



NORTH YORKSHIRE SCHOOLS FORUM

2.

Date of meeting:	Thursday 15 May 2025
Title of report:	North Yorkshire Council Scheme for Financing Schools
Type of report: Delete as required	For information and decision
Executive summary: Including reason for submission	The report provides background to the schools Capital Programme for 2025-26 including details of priorities for investment and the schools Condition Capital Programme.
Budget / Risk implications:	None for schools
Recommendations:	The Schools Forum are asked to note the draft report
Voting requirements:	None
Appendices: To be attached	A- Schools Capital Programme 2025-26
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Presenting officer: If not the originator	

1.0 PURPOSE OF THE REPORT

- 1.1 This report briefs Schools Forum on the recommendations that will be submitted to Executive for approval in respect of the schools Capital Programme 2025-26.

2.0 SUMMARY

- 2.1 In March 2025 the Department for Education (DfE) confirmed a School Condition Allocation (SCA) of £7.446 million to the Council, as the responsible body for Community, Foundation and Voluntary Controlled schools in the county, for the financial year 2025-26. This is an increase on the allocation of £5,883 million received for the financial year 2024-25.
- 2.2 As of 1 April 2025 there were 182 maintained schools in North Yorkshire, 162 of which were either Community or Voluntary Controlled Schools. Those schools have a significant total investment requirement which includes, but is not limited to, the condition of their buildings. The investment requirement associated with backlog maintenance alone is estimated to be approximately £20.6 million and further planned maintenance requirements of approximately £62.3 million have been identified as being required within the next 5 years.
- 2.3 This report proposes a programme of investment that has been developed in accordance with the DfE's guidance for the use of SCA and which will address the priority condition and property compliance needs in the school's estate.

3.0 BACKGROUND

- 3.1 The SCA of £7,446 million was announced on 27 March. The allocation is made to the Local Authority as the responsible body for Community, Foundation and Voluntary Controlled Schools in North Yorkshire. Voluntary Aided schools and academies receive separate allocations.
- 3.2 The Local Authority's allocation is adjusted annually based on the number of open academies at the beginning of November, and those expected to open on or before 31 March prior to the relevant allocation year. No projects have been included in the proposed 2025/26 programme for any schools that were expected to convert by 31 March 2025 (including those where conversion has been delayed). It is again proposed that where projects have been included in the programme, but schools later become an academy, a judgement will be made about whether the scheme should proceed or not. This will take account of the nature and value of the project, the stage of design development reached and the extent to which the project will extend beyond the date of conversion. This reflects the policy that schools convert to academy status in their existing condition.
- 3.3 Guidance produced by the DfE and which is provided with the allocation notes that SCA is intended to be used for the improvement of the condition of school buildings and grounds, prioritising safety and keeping buildings operational.

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- 3.4 The allocation is 100% grant funded. There is no time limit in respect of the proposed expenditure, and the funding can be carried forward if it remains unspent at the end of the financial year. The table below compares the allocations over the last 3 years: -

	2023/24	2024/25	2025/26
LA School Condition Allocation	£6,044,988	£5,883,316	£7,446,000
Devolved Formula Capital (LA Schools)	£1,242,978	£1,211,907	£1,060,988

- 3.5 Capital allocations made since 2021/22 have been informed by the DfE's data that was collected in respect of all schools nationally during 2019 via a Programme called the 'Condition Data Collection'. Although the next DfE programme of condition data collection is not expected to complete until 2026 the allocations made for 2025-26 partially reflect the data arising from that programme and will continue to do so as it is completed.
- 3.6 Annual allocations are usually adjusted to reflect the number of academy conversions and therefore the reducing pupil numbers in the maintained sector. It is difficult to estimate the scale and speed of academy conversions and therefore the potential level of reduction year on year.

The table below shows the number of academy conversions completed during recent years and the current estimate for the further conversions that are anticipated for during the financial year 2025-26.

