided information on the outcome of the joint extra care Preferred Developer Framework tender with Devon County Council, and requested approval to progress with the use of the vacant Burnham House site in Malmesbury for the development of a 50 unit extra care scheme as identified through the Older People's Accommodation Strategy.

Extra Care provision had been identified as the preferred use for the site by a working group formed under the Malmesbury Area Board. Once the framework was in place, a mini-competition process would be undertaken with the developers to ensure best value and quality for each scheme.

It was noted that there may be a capital receipt from the site, in addition to the delivery of new facilities. However, this would not be known until after the bidding exercise. Any resulting capital receipt or other substantive change to what was set out in the report would be brought back to the Committee for approval.

Resolved:

- 1. That the Cabinet (Capital Assets) Committee:**
 - a. note the outcome of the extra care joint preferred developer framework tender with Devon County Council;**
 - b. approve the use of the vacant Burnham House site for the development of a 50 unit extra care scheme predominantly for older people;**
 - c. authorise officers to undertake any associated procurement activities required to select a developer for these facilities; and**
 - d. delegate authority to the Corporate Director for Community Services, in consultation with the Cabinet Member for Community Services, to authorise the transference of the Burnham House site to the developer at a negotiated value.**
- 2. Any capital receipt resulting from the process, or other substantive change to that set out in the report, should come back to the Cabinet (Capital Assets) Committee for approval.**

Reasons for Decision

The Burnham House site will provide the necessary land for delivery of the extra care facilities outlined in the Older People's Accommodation Strategy.

Through the development of the site, the Council would benefit from the provision of a new extra care housing to meet the needs of the growing elderly population in Malmesbury. Additionally, this development would improve choice and control for older people and provide a vital community resource.

Note: The Leader agreed to vary the order of the agenda and take the report on Middlefields, Chippenham next, in view of the impact on the report's proposals on items 12 and 13 (respectively, The Paddocks, Trowbridge, and Coombe End Court, Marlborough).

62. Urgent item - Middlefields / 357 Hungerdown Lane, Chippenham

Cllr John Thomson, Cabinet member for Adult Care, Communities and Housing, presented a report which sought approval to utilise the Middlefields / 357 Hungerdown Lane site in Chippenham for the provision of a new care home and extra care housing development as identified in the Older People's Accommodation Strategy.

The buildings on this site were coming to the end of their usable life and this proposal offered an opportunity to develop new facilities and meet the needs identified in the Older People's Accommodation Strategy.

It was recommended that committee exclude the press and public before discussing the financial information set out in the appendix to the report.

Resolved:

That in accordance with Section 100A(4) of the Local Government Act 1972, to exclude the public from the meeting for the consideration of the appendix to the report as it is likely that if members of the public were present there would be disclosure to them of exempt information as defined in paragraph 3 of Part I of Schedule 12A to the Act and the public interest in withholding the information outweighs the public interest in disclosing the information to the public.

Noted and discussed the financial information as set out in the appendix to the report, following which the meeting moved back into public session.

Resolved:

That the public be readmitted to the meeting

In response to a question, the Interim Chief Finance Officer confirmed that, should Members be minded to approve this report and the following two reports, the capital programme would remain balanced. However, as this was an amendment to the Capital Programme, the Committee would recommend the changes to Council, via Cabinet. It was also suggested that, should Members be minded to support the proposals, and those of the following two reports (The Paddocks, Trowbridge, and Coombe End Court, Marlborough) the three reports should be combined into one report, presenting a broadly neutral capital cost overall.

Resolved:

That the Cabinet (Capital Assets) Committee:

- a. approve the use of the Middlefields / 357 Hungerdown Lane site for the provision of a new care home and extra care units for older people, pending consultation with the Chippenham Area board;**
- b. authorise officers to progress investigations into this site to deliver these facilities and to undertake any associated procurement activities required to appoint developers / operators;**
- c. delegate authority to the Corporate Director for Community Services to agree the basis on which the land would be transferred to the**

developer, for example, leased on an open market or peppercorn rent basis, sold for residential or care development, or provided at reduced value to facilitate the development of extra care without external public subsidy;

- d. following the relocation of the existing residents of Seymour House to the new purpose built modern care home and extra care units; approve the sale of the site on the open market to generate a capital receipt; and**
- e. delegate authority to the Corporate Director for Community Services to progress plans for any surplus land on the site to generate additional capital receipt to repay the capital programme where appropriate.**
- f. recommend to Council, via cabinet, that the necessary changes be approved to the capital programme to enable implementation of the above decisions.**

Reasons for Decision

The Middlefields / Hungerdown Lane site will provide the necessary substitute for delivery of the required facilities outlined in the Older People's Accommodation Strategy and will enable to the residents from Seymour House to relocate to a modern, fit for purpose environment.

Through the development of this site, the Council would benefit from the provision of a new specialist care home for older people with dementia and units of extra care housing to meet the needs of the growing elderly population in Chippenham. Additionally, this development would improve choice and control for older people.

63. The Paddocks Care Home Site, Trowbridge

Cllr John Thomson, Cabinet member for Adult Care, Communities and Housing, presented a report which sought approval to progress with the freehold sale of The Paddocks care home site to The Orders of St John Care Trust (OSJCT), to facilitate the development of a care home.

As noted under the previous item, as the proposals represented an amendment to the Council's capital programme, the Committee would recommend the changes to Council, via Cabinet, as part of one combined report.

