



Report to Policy Committee

Author/Lead Officer of Report:

Mark Sheikh, Head of Service – Resourcing and Business Planning,

Report of: Meredith Dixon-Teasdale
Strategic Director of Children’s Services

Report to: Education, Children and Families Policy Committee

Date of Decision: 8th February 2024

Subject: Proposed Capital Programme for 2024/25

Has an Equality Impact Assessment (EIA) been undertaken?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
If YES, what EIA reference number has it been given? <i>(Insert reference number)</i>				
Has appropriate consultation taken place?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
Has a Climate Impact Assessment (CIA) been undertaken?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
Does the report contain confidential or exempt information?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
If YES, give details as to whether the exemption applies to the full report / part of the report and/or appendices and complete below:-				
<p><i>“The (report/appendix) is not for publication because it contains exempt information under Paragraph (insert relevant paragraph number) of Schedule 12A of the Local Government Act 1972 (as amended).”</i></p>				

Purpose of Report:

This report sets out the key priority areas for capital investment for the Education, Children and Families (ECF) Policy Committee and provides an overview of potential projects and priorities for the years 2024 to 2029, together with an overview of anticipated developments and challenges up to 2052.

The Committee is asked to endorse the general approach to inform the Council’s overarching Capital Strategy (which will be brought to Full Council for approval in March 2024).

Recommendations:

The Education, Children and Families Policy Committee is recommended to:

1. Endorse the proposals set out in this report.
2. Note that the proposals will now be included in the draft Capital Strategy to be submitted to Full Council for approval in March 2024 and, if approved:
 - a) Officers will work with Members to consult with relevant stakeholders (including with partners, staff, trades unions [if required] and in respect of equalities and climate change) on the proposals in this report to inform final project proposals;
 - b) Officers will work to develop any necessary detailed implementation plans for the proposals in this report so that the proposals can be implemented as planned; and
 - c) Approval for detailed proposals will be sought as part of the monthly capital approval cycle by the Finance Committee.

Background Papers:

None

Appendices:

Appendix 1 - Proposed Capital Strategy submission for Education, Children and Families Policy Committee for 2024/25

Lead Officer to complete:-	
1	I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms completed / EIA completed, where required.
	Finance: Phil Moorcroft
	Legal: Gemma Beecroft
	Equalities & Consultation: N/A – see report
	Climate: N/A – see report
	<i>Legal, financial/commercial and equalities implications must be included within the report and the name of the officer consulted must be included above.</i>
2	SLB member who approved submission: Meredith Dixon-Teasdale
3	Committee Chair consulted: Cllr Dawn Dale
4	I confirm that all necessary approval has been obtained in respect of the implications indicated on the Statutory and Council Policy Checklist and that the report has been approved for submission to the Committee by the SLB member indicated at 2. In addition, any additional forms have been completed and signed off as required at 1.
	Lead Officer Name: Mark Sheikh
	Job Title: Head of Service – Resourcing and Business Planning
	Date: 08-02-2024

1 BACKGROUND

- 1.1 The Chartered Institute of Public Finance and Accountancy (CIPFA) Prudential Code for Capital Finance, which the Council must by law have regard to, includes the requirement for a Capital Strategy which:
- sets out a high-level view of how capital investment, capital financing and treasury management activities contribute to the provision of services; and
 - provides an overview of how the associated risks are managed.
- 1.2 This Council's Capital Strategy takes a 30-year view of capital investment, with a detailed 5-year Capital Programme. This includes a 10-year investment pipeline, setting out potential projects which we should prioritise for external funding.
- 1.3 This report sets out recommendations in relation to the element of the Capital Strategy related to the functions of the Council that are the responsibility of the Education, Children and Families Policy Committee.

2 PROPOSAL

- 2.1 Capital investment in the ECF Policy Committee area is focused on four key areas:

A. **Building condition** -The Council has a responsibility to ensure the school estate for which it is responsible (community schools) is fit for purpose. The backlog of maintenance remains significant. However, progress is being made with a programme of projects to address key issues, prioritised through a survey programme and funded by the annual Schools Condition Allocation (SCA) of capital grant funding.

The need far outweighs the funding allocated annually and continues to present a significant challenge. The maintenance backlog is estimated at £45m for 64 maintained schools.

B. **Basic need** – ensuring there are enough mainstream school places to meet demand. Prioritizing the Capital and Growth Programme is crucial to meet the Council's statutory duty of providing adequate, high-quality school places. Notable achievements in past years include state-of-the-art facilities like Oasis Don Valley, Astrea Academy, Mercia Academy, and the expanded Ecclesall Primary, which serve as examples for Sheffield's children.

C. **SEND sufficiency** – ensuring the right provision in the right place for pupils with special educational needs and disabilities. Under the 2014 Children and Families Act, the Local Authority has a statutory duty to provide sufficient school places for children and young people with special educational needs and disabilities (SEND). Since 2014, Sheffield has seen significantly increasing demand for specialist places for children and young people with SEND. Since 2018, the number of special school places in Sheffield has been increased by 20%. Additional special places are needed in the next five years. This rising demand presents key risks, include the potential for an increase in high-cost independent placements due to lack of physical capacity in Sheffield. Capital investment must be managed carefully, as the allocation from the Department for Education does not appear to be sufficient.