	Voluntary conversions	Sponsored conversions (directed cases)
2017/18	27	2
2018/19	13	5
2019/20	12	5
2020/21	12	3
2021/22	3	5
2022/23	10	2
2023/24	8	0
2024/25	16	3
2025/26	2	2

- 3.7 As of 1 April 2025, there were 182 maintained schools in North Yorkshire: 3 Nursery, 158 Primary, 12 Secondary, 5 Special schools and 4 Pupil Referral Units. This represents 51.4% of all 354 schools in North Yorkshire.
- 3.8 The Council is the responsible body for asset management purposes for the 162 Community, Foundation and Voluntary Controlled schools.

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- 3.9 The DfE used pupil census data as part of their allocation methodology for this latest allocation and will do so in future. The following table shows the cumulative pupil numbers for the relevant categories of schools based on the January 2025 census:

January 2025 Full-time and part-time pupils	Maintained C, VC & Foundation	Maintained VA	Academies, free schools and UTC	Total Pupils
Nursery	1,006	70	1,317	2,393
Primary - KS1 & KS2	18,489	1,741	20,716	40,946
Secondary – KS3 & KS4	7,748	631	23,615	31,994
Sixth Form – KS5	810	187	3,532	4,529
Special & PRU	585	0	803	1,388
Total Pupils	28,638	2,629	49,983	81,250

4.0 CAPITAL PLAN 2025-26

- 4.1 The capital programme historically includes an amount of general contingency which has been utilised to meet costs arising from high tenders, and to respond to emerging condition issues. The general contingency in the 2024-25 programme has been partially utilised to meet additional costs that have arisen from individual schemes and overspends from previous programmes. Carry forwards from individual programme budgets are shown at Appendix A. The unallocated proportion has increased due to the closedown of individual project budgets following scheme completion, and re-profiling of funding over the financial year.

5.0 PRIORITIES FOR INVESTMENT

- 5.1 On 19 April 2022 the former NYCC Executive approved the School Estate Strategy following consultation with councillors and North Yorkshire schools. The strategy documents are aligned to the DfE recommended approach known as Good Estate Management for Schools (GEMS) [Good estate management for schools - Guidance - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/good-estate-management-for-schools). The approved strategy replaced earlier Council statements on priorities that pre-dated the GEMS guidance.
- 5.2 The 2025/26 capital programme will be based on the priorities contained within the 2022 School Estate Management strategy document which are:
- Maintain school place sufficiency – provide additional school places as the need arises
 - Ensure the safety and security of all school estate users – supporting schools with their delegated responsibility for health and safety
 - Maintain the school estate - invest in capital maintenance to ensure that facilities remain fit-for-purpose
 - Modernise and improve school estate facilities - help young people achieve by ensuring their accommodation is to modern standards
 - Improve SEND provision - addressing the needs identified in the SEND Strategic Plan

- Sustain and improve schools through re-organisation of provision where appropriate
- Improve Accessibility where appropriate – support investment in facilities to enable access by children with medical or mobility needs
- Contribute to the Council's target of achieving net carbon neutrality by 2030, or as near to that date as possible.

6.0 PROPOSED SCHOOLS CONDITION CAPITAL PROGRAMME 2025-26

- 6.1 Appendix A provides a proposed Capital Programme for 2025/26. The following sections of the report provide the rationale for each element of the programme. For reasons of commercial sensitivity individual project budgets are not published.

General Compliance and Health and Safety issues

- 6.2 The Council continues to help schools with issues around the health, safety and welfare of pupils and general property compliance. These issues include, but are not limited to, boundary and internal security issues that may have an impact upon the safeguarding of children. Schools often have insufficient funding to address these issues themselves and look to the local authority for support. The costs of such adaptations can be significant. A number of such schemes have been successfully undertaken over recent years. It is once again proposed that any further urgent schemes should be supported in-year from compliance sums.
- 6.3 It is proposed that an allocation of £400k should be included within the programme for compliance and health and safety related projects in 2025-26.