Resolved:

- a. That the Council facilitate the redevelopment of the site to deliver a new 66 bed specialist care home for people with dementia by approving the freehold sale of The Paddocks care home site to OSJCT.**

- b. That the Cabinet (Capital Assets) Committee recommend to Council, via Cabinet, that the necessary changes be approved to the capital programme to enable implementation of the above decisions.**

Reasons for Decision

Demographic projections indicate there will be significant growth in the 65+ age group in Trowbridge from 7,210 in 2007 to 12,580 in 2026 (74.5% increase). Additionally, the number of people aged 50+ with dementia in Trowbridge will increase by 85% by 2026. It was identified in the Accommodation Strategy for Older People that there is an adequate supply of residential care but an identified shortage of dementia and nursing home provision in Wiltshire.

This proposal will allow the site to be redeveloped to provide much needed high quality facilities for the care of older people within Trowbridge.

64. Coombe End Court, Marlborough

Cllr John Thomson, Cabinet member for Adult Care, Communities and Housing, presented a report which sought approval to sell the Coombe End Court site and associated land at the front of the property to The Orders of St John Care Trust (OSJCT) to enable them to build a 16 bed nursing extension for people with dementia.

As noted under the previous two items, as the proposals represented an amendment to the Council's capital programme, the Committee would recommend the changes to Council, via Cabinet, as part of one combined report.

Resolved:

That the Cabinet (Capital Assets) Committee:

- a. approve the sale of the Coombe End Court site and associated land at the front of the property to The Orders of St John Care Trust (OSJCT) for the provision of a nursing wing extension for people with dementia; and**
- b. delegate authority to the Corporate Director for Community Services, in consultation with the Cabinet Member for Adult Care, Communities and Housing to agree a price for the site following independent valuation.**
- c. recommend to Council, via Cabinet, that the necessary changes be approved to the capital programme to enable implementation of the above decisions.**

Reasons for Decision

The land at the front of the Coombe End Court site will provide the necessary land for delivery of the additional facilities outlined in the Older People's Accommodation Strategy and the sale of the site to OSJCT would enable this development to be progressed given the funding constraints.

Through the development of the site, the residents of Marlborough would benefit from the provision of a new 16 bed nursing extension for people suffering from dementia, which has been identified as a growing requirement due to the demographic projections. Additionally, this development would improve choice and control for older people.

65. **Exclusion of the Press and Public**

Resolved:

That in accordance with Section 100A(4) of the Local Government Act 1972, to exclude the public from the meeting for the business specified in minutes number 66 and 67 below as it is likely that if members of the public were present there would be disclosure to them of exempt information as defined in paragraph 3 of Part I of Schedule 12A to the Act and the public interest in withholding the information outweighs the public interest in disclosing the information to the public.

66. **The Paddocks Care Home site, Trowbridge**

Noted the confidential financial information as set out in the appendix to the report.

67. **Coombe End Court, Marlborough**

Noted the confidential financial information as set out in the appendix to the report.

(Duration of meeting: 3.00 - 4.33 pm)

These decisions were published on 22 September 2011 and will come into force on 30 September 2022

The Officer who has produced these minutes is James Hazlewood, of Democratic Services, direct line 01722 434250 or e-mail james.hazlewood@wiltshire.gov.uk
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Wiltshire Council

Cabinet Capital Asset Committee

15 November 2011

Subject: Capital Monitoring Period 6 (September) 2011/2012

**Cabinet member: Councillor John Brady
Finance, Performance and Risk**

Key Decision: No

Executive Summary

The report reflects the position of the 2011/2012 Capital Budget as at 30 September 2011.

The report also details budget changes and reprogramming which are to be noted by Cabinet, plus a change to the Rural Farms Estate which requires approval by Council following recommendation to Cabinet.

Considerable work has been undertaken to review the Capital budgets for 2011/2012 and therefore significant reprogramming of budget has occurred in this monitoring report of £49.342 million. Further details are included in the body of this report and the appendices.

Proposal

- a. Note the current position of the capital programme as at Period 6 in Appendix A.
- b. To recommend that Council, via Cabinet, approve the allocation of the £0.225 million to the Farms Estate.
- c. Note the additional budget for the Wiltshire Incubation Environment of £0.375 million, other budget movements of £0.539 million and the £49.342 million reprogramming of budget into 2012/2013.

Reasons for Proposals

To inform cabinet of the current position of the 2011/2012 capital programme and to highlight changes in the capital programme.

Michael Hudson Director of Finance

Wiltshire Council

Cabinet Capital Asset Committee

15 November 2011

Subject: Capital Monitoring Period 6 (September) 2011/2012

**Cabinet member: Councillor John Brady
Finance, Performance and Risk**

Key Decision: No

Purpose of Report

1. To update Cabinet on the position of the 2011/12 Capital Programme as at 30 September 2011 and seek approval to recommend to Council, via Cabinet, an increase in budget to the Farms Estate.

Budget movements

2. Between the Period 4 monitoring report presented to the CCAC at the meeting of the 14 September and this Period 6 monitoring report, the budget has been adjusted as detailed in the table below.