D. **Children Looked After** – ensuring the right facilities are in place for children in residential care. The goal is for Sheffield to support our children to achieve their full potential. Five key sufficiency principles guide this effort, emphasizing the preference for children to stay at home or be reunified with family whenever safe. Family-based care is prioritized, including foster care and adoption, and high-quality residential placements are the last resort. The strategic response aims to maximize family-based care while ensuring access to sufficient residential provision. Despite lower Children Looked After (CLA) rates compared to national and statistical comparators, there is a rise in complexity and needs among Sheffield's CLA cohort. The demand for residential placements for highly complex cases is increasing, leading to a business case for smaller, high-occupancy homes.

2.2 This report provides an opportunity for the ECF Committee to comment upon and develop the proposed Capital Strategy for its areas of responsibility. This will then form part of the Council's overarching Capital Strategy for the year ahead.

2.3 It is important that the Council moves towards a 'rolling' Capital Strategy which does not simply reflect a fixed point in time. It is therefore proposed that the ECF Policy Committee reviews its Capital Strategy regularly over the course of the year, so it considers emerging pressures and funding streams. Officers will ensure it is updated and brought back for endorsement as the year progresses.

2.4 The proposed projects for the coming year and the long-term forward look are set out in Appendix 1.

3 HOW DOES THIS DECISION CONTRIBUTE ?

3.1 The proposals in this report are aimed at maximising financial resources to deliver ECF outcomes to Children, young people, families and residents in Sheffield. By delivering this investment, the Council seeks to improve the quality of life for the people of Sheffield.

3.2 **Carbon Net Zero** - Our role as a Council is to reduce our own emissions and to do what we can to enable change across the city. Every potential project will have a Climate Impact Assessment completed before it is brought to Finance Committee for formal approval and we will seek to minimise the negative and maximise the positive sustainability outcomes from all our projects.

3.3 **Equality, diversity and inclusion** – The council is committed to promoting equality, diversity and inclusion. Every potential project will have an Equality Impact Assessment completed before it is brought to Finance Committee for formal approval.

3.4 As the new **Corporate Plan** emerges, we will continue to ensure that our committee and service capital priorities link and feed into the broader corporate priorities. We'll also align our capital projects with the **Sheffield City Goals** framework which aims to deliver a city where everyone, no matter who they are or where they come from, can live well and be part of Sheffield's story on terms that make sense to them.

4 HAS THERE BEEN ANY CONSULTATION?

- 4.1 Any required consultation will be carried out prior to formal capital approval of the schemes being brought forward to Finance Committee.

5. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION

5.1 Equality Implications

- 5.1.1 Equality Impact Assessments (EIA) will be conducted for all the endorsed proposals within this report as they are brought forward through the usual Capital Approvals Process.
- 5.1.2 EIAs (Equality Impact Assessment) are live documents and will be kept up to date as proposals are further developed and, as appropriate, consulted upon.

5.2 Financial and Commercial Implications

- 5.2.1 There are no financial or commercial implications arising directly from this report as this report is not approving any individual schemes. Financial and commercial considerations will be considered for each individual project as they are brought forward through the standard Capital Approvals Process.

5.3 Legal Implications

- 5.3.1 The Local Government Act 2003 sets out a framework for the financing of capital investments in local authorities. In accordance with the provision of the Act, and regulations thereunder, local authorities must have regard to the requirements set out in the Prudential Code for Capital Finance produced by the Chartered Institute of Public Finance and Accountancy (CIPFA).
- 5.3.2 The Prudential Code is a professional code of practice to support local authorities' decision making in the areas of capital investment and financing. One of the requirements of the Code is a Capital Strategy.
- 5.3.3 The recommendations in this report contribute to the process of setting a Capital Strategy but do not otherwise have any immediate legal implications.
- 5.3.4 Implementation of the specific proposals outlined in this report will require further decisions in due course, which will need to be made in accordance with the Council Constitution. It is important to note that in making these decisions, full consideration of the Council's legal duties and contractual obligations will be needed.

5.4 Climate Implications

- 5.4.1 Climate Impact Assessments (CIA) will be developed for all endorsed projects within this report as they are brought forward through the usual Capital Approvals Process.

5.5 Other Implications

- 5.5.1 None identified

6. ALTERNATIVE OPTIONS CONSIDERED

6.1 The Council is required to both set a balanced budget and to ensure that in-year income and expenditure are balanced. Committee is invited to comment upon and endorse the current proposals to form part of the Council's wider Capital Strategy for 2024/25.

7. REASONS FOR RECOMMENDATIONS

7.1 Members are asked to note the unsustainable financial position highlighted by the medium-term financial analysis presented to Strategy and Resources Committee in September 2023.

7.2 This report and its recommendations set out how capital projects can continue to be developed and delivered, despite the limited resources available and continue to deliver quality infrastructure for the people of Sheffield.

Appendix 1

Proposed Capital Strategy submission for Education, Children and Families Policy Committee for 2024/25

This page is intentionally left blank