Capital Planned Maintenance

- 6.4 The total maintenance backlog in schools across the County continues to be significant despite the ongoing programme of planned capital work. It is therefore important that investment continues to be made in maintaining and preventing further deterioration in the fabric of school buildings. The total backlog is estimated to be approximately £20.6 million.
- 6.5 This figure is a conservative estimate and only reflects the expected costs for the repair or replacement of individual elements and does not include provision for any associated costs including, for example, asbestos removal or the provision of temporary accommodation during the works. The actual cost of addressing the identified backlog would, therefore, be in significantly in excess of £20.6m.
- 6.6 In addition to the requirements associated with the maintenance backlog further planned maintenance investment requirements of approximately £62.3 million have been identified as being required to address the condition of school buildings within the next 5 years.
- 6.7 The low value of annually allocated DFC impacts on the level of funding available from schools to contribute towards the Capital Planned Maintenance Programme which addresses structural issues such as roof and window replacements, mechanical and electrical upgrades etc. With the previous agreement of the Schools Forum, projects are now only to be included in the programme on the understanding that schools will contribute all of their available DFC in that financial year. In some

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cases, this means that schools will be asked to fully fund maintenance projects that have been identified through condition surveys as a high priority rather than other projects. On this basis, an assumption has been made that £150k will be contributed by schools to the Capital Planned Maintenance budget in 2025/26.

- 6.8 A Planned Maintenance budget of £5.901 million (including fees and contingency) is proposed for schools in 2025-26. This includes provision of £1.5 million to meet the costs associated with addressing elemental failure that occurs during the course of the year and that requires to be addressed in order to ensure the health and safety of pupils and staff, or that the relevant schools are able to remain operational.
- 6.9 An initial programme has been developed taking account of the highest priority condition items, as identified through the annual condition survey and discussions with schools. Additional priority projects will be identified and reviewed, potentially for delivery during 2026-27.

Glazing Regulations

- 6.10 Provision of £150,000 is proposed to meet the cost of specialist glazing surveys within all schools to determine the extent of works required to ensure compliance with the Glazing Regulations. It is expected that the funding of any required works will be considered in the 2026-27 Programme.

Asbestos Management

- 6.11 Provision of £250,000 is proposed to meet the cost of any asbestos abatement works that are required arising from a programme of asbestos management surveys that are being undertaken, or which are required during the course of any projects being undertaken as a part of this programme.

Accessibility Related Works

- 6.12 The Council continues to make provision for some accessibility work in the programme to address the needs of individual children and for any significant access related work that emerges from other developments. It is proposed to set aside a sum of £170,000 from the 2025-26 allocation for such projects.

School Modernisation and Support for Strategic Priorities

- 6.13 Arising from the Executive's decision on 20 June 2023 to cease to maintain Eskdale School with effect from 31 August 2024 officers have continued to work with the leadership of Whitby School to identify priority works required arising from the amalgamation of the schools and consolidation onto 2 of the previous 3 sites. It is proposed that £200,000 be allocated to meet the costs of identified works.
- 6.14 Following a recent inspection of school kitchens, it is proposed to undertake some expansion and refurbishment work to bring the highest priority school kitchens up to modern standards and to enable them to cater for an increase in the number of school meals being provided. A budget allocation of £450,000 has been included within the 2025/26 capital programme to progress two of these schemes that have already had advanced feasibility work undertaken to provide better cost certainty.

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- 6.15 In addition it is proposed to allocate £757,000 to meet the cost of essential drainage work at two primary schools, the first is because of a non-compliant system, and the second is due to repeated flooding of school buildings. Some initial survey work has already been undertaken on both sites but further investigations will be required to establish a higher level of cost certainty.