	£m	Notes
Capital budget as per CCAC Period 4 monitoring report (14 September 2011)	162.533	
Additions/amendments to the capital programme 2011/2012 since Period 4 monitoring report		
Rural Estates Additional expenditure	0.225	See below for further explanation
Wiltshire Incubation Environment Network Additional expenditure	0.375	See below for further explanation
Reprogramming of expenditure into 2012/2013	(49.342)	See Appendix A & B
Other additional budget	0.539	See Appendix A & B
Total in movements in Period	(48.203)	
Current Capital budget 2011/12	114.330	

3. In addition to the above there have been budget movements between schemes which are also detailed in Appendix A. There is no additional budget required in these movements.
4. As part of ongoing business planning Investment of £0.225 million in the Council's Rural Estates is requested to provide a coherent plan and best manage the Council's liabilities under the new legislation regarding Nitrate Vulnerable Zones, which becomes effective from 1 January 2012. A report giving further details of this scheme is to be found elsewhere on the agenda.
5. Further options considered and specific liabilities are detailed within the report, with the investment of £0.225 million being considered the best option. It is therefore requested that Members approve this additional funding into the Rural Estate Capital Programme.
6. A report on Wiltshire Incubation Environment was taken to the 13 September 2011 Cabinet and funding was formally agreed by Cabinet on the 18 October 2011. This report set out a proposal to create four Incubation Centres. Investment of £0.375 million was agreed to create and manage these centres alongside a programme of activities and services to identify, encourage and support potential growth businesses. This additional budget has now been added to the programme.
7. At the previous CCAC held on the 14 September 2011, a paper was submitted detailing the proposed allocation of the Aiming High for Disabled Children (AHDC) grant into specific projects. Following further work by Officers in the Department for Children and Education it has been suggested that the £0.031 million allocation under Appendix F of this report would best be used to provide additional Hearing equipment rather than the original equipment listed in appendix F of the 14 September 2011 report. This has no bearing on the overall budget allocation.
8. Other movements in Appendix A are undertaken under delegated authority by the Director of Finance and are detailed further in and Appendix B.

Summary of Current Position as at 30 September 2011

9. The current revised budget for the year 2011/2012 is £114.330 million, as at 30 September the actual spend plus commitments made was £59.893 million. A full breakdown of these figures is attached in Appendix A.

10. An Examination of the reprofiling of schemes into 2012/2013 has been undertaken and is shown in Appendix A. Further details and updates regarding some of the larger schemes are below.

Education schemes

11. Sarum Academy is progressing well and is being submitted for planning permission. Assuming permission is granted it is currently anticipated that work will begin on site in February 2012. As highlighted in the Period 4 report, much of the budget for this scheme has to be reprogrammed into 2012/2013 to match the anticipated spending pattern. A total of £11.000 million has therefore been moved from 2011/2012 into 2012/2013, which has no impact on the overall project budget, just the profiling of the budget across years. This will be updated further in the next monitoring report.
12. Additional Accommodation schemes comprise 26 individual extension projects across the county. A seven class extension has now started on site at Amesbury Archer School. Subject to the progress of housing developments which have yet to start, £2.000 million of the budget is earmarked to contribute to building new schools. Eight further projects with planned costs of £6.500 million are at the design/planning application stage so spending is likely to commence towards the end of the financial year. As previously indicated in the Period 4 monitoring report much of the planned expenditure is now due to be spent during 2012/2013, therefore £12.786 million has been reprogrammed from 2011/2012 into 2012/2013.
13. New Deals for Schools (NDS) schemes are to fund high priority condition works including roof replacements, rewiring and window replacements. Budgets have been allocated to replace Pratton blocks at schools in Warminster which are currently at the design stage, with work on these sites planned to begin in January. Therefore as indicated in the period 4 report £3.982 million has been reprofiling into 2012/2013.
14. DCSF Primary capital programme. These schemes include funding replacement school buildings at Lydiard Millicent which has been completed, and at Purton St Mary's which is due for completion in December. It also funds extensions to 4 other schools which are due for completion by summer 2012. The budget is therefore anticipated to be largely spent during 2011/2012.
15. DCSF Targeted capital 14 – 19 Special education needs. These schemes are to improve special education needs delivery by building new extensions and altering existing sites. £5.000 million of the budget is allocated to Exeter House Special School which is providing an extension and major refurbishment. This project is experiencing some delays caused by land acquisition issues but it is currently anticipated that will be largely spent during 2011/2012. Other schemes in this area

at Wiltshire College and Devizes School are also on target to complete during 2011/2012.

16. Other Projects New Schools. Old Sarum Primary has been completed and opened in September and a new school in Devizes is also under construction. The provision of a new school in East Trowbridge has been delayed pending the commencement of local housing, therefore £1.002 million of budget has been reprogrammed into 2012/2013 to meet the planned expenditure.

Highways schemes

17. Integrated Transport schemes budget has been allocated across many individual schemes and it is anticipated that there will be no variations to budget at year end. Schemes in progress include Melksham Town Centre – phase 4 plus a number of local safety schemes and the Area Board discretionary highways budget.
18. Bridges and Structural maintenance budgets have been allocated fully to schemes. It is anticipated there will be no variance at year end. Major bridge work to be undertaken includes work at Clatford, Dauntsey, Haxton and Tidworth. Major Structural maintenance schemes include numerous surface and surface dressing schemes, Micro asphalt surfacing, drainage works plus a major scheme around junctions 16 & 17 of the M4.
19. All other Highways schemes are currently anticipated to be on line with no variations at year end.

