

**Forward Plan reference number: FP/276/10/23**

<b>Report title:</b> Acceptance of Funding for Reinforced Autoclaved Aerated Concrete (RAAC) expenditure incurred on Essex Maintained Schools	
<b>Report to:</b> Councillor Christopher Whitbread – Chancellor for Essex and Councillor Tony Ball- Cabinet Member for Education, Excellence, Lifelong Learning and Employability	
<b>Report author:</b> Joe Chell, Head of School Organisation and Place Planning	
<b>Date</b> 8 January 2024	<b>For:</b> Decision
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<b>County Divisions affected:</b> Countywide	

## 1. Everyone’s Essex

- 1.1 Everyone’s Essex sets out our strategic aims and objectives. One of the aims is around family and objectives include education excellence and also safety of children.
- 1.2 As the responsible body for Essex maintained schools, ECC is supporting those schools affected by RAAC to ensure all pupil are in Education at school. Currently, funding for this mitigation is from the authority’s Health and Safety Reserve to allow for temporary accommodation to be sourced for school sites.
- 1.3 The DfE has confirmed that it will provide funding for essential immediate works and support the provision of temporary buildings for schools and colleges that are affected and work closely with responsible bodies to manage RAAC in the long term.

## 2 Recommendations

### **For the Cabinet Member for Education, Excellence, Lifelong Learning and Employability**

- 2.1 Agree to accept funding of £2.3m in 2023/24 and enter into a grant agreement with the DfE for expenditure incurred for the temporary accommodation for those Essex maintained schools which have been affected by RAAC.
- 2.2 To note that there will be further expenditure incurred by schools affected by RAAC which will also be claimed back through the DfE grant agreement as it is incurred on a timely basis.

### **Chancellor for Essex**

- 2.3 Agree to return £2.3m to the Health and Safety Reserve

## 3 Background and Proposal

- 3.1 Essex County Council (ECC) has been working over a number of years to understand the extent of reinforced autoclaved aerated concrete (RAAC) across the maintained school estate.
- 3.2 RAAC concrete is a material, lighter than traditional concrete and used in building between 1950 and 1990 to build roofs and sometimes walls and floors. RAAC panels and planks are softer than standard concrete and when used in tension rely significantly on the strength of metal reinforcing bars buried in the concrete. RAAC becomes weaker and more prone to collapse as it ages and significant safety concerns have been raised concerning the use of it in school construction. In particular if water penetrates the material then corrosion of the reinforcing bars can happen and they can fail. The Council has been proactive in identifying RAAC and putting in place mitigation measures complying with the Institution of Structural Engineers guidance and also the DfE guidance as it then was.
- 3.3 On 30 August 2023, the Department of Education (DfE) changed its policy and the revised policy required immediate action to be taken where RAAC is used in schools. The policy change can mean that a school is required to close in whole or in part or find an alternative location for pupils while RAAC is dealt with.
- 3.4 As at the 1st December ECC had identified 62 schools within Essex as having RAAC in all or, more commonly, some of their buildings. Of the 62 schools, seventeen are local authority maintained schools for which ECC is responsible with the remaining 45 being academies, for which the academy trust is the responsible body. ECC are required to take immediate action for the maintained Schools, and we are also working to support Academy Trusts where this is needed. ECC is not obliged to fund works at academies but has agreed to do so in the interests of supporting children's education and learning.
- 3.5 ECC have spent £2.3m so far on assisting Essex Schools with RAAC to get pupils back into school to learn. This sum is for temporary accommodation. ECC is able to claim this back from the DfE. The Department for Education (DfE) has made a statement that it will reimburse Local Authorities for expenditure incurred in dealing with RAAC concrete issues in schools and that it is a priority that children are kept in face to face education. A grant funding agreement has now been issued in order for the responsible body to claim funding back for expenditure incurred.
- 3.6 This is the first of a series of similar claims to the DfE for the money spent on supporting schools in Essex. This paper relates to five schools – listed in table 6.1.5 for which £2.3m has been incurred so far.
- 3.7 ECC have applied to the DfE to claim its expenditure of £2.3m and the DfE have agreed to pay this to ECC, once they have reviewed each claim. It is proposed that ECC accept this funding on the terms of a funding agreement. This will cover all expenditure outlaid by ECC to date. When ECC incur further expenditure, it will make a further claim to the DfE for this to be met. This will be subject to a separate decision. The terms of the grant funding agreement requires ECC to

have been invoiced by the contractors undertaking the works and provide copies of the invoices to the DfE together with the relevant claim form. ECC has received invoices for all works incurred so far and is in a position to submit the forms

3.8 When funding is returned to ECC, the Health and Safety reserve can be replenished.

## **4 Links to our Strategic Ambitions**

4.1 This report links to the following aims in the Essex Vision

- Provide an equal foundation for every child

4.2 This report links to the following strategic priorities in the emerging Organisational Strategy 'Everyone's Essex':

- A good place for children and families to grow

## **5 Options**

5.1.1 Do Nothing (not Recommended). If funds are not drawn down for qualifying spend, this will have significant impact on the Health and Safety Reserve.

5.1.2 Agree to accept the funding of £2.3m in 2023/24 and enter into a grant agreement with DfE (recommended). This will allow for the Health and Safety Reserve to be replenished and also for future claims to be made as actual expenditure is incurred.