Strategic Support for Capital Delivery

- 6.16 The Capital Programme and individual projects within it are commissioned and sponsored by CYPS Strategic Planning staff but, following restructuring of the property function, they are now delivered by staff working within the Council's Property Service. It is proposed to continue funding one post within the Property Service. This post provides support for the delivery of the CYPS Planned Maintenance Programme and other parts of the CYPS Capital Programme. Monitoring arrangements will be in place to record the work undertaken in respect of individual schemes and the support from the Property Service. This provision amounts to £67,596.

General Contingency

- 6.17 It is necessary to retain an element of general contingency within the programme. This is to ensure that funding is available where unforeseen additional costs arise as schemes develop through feasibility and into detailed design and procurement. There is an element of contingency included within the proposed Capital Planned Maintenance Programme to meet unforeseen emergency work which emerges during the year relating to asbestos or other urgent and unplanned infrastructure requirements. The general programme contingency will address any additional costs associated with 2024-25 schemes yet to be completed, as well as those in the proposed 2025-26 programme.
- 6.18 It is proposed that a contingency of £1 million should be retained.
- 6.19 Further consideration will be given during 2026-27 to the requirement for, and extent of, a general contingency to be maintained within the capital programme.

7.0 FINANCIAL IMPLICATIONS

- 7.1 As noted within the report above the SCA is funding awarded for capital investment in maintaining and improving the condition of the school estate.
- 7.2 Assurance is required to be provided as part of the annual capital grant monitoring process to confirm that the funding has been used for capital purposes.
- 7.3 Monitoring of the programme and expenditure is undertaken via departmental monitoring arrangements and reported via the capital monitoring arrangements.
- 7.4 As noted in Section 6, above, the programme that is recommended includes a contingency of £1 million

8.0 LEGAL IMPLICATIONS

- 8.1 Councils have a statutory duty under the Education Act 1996 to ensure the provision of sufficient school places in safe and well-maintained buildings. This means they must prioritise addressing high-priority building condition issues to comply with legal requirements. When determining the Capital Investment Programme, councils must adhere to the Prudential Code established under the Local Government Act 2003. This ensures that capital expenditure plans are affordable, prudent, and sustainable.
- 8.2 All contracts related to the capital projects must be competitively procured in accordance with the council's Contract Procedure Rules and public procurement law. This includes ensuring transparency, fairness, and value for money in the procurement process.
- 8.3 Councils must follow their financial regulations and any authorisations in place when approving and adjusting the programme. This includes obtaining necessary approvals from relevant officers and committees.
- 8.4 Councils need to manage risks associated with the programme, such as unforeseen Priority 1 works that may arise during the delivery of the programme. Contingency plans should be in place to address these risks effectively.
- 8.5 These legal implications ensure that the Schools Condition Capital Programme is implemented in a manner that is compliant with statutory requirements, financially prudent, and transparent.

9.0 EQUALITIES IMPLICATIONS

- 9.1 There are no equalities implications arising from this report.

10.0 CLIMATE CHANGE IMPLICATIONS

- 10.1 The size of the school estate means that it is an important factor in the Council's overall carbon reduction plan. In developing and delivering schemes every opportunity will be explored to provide a solution that assists with carbon reduction. However, given the current size of the maintenance backlog, and the limited funding available it is unlikely that schemes will be prioritised for inclusion in future programmes solely on the basis of carbon reduction. A Climate Change Impact Assessment has been developed in support of a Schools Condition Capital Programme, and this is attached as Appendix C.
- 10.2 All works undertaken are done so in accordance with Building Regulations, and with regard to the November 2022 DfE School Output Specification on sustainability, which provide for high standards in respect of energy efficiency. As a result, much of the work via the planned maintenance programme (e.g. roof, window and boiler replacements) will have a positive impact upon carbon emissions, in addition to addressing essential backlog maintenance.

11.0 RECOMMENDATIONS

- 11.1 The Schools Forum is asked to note the draft report.

APPENDICES

Appendix A- Schools Capital Programme 2025-26

SIR STUART CARLTON

Corporate Director – Children and Young People's Service

Report Prepared by Jon Holden, Head of Strategic Planning