Campus and operational Delivery schemes

20. The County Hall MECH scheme is progressing well. The costs are slightly behind schedule however the forecast for the end of the year is expected to be on target with the original estimates.
21. Other projects within the operational (Hub) element of the Transformation programme are being reviewed and it is anticipated that minimum spend will be incurred in 2011/2012.
22. Work is ongoing to finalise Resource centres started during 2010/2011. The remainder of the work in this area budget is linked to the development of the Campuses.
23. Expenditure on the Depots review Phase 2 is expected to begin during this financial year on one depot and 2 salt stores, therefore the majority of the budget will be reprogrammed into 2012/2013.
24. Libraries, heritage and arts budgets (which were moved into Campus and Operational delivery during 2010/2011) are now being considered

as part of the Campus projects. The majority of the budget is being reprogrammed into 2012/2013.

25. A paper is being taken to Cabinet in December on the three pilot campuses Salisbury, Corsham and Melksham. Further details will be established following this however it is unlikely significant spend will commence during 2011/2012 so the majority of the budget is being moved into 2012/2013.
26. As a result of the progress shown above on Campus and Operational delivery schemes, £17.383 million is being reprogrammed into 2012/2013 to reflect the likely spending patterns.

Other Property schemes

27. Building repair and maintenance schemes are the planned maintenance works at buildings that are not covered by the Transformation Programme. Works have been programmed covering a variety of buildings including renewal of the mechanical and electrical (m&e) plant and boilers at Malmesbury Activity Zone, a new roof and m&e works at City Hall Salisbury and work to replace the roof at the Shambles Devises. Due to the interrelation between these schemes and the Campus and hub projects further essential projects have been delayed until the plans for certain buildings are finalised. Therefore are highlighted in the period 4 report, £1.000 million is being reprogrammed into 2012/2013 to match with planned expenditure.

Housing schemes

28. Disabled Facilities grants are small grants given to enable private householders to undertake improvements to their properties. As highlighted in the Period 4 report £0.400 million of the programmed expenditure has been reprogrammed into 2012/2013 to match with current spending plans.
29. Corporate Other Housing Grants. As highlighted in the Period 4 report, Budget managers for these schemes have forecast that £0.440 million mainly relating to Gypsies and Travellers sites and Energy Efficiency schemes is to be reprogrammed into 2012/2013.
30. New Housing. Four of the five schemes in this project are now complete and tenants have moved into the sites. Retentions and final payments are to be arranged at these sites but it appears the project spend is lower than was budgeted. Pembroke Road Salisbury is still being worked on and is due to be completed in March 2012. Initial projections are that this scheme will be completed on line to budget. Overall for the new housing Scheme budget managers are anticipating that the budget will underspend by around £0.700 million which can therefore be returned to the centre. Full project closure details will be established during the

coming months so this figure will be updated during the next budget monitoring report.

31. HRA refurbishment of council stock. The 2011/2012 programme of expenditure is well underway and the budget has been committed into numerous schemes to deliver new Kitchens, Bathrooms, roofing etc and is still expected to on line against budget.

Waste Schemes

32. Waste Transformation project budget of £7.761 million is anticipated to be fully spent with a potential small saving on the budget at year end. The majority of the vehicles and equipment have been purchased or ordered and there have been some savings realised on this part of the capital allocation.
33. A part of the original plan for the waste transformation Capital allocation was to pay for circa 50% of a new compost pad with the remainder to be paid to the contractor over the coming years as a revenue charge out of the revenue waste transformation budget. Taking the opportunity to pay for this cost 100% out of the capital allocation enables the council to save on its revenue costs in the coming years as well as saving paying the contractors cost of capital. Therefore this is the best value option for the council and remains well within the capital allocation for Waste Transformation.

Proposals

34. To note the general budget additions largely grant funded of £0.539 million, the £0.375 million for the Wiltshire Incubation Network, the reprogramming of £49.342 million into 2012/2013, and the Period 6 position of the 2011/2012 Capital Programme. Also to recommend to Council, via Cabinet, the approval of the £0.225 million additional budget required for the Rural Estates (County Farms).

Environmental Impact of the Proposal

35. Wiltshire Council is preparing for its mandatory inclusion in the Carbon Reduction Commitment (CRC); the UK's mandatory climate change and energy saving scheme. The objectives of the scheme are to improve energy efficiency and reduce carbon dioxide emissions. It is calculated that 79% of the Council's carbon footprint comes from energy use in buildings. Capital schemes therefore have the potential to greatly increase or decrease carbon emissions, for example schemes making council buildings more energy efficient will reduce the Council's carbon footprint. The budget setting process for the 2011/2012 assessed the perceived impact of schemes on the Council's carbon footprint and built this into the mechanism for setting the 2011/2012 budget.

Equality and Diversity Impact of the Proposal

36. No equality and diversity issues have been identified arising from this report

Risk Assessment

37. The capital budget for 2011/2012, as detailed in this report, has been revised to approximately £114 million. Within this programme there are a number of potential risks such as from cost overruns or lower than expected levels of capital receipts. Such issues will be highlighted as soon as they establish themselves through the monthly reporting process. Members may wish to bear in mind that the capital programme has been set for three years and therefore risks will be appraised over the whole period.