## **6 Issues for consideration**

### **6.1 Financial implications**

6.1.1 The Council has no existing revenue budget to fund the RAAC works and DfE have advised that that it will reimburse Local Authorities for expenditure incurred in dealing with RAAC concrete issues in schools and that it is a priority that children are kept in face to face education.

6.1.2 The DfE has stated that it will fund RAAC expenditure in line with the terms and conditions of their grant agreement. An analysis of the qualifying expenditure will be provided to the DfE for reimbursement.

6.1.3 To ensure that RAAC issues were dealt with as soon as they were identified, it was approved that works could be funded from the Council's Health and Safety Reserve. Therefore subject to DfE approving the grant claim, the Health and Safety Reserve will be reimbursed for any actual spend.

6.1.4 The authority will claim actual expenditure incurred through a grant funding agreement. There is a risk that upon their review the DfE may not approve all spend incurred by the authority. This could mean that the Health and Safety Reserve will not be replenished for those amounts.

6.1.5 The table below gives an analysis of the £2.3m of costs incurred so far in 2023/24, for which reimbursement from DfE will be sought:

	2023/24		
	Actual spend to date		
	Capital £000	Revenue £000	Total £000
Broomfield Primary School	95	56	151
Hatfield Peverel St Andrew's Junior School	9	465	474
Mersea Island School	411	0	411
Springfield Primary School	345	140	485
The Bromfords Secondary School	0	793	793
<b>Total</b>	<b>859</b>	<b>1,454</b>	<b>2,313</b>

6.1.6 The forecast spend of £664,000 for the remainder of the 2023/24 financial year, as analysed below, will be claimed through the grant process as and when expenditure has been incurred on a timely basis:

	2023/24		
	Forecast spend		
	Capital £000	Revenue £000	Total £000
Broomfield Primary School	81	51	133
Hatfield Peverel St Andrew's Junior School	73	291	364
Mersea Island School	3	0	3
Springfield Primary School	-5	0	-5
The Bromfords Secondary School	0	169	169
<b>Total</b>	<b>153</b>	<b>511</b>	<b>664</b>

6.1.7 The table below gives an analysis of the £967,000 forecast costs in 2024/25. These will be claimed through the grant process as and when expenditure has been incurred on a timely basis:

	2024/25		
	Forecast		
	Capital £000	Revenue £000	Total £000
Hatfield Peverel St Andrew's Junior School	0	905	905
The Bromfords Secondary School	0	62	62
	<b>0</b>	<b>967</b>	<b>967</b>

6.1.8 The current balance of the Health and Safety Reserve is £3.4m and where it has been drawn upon, it will be reimbursed as and when expenditure has been approved by the DfE.

6.1.9 As expenditure is incurred, future expenditure claims will be made through the grant agreement.

## **6.2 Legal implications**

6.2.1 The Council's financial regulations state that all drawdowns from reserves must be approved by the Cabinet Member for Finance.

6.2.2 Drawing down of money from reserves does not authorise any expenditure that is a key decision or any significant changes to ECC services or funding which must be authorised by the relevant Cabinet Member.

6.2.3 A separate decision is being taken with respect to the hire of the temporary accommodation.

## **7 Equality and Diversity Considerations**

7.1 The Public Sector Equality Duty applies to the Council when it makes decisions. The duty requires us to have regard to the need to:

- (a) Eliminate unlawful discrimination, harassment and victimisation and other behaviour prohibited by the Act. In summary, the Act makes discrimination etc. on the grounds of a protected characteristic unlawful
- (b) Advance equality of opportunity between people who share a protected characteristic and those who do not.
- (c) Foster good relations between people who share a protected characteristic and those who do not including tackling prejudice and promoting understanding.

7.2 The protected characteristics are age, disability, gender reassignment, pregnancy and maternity, marriage and civil partnership, race, religion or belief, sex, and sexual orientation. The Act states that 'marriage and civil partnership' is not a relevant protected characteristic for (b) or (c) although it is relevant for (a).

7.3 The Equalities Comprehensive Impact Assessment indicates that the proposals in this report will not have a disproportionately adverse impact on any people with a particular characteristic.

## **8 List of Appendices**

Equalities Comprehensive Impact Assessment

## 9 List of Background papers

None

<p><b>I approve the above recommendations set out above for the reasons set out in the report.</b></p> <p><b>Councillor Christopher Whitbread, Chancellor for Essex</b></p>	<p><b>Date</b></p> <p>07/02/2024</p>
<p><b>I approve the above recommendations set out above for the reasons set out in the report.</b></p> <p><b>Councillor Tony Ball- Cabinet Member for Education, Excellence, Lifelong Learning and Employability</b></p>	<p><b>Date</b></p> <p>07/02/2024</p>

In consultation with:

<b>Role</b>	<b>Date</b>
<p><b>Executive Director, Corporate Services (S151 Officer Nicole Wood</b></p> <p><b>Stephanie Mitchener on behalf of Nicole Wood</b></p>	<p>02/02/2024</p>
<p><b>Director, Legal and Assurance (Monitoring Officer)</b></p> <p><b>Laura Edwards on behalf of Paul Turner</b></p>	<p>22/1/24</p>