Financial Implications

38. These have been examined and are implicit throughout the report

Legal Implications

39. None have been identified as arising directly from this report.

Michael Hudson
Director of Finance

Report Author: Stephen MacDonald

Unpublished documents relied upon in the preparation of this report: NONE
Environmental impact of the recommendations contained in this report: NONE

Capital Programme budget movements 2011/2012

Scheme name

2011/2012 Budget & Spend Breakdown					
Month 4 Budget 2011/2012	Month 6 Budget Movements Between Schemes	Additional Budget see appendix B	Reprogrammed Expenditure into 2012/2013	Current Budget 2011/2012	Total Spend (Actual + Commitments) as at Month 6
£m	£m	£m	£m	£m	£m

Education schemes

Wellington Academy
Sarum Academy Salisbury
Extended Schools
Additional Accommodation
NDS Maintenance & Modernisation
Devolved Formula Capital
Access and Inclusion
DCSF Primary Capital Programme
DCSF Targeted Capital 14-19 SEN
Other Projects New Schools
Other Schools Projects - Expansions
Other Schools Projects - Replacements
Sure Start
Other Education schemes finishing in 2011/2012
Total Education schemes

3.646				3.646	2.267
12.281			(11.000)	1.281	0.073
0.493				0.493	0.048
16.894	0.018	0.034	(12.786)	4.161	1.298
9.137			(3.982)	5.156	3.460
1.281				1.281	0.635
0.659	(0.002)			0.657	0.114
6.614	(0.068)	0.068		6.614	3.736
6.825				6.825	0.531
3.227		0.030	(1.002)	2.255	1.384
2.651	0.050			2.701	0.295
0.345			(0.345)	0.000	0.000
0.362				0.362	0.084
0.378		0.248		0.626	(0.053)
64.793	(0.002)	0.381	(29.114)	36.058	13.872

Highways schemes

Integrated Transport
Bridges & Structural Maintenance
Carriageway Repairs
Footways, ALA, Land Drainage & Other Minor Schemes
Total Highways schemes

2.181		0.131		2.312	1.488
14.023		0.027		14.050	6.503
1.443				1.443	0.113
0.903				0.903	0.411
18.550	0.000	0.158	0.000	18.708	8.514

Property schemes

Campus & Operational Delivery
Libraries RFID Technology
Buildings Repair & Maintenance
Leisure & Amenities
Total Property schemes

42.383			(17.383)	25.000	19.276
0.547				0.547	0.479
3.226	0.002		(1.000)	2.228	0.747
1.035			(0.631)	0.404	0.018
47.191	0.002	0.000	(19.014)	28.179	20.520

Capital Programme budget movements 2011/2012

2011/2012 Budget & Spend Breakdown						
Scheme name	Month 4 Budget 2011/2012	Month 6 Budget Movements Between Schemes	Additional Budget see appendix B	Reprogrammed Expenditure into 2012/2013	Current Budget 2011/2012	Total Spend (Actual + Commitments) as at Month 6
	£m	£m	£m	£m	£m	£m
Housing schemes						
Disabled Facilities Grants	2.836			(0.400)	2.436	1.106
Corporate other housing grants	2.195			(0.440)	1.755	0.153
New Housing	4.666				4.666	1.504
HRA - refurbishment of council stock	4.243				4.243	3.089
Total Housing schemes	13.940	0.000	0.000	(0.840)	13.100	5.852
Waste schemes						
Waste Transformation	7.761				7.761	5.915
Waste Vehicles, Waste Management & Street cleaning	2.856				2.856	2.596
Total Waste schemes	10.617	0.000	0.000	0.000	10.617	8.511
Other schemes						
Revenue & Benefits IT System	0.756			(0.277)	0.479	0.193
Carbon Reduction	0.991			(0.097)	0.894	0.133
Planning IT System	1.000				1.000	0.080
Adult Social Care Strategy - Older People, LD & Mental health	1.781				1.781	0.963
Other DCS schemes	0.132				0.132	0.002
Area Boards and LPSA PRG reward grants	1.043				1.043	0.234
Economic Development schemes (including Salisbury Vision)	1.680				1.680	1.016
Other DOR Schemes (including County farms)	0.059		0.225		0.284	0.001
Wiltshire Incubation Environment Network	0.000		0.375		0.375	0.000
Total Other schemes	7.442	0.000	0.600	(0.374)	7.668	2.623
Total 2011/2012 Programme	162.533	0.000	1.139	(49.342)	114.330	59.893

Director of Finance (CFO) - EXERCISE OF DELEGATED POWERS & REQUESTS FOR ADDITIONAL RESOURCES WITHIN THE CAPITAL PROGRAMME

CCAC Meeting

15th November 2011

Financial Year:

2011/12

SECTION 1 - DELEGATED CFO POWERS - ADDITIONAL FUNDING

"Adjustment/addition of scheme in the capital programme which has no effect on the net funding position of the programme i.e. Additional resources available in the form of Grant, Section 106 contributions etc which fund the addition, "

Project Name:	Schools - Additional Accomodation		
Budget Change:	2011/12	2012/13	2013/14
	34,274		
Funding Source:	Section 106 contributions funding capital works at Bradford-on-Avon Christchurch Primary		
Project Name:	Primary Capital Programme		
Budget Change:	2011/12	2012/13	2013/14
	68,177		
Funding Source:	Section 106 contributions funding capital works at Stratford-sub-Castle C of E Primary School		
Project Name:	DCE Other Projects - New Schools		
Budget Change:	2011/12	2012/13	2013/14
	30,000		
Funding Source:	Contribution from Persimmon towards capital works at Quakers Walk new Primary School		
Project Name:	Aiming Higher for Disabled Children		
Budget Change:	2011/12	2012/13	2013/14
	248,487		
Funding Source:	Additional grant allocation to be spent on AHDC projects and equipment in support of short breaks for disabled children and young persons (as per report taken to previous CCAC)		
Project Name:	LTP Integrated Transport		
Budget Change:	2011/12	2012/13	2013/14
	131,187		
Funding Source:	Developer & Town Council Contributions towards Integrated Transport Capital Works		
Project Name:	Bridges		
Budget Change:	2011/12	2012/13	2013/14
	26,861		
Funding Source:	Contribution from Network Rail towards Bridges Capital Works		
	538,986	Total Delegated Changes Approved by Section 151 Officer	

SECTION 2 - DELEGATED CFO POWERS - REPROGRAMMING OF SCHEMES

"Schemes within the capital programme which require the reprogramming of expenditure between years due to scheme not progressing as originally anticipated or other circumstances"

Project Name:	Sarum Academy - Salisbury		
Budget Change:	2011/12	2012/13	2013/14
	(11,000,000)	11,000,000	
Funding Source:	Reprogramming of Scheme to match anticipated expenditure between financial years		
Project Name:	Additional Accomodation General		
Budget Change:	2011/12	2012/13	2013/14
	(12,785,648)	12,785,648	
Funding Source:			
Project Name:	NDS Maintenance & Modernisation		
Budget Change:	2011/12	2012/13	2013/14
	(3,981,500)	3,981,500	
Funding Source:			
Project Name:	DCE Other Projects New Scools - East Trowbridge Primary School		
Budget Change:	2011/12	2012/13	2013/14
	(1,001,925)	1,001,925	
Funding Source:			
Project Name:	DCE Other Projects - Replacements		
Budget Change:	2011/12	2012/13	2013/14
	(344,538)	344,538	
Funding Source:			

Director of Finance (CFO) - EXERCISE OF DELEGATED POWERS & REQUESTS FOR ADDITIONAL RESOURCES WITHIN THE CAPITAL PROGRAMME

CCAC Meeting 15th November 2011
 Financial Year: 2011/12

Project Name:	Campus & Operational Delivery Programme		
Budget Change:	2011/12	2012/13	2013/14
	(17,382,935)	17,382,935	
Funding Source:			
Project Name:	Building Maintenance		
Budget Change:	2011/12	2012/13	2013/14
	(1,000,000)	1,000,000	
Funding Source:			
Project Name:	Leisure & Amenities		
Budget Change:	2011/12	2012/13	2013/14
	(631,415)	631,415	
Funding Source:			
Project Name:	Disabled Facilities Grants		
Budget Change:	2011/12	2012/13	2013/14
	(400,000)	400,000	
Funding Source:			
Project Name:	Corporate Other Housing Grants		
Budget Change:	2011/12	2012/13	2013/14
	(440,000)	440,000	
Funding Source:			
Project Name:	Revenue & Benefits Combined System		
Budget Change:	2011/12	2012/13	2013/14
	(276,682)	276,682	
Funding Source:			
Project Name:	Climate Change Schemes		
Budget Change:	2011/12	2012/13	2013/14
	(97,460)	97,460	
Funding Source:			
	49,342,103	Total Re-programming	

SECTION 3 - REQUESTS TO CABINET FOR ADDITIONAL RESOURCES

"Adjustment/addition of scheme to the capital programme which places an additional funding requirement on the programme"

Project Name:	Rural Estates (County Farms)		
Budget Change:	2011/12	2012/13	2013/14
	225,000		
Funding Source:	Health & Safety Works across the Rural Estates funded through Borrowing		
Project Name:	Wiltshire Incubation Environment Network		
Budget Change:	2011/12	2012/13	2013/14
	375,000		
Funding Source:	Wiltshire Incubation Environment Network funded through Borrowing		
	600,000	Total requests for additional resources	

In the exercise of my delegated powers (Section 1 and 2), I hereby authorise the amendments to the Capital Programme summarised above.

Director of Finance (CFO): Michael Hudson

DATE: November 2011

Wiltshire Council

Cabinet (Capital Assets Committee)

15th November 2011

Subject: Rural Estate Issue

Cabinet member: (Councillor Toby Sturgis – Cabinet Member for Waste, Property and Development Control Services)

Key Decision: No

Purpose of Report

1. To highlight an issue associated with the Council's ability to meet the requirements of the Nitrate Pollution Prevention Regulations 2008 ("the Regulations") on its Rural Estate and to recommend a solution.

Background

2. The Regulations were introduced under the direction of the EU Nitrates Directive and stipulate that in certain circumstances from the 1st January 2012, farm waste storage must be provided for certain waste types during the winter months.
3. The liability for funding such storage facilities on farms on the Rural Estate varies. In some instances it falls on the Council as Landlord and in others, on the Tenant.
4. Failing to comply with the Regulations could result in prosecution and a fine, the loss of Single Farm Payment and reputational damage upon whom the liability falls. The Environment Agency will deal with enforcement of the Regulations.

Main Considerations for the Council

5. Specialised legal advice has been sought on where the liability lies to provide waste storage. Officers have applied this advice, together with their knowledge and understanding of the nature and character of each farm on the Rural Estate to develop a risk based approach to establish a minimum investment requirement.

Environmental and climate change considerations

6. The Regulations have been enacted to protect the water Environment. The proposal will ensure that where the liability to provide storage lies with the Council, it is adhering to the Rules. The design of the structures will

be carried out in accordance with the industry accepted criteria in consultation with the Environment Agency.

Equalities Impact of the Proposal

6. There are no equality impacts with this Proposal.

Risk Assessment

7. A risk assessment has been prepared which has been used to understand and narrow down the levels of risk across each farm on the estate. This has taken into account the legal advice received, the nature and character of each farm, the terms of the tenancy on each farm, the enterprises run on each farm, the level of previous investment and the status of the farm in the Asset Management Plan.

Legal Implications

8. The Proposal is based on the advice of the Council's legal team and their specialist lawyers.

Options Considered and Financial Implications

9. Due to the current difficult financial position, the only option put forward in this report is to allocate funding for those farms deemed to be of highest risk. The cost of this is £225,000 in 2011/12 and across the three financial years £820,000. The need for this work is of a high priority within the Council's allocation of capital funding due to the Health and Safety requirement. This will need to be funded from within the capital programme. At present there is scope within the scheme to manage this due to reprogramming recommended to the CAC on the same agenda as this report.

Conclusions

10. There is a need to allocate the following funding for investment in infrastructure on the Core Estate Farms.

2011/2012	2012/2013	2013/2014
£0.225m	£0.4m	£0.195m

11. Officers have been informed that revisions to the NVZ regulations will be consulted upon in the New Year and it is proposed that this funding allocation be reviewed during Autumn 2012 to ratify its continuing need and/or adequacy as the zone boundaries may be altered.

Proposal

12. To recommend, via Cabinet, that Council approve the allocation of the additional capital funding as set out in paragraph 10.

Reason for Proposal

13. To reduce the risk of prosecution, loss of income and to safeguard the Council's reputation.

Dr Carlton Brand
Director of Transformation and Resources

Report Author:

Stephen Morgan,
Head of Valuation and Estates, Strategic Property Services
Telephone 01225713237

Date of report: 31st October 2011

Background Papers

The following unpublished documents have been relied on in the preparation of this report:

None.

Appendices

There are no Appendices to this report.

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Wiltshire Council

Cabinet Capital Assets Committee

15 November 2011

Subject: Priority Schools Building Programme

Cabinet member: Lionel Grundy – Children’s Services

Key Decision: No

Executive Summary

This report summarises the key elements in the government’s new Priority Schools Building Programme which will support the rebuilding of existing schools or the development of new school buildings where there is a shortage of places. It considers the implications and opportunities for Wiltshire Council and includes proposals for the submission of Expressions of Interest (EOI) under the scheme. The report includes a risk assessment on the Priority School Building Programme in general and on the Private Finance Initiative (PFI) funding mechanism in particular.

Proposal

- a) That Cabinet notes that the Expressions of Interest for the Priority Schools Building Programme have been submitted and the future time scales.
- b) That Cabinet approves the delegation of authority to the Corporate Director (Children and Education) in consultation with the Cabinet Member for Education to agree the submission of any final bid to the Priority Schools Building Programme should proceed to the next stage subject to clarity and affordability related to costs across the life of the project, if the Expression of Interest is accepted by the Department for Education (DfE),.

Reason for Proposal

For Cabinet to note a decision on bidding for funding through the government’s Priority Schools Building Programme for additional education capital funding as a consequence of the timescales and the future need for a rapid response.

Author: Nick Glass – Manager for Strategic School Planning

Contact Details: 01225 713853

15 November 2011

Subject: Priority Schools Building Programme

Cabinet member: Lionel Grundy – Children’s Services

Key Decision: No

Purpose of Report

1. To brief Cabinet of the purpose and scope of the Priority Schools Building Programme and the related PFI possibilities.
2. To inform Cabinet that the first stage for bidding for funding through the government’s Priority Schools Building Programme for additional education capital funding has taken place and that Expressions of Interest have been submitted for five schools.

Background

3. During the summer, DfE informed all Local Authorities that they will commence a privately financed capital programme, called the Priority Schools Building Programme, to fund re-building for those schools across the country which are in the poorest condition.
4. DfE have set out a timescale and bidding process to access this funding which will see around 100-300 schools nationally rebuilt in total over the next five years. Their expectation is that the schools will be a mix of primary, secondary, special schools, sixth form colleges and alternative provision facilities. The programme would be phased with around 20% of schools delivered each year, and DfE anticipate that the first schools would be completed in time for opening in the academic year 2014-2015.
5. The programme invites bids from Local Authorities on behalf of the maintained schools in its area, which can include Voluntary Aided, Voluntary Controlled and Foundation schools without a religious character. It also invites bids directly from Dioceses and other faith bodies independently of Local Authorities along with bids from individual sixth form colleges and academies. Sixth form colleges are required to bid directly while academies have the option of being part of an LA bid or submitting directly.
6. The process for submission of bids opened on October 3rd 2011, with registration of an intention to submit a bid by October 7th 2011 and the deadline for receipt by DfE of final submissions by 12.00 on Friday October 14 2011.
7. DfE intends to fund the programme through a PFI scheme. This is essentially a Private Public Partnership (PPP) in which the private sector partner “provides” the new school buildings and then subsequently recovers an income through the

provision of certain services (maintenance, caretaking, security etc). The key difference in PFI as opposed to the PPP is that there is an additional contractual arrangement with banks providing the finance and effectively “underwriting” the private sector partner. This is why the private sector partner will have a 25 year contract to provide services to the school and to collect a fee for the facility.

Main Considerations for the Cabinet

8. The process will require bidding in competition with other Local Authorities and providers and the selection process and evaluation criteria will be carried out by Partnership for Schools on DfE’s behalf.
9. Through Partnership for Schools, DfE will manage all subsequent aspects of the process up to the point of delivery. This will mean more limited engagement for the Council should a bid from Wiltshire be successful. All aspects of the procurement, including the design, will be managed through PfS. Although there will be some ability for the Council and schools to influence a design, there will be significant constraints. Similarly, because of the national management of the contracts there will be no scope to influence the contracts or to have any say over the risks to be retained. Local issues and requirements will be factored in through engagement between the Local Authority and a PfS nominated design and technical lead.
10. At this point the information available on the process for contract management after build completion is unclear. DfE have confirmed that the school itself will have some involvement, at a minimum, in reporting and in identifying shortfalls in service provision by the contractor but beyond that the details at the moment are limited.
11. The process determining which risks in the contract are “taken back” by either Local Authorities or schools is also not yet fully clarified. At present DfE suggest this will be decided by their central negotiating team on a case-by-case basis.
12. There are risks to be considered with the PFI funding scheme which is proposed for this programme. There has been negative publicity about the performance and the costs involved in the contractual management arrangements connected with some other PFI developments. In addition, there will be revenue budget implications for any school Governing Body involved in a PFI re-build and these will need to be considered prior to any final agreement of a bid.
13. The risks above need to be considered alongside the need to invest further in the school estate which the Council has identified. This programme may represent the only feasible source of significant capital funding for the Council to address some of the condition issues in its schools. The specific set up of PFI will mean that the successful bids are much more likely to be for new builds rather than refurbishment.
14. The Council will need to ensure it has specialist resources in place, particularly in legal and project management, to ensure that it ensures the best possible provision through any PFI development. DfE have confirmed that there will be no additional revenue funding to support the LA to manage the process. The DfE

judge that the use of central procurement and central contract management and negotiation will largely negate the requirements for Local Authority specialist resource and capacity.

15. Three secondary schools have been identified as suitable for submission. Matravers School, Westbury, Stonehenge School, Amesbury and Wyvern College, Salisbury. These schools have condition surveys that would support their application and were seen as a priority under the previous rebuilding scheme, Building School for the Future (BSF). A similar scheme for primary schools, the Primary Capital Building Programme, had identified the rebuilding of St Peter's and St Mary's in Marlborough as a key priority.

Environmental Impact of the Proposal

16. These will be assessed further for an individual project if the bid is successful.

Equality and Diversity Impact of the Proposal

17. Provision of some new school buildings to replace some aging stock will have benefits to all members of the communities that the schools serve and the county as a whole but will benefit the most vulnerable members of the community by raising aspirations and achievement. Closing the "attainment gap" for particular groups of young people is both a national and local priority.

Risk Assessment

18. There are risks related to school organisation and place planning for other local schools in the area through possible parental preference of choosing a new school build compared to a local school that has not been rebuilt.
19. The planning process represents a risk which will be managed through careful pre-application consultation, and a thorough review of the contents of the planning application, which will ultimately be prepared by the contractor.

Financial Implications

20. A PFI scheme would offer the opportunity to rebuild schools without capital investment, and therefore the initial financial implications are minimal, and could offer the opportunity to divert available capital to other projects, in a period where capital resources are very limited.
21. The revenue costs associated with any PFI school are modelled over the life of the contract. In addition to the PFI credit (funded by Government Grant) there are two elements of the cost that directly affect schools. The first is the contribution towards the facilities management (FM) costs of the school and for Wiltshire's current PFI schools this is calculated by way of a formula updated each year for changes in pupil numbers and the retail price index. The fixed level of FM costs in a PFI school gives the school reduced flexibility, compared with non PFI schools, to influence its costs. The contribution is charged to the school's individual budget share and this methodology currently applies to maintained schools and academies.

22. The second element of the cost to schools is the PFI Supplement and this cost arises to account for any affordability gap expected in the cost of the contract over the full period. Currently, according to the Schools Funding regulations, this amount is funded through a top slice on the overall Dedicated Schools Grant and so represents a cost to all schools in a local authority area. The methodology for funding the PFI supplement may change for Academies in future years with the DfE funding this element directly.
23. In general terms it is important to identify, as far as possible, all of the potential costs of this project at the outset so that the Council has a clear understanding of any costs involved. While it is understood that Partnerships for Schools (PfS) will, in broad terms, fund the core of the project, there are certain caveats that are as yet unclear and will need to be known and understood before final assessment of any scheme is undertaken. There will be a need for consideration therefore also in the future of the impact on internal resources to support this work, or whether these will be provided externally.
24. The DfE are currently consulting on significant changes to Education funding, however, the continuation of schools revenue funding being ring fenced is underwritten within the consultation.
25. At present no indicative level of overall funding has been provided by DfE or PfS. On approval of an Expression of Interest, an indicative Funding Allocation Model (FAM) will be issued and it is this stage that the LA has to understand any financial commitment.

Legal Implications

26. Cabinet will be advised of any significant legal issues and risks at the time approval is sought for the authority to enter into any legally binding commitment.

Options Considered

27. At present there are no other capital build programmes for schools available from DfE.

Conclusion

28. Although there are risks in the PFI model of delivery, the Priority School Building Programme would offer the Council the opportunity to make significant capital investment in new build school/schools and address some of the condition issues in the Authority.
29. In particular the programme is likely to be the only feasible opportunity for the Council to secure significant central government funding in school re-builds in the near future and consequently the report considers that this consideration outweighs the concerns on the PFI risks and it therefore recommends a continued engagement in the bid process for Wiltshire schools.

Carolyn Godfrey
Director, Department for Children and Education

Report author: Nick Glass, Manager of School Strategic Planning. Extn 13853

Background Papers

No unpublished documents have been relied on in the preparation of this report.

Appendices

There are no Appendices to this report.