

Committee: **Lead Member for Learning and School Effectiveness**
 Date: **26 March 2012**
 Title of Report: **Capital Loans to Schools**
 By: **Director of Children’s Services**
 Purpose of Report: **To consider loan applications from Uplands Community College and Robertsbridge Community College**

Recommendation:

The Lead Member is recommended to approve the loan applications for:

- i) Uplands Community College – installation of a covered walkway**
- ii) Robertsbridge Community College – construction of a new sports hall**

1. Financial Appraisal

1.1 Uplands Community College

Total Loan request: £30,000
 Loan period: 3 years
 Total cost of the project: Estimated at £30,000

The 2010/2011 year end balance was a surplus of £160,666 which represents 3.9% of the budget share (£4,074,010). The school budget share for 2011/2012 is £4,842,159 and the school is predicting a surplus of approx £232,400 to carry forward to 2012/13.

The average loan repayment over the 3 year period will be £10,243 which represents 0.2% of the current year’s budget. The school has produced a balanced 3 year budget plan to include servicing this loan.

The school are aware that if, in the future they transfer to Academy status, any outstanding amount of the loan would be required to be repaid in full.

1.2 Robertsbridge Community College

Total Loan request: £100,000
 Loan period: 8 years
 Total cost of the project: Estimated at £650,000

The 2010/2011 year end balance was a surplus of £56,313 which represents 2.45% of the budget share (£2,298,610). The school budget share for 2011/2012 is £2,796,003 and the school is predicting a surplus of £15,000 to carry forward to 2012/13.

The average loan repayment over the 8 year period will be £13,920 which represents 0.5% of the current year’s budget. The school has produced a balanced 3 year budget plan to include servicing this loan.

The school are aware that if, in the future they transfer to Academy status, any outstanding amount of the loan would be required to be repaid in full

2. Supporting information

2.1 Uplands Community College

2.1.1 The proposal is to install a covered area in the form of a canopy/walkway in the courtyard area between two buildings following the installation of an external catering outlet in the courtyard.

2.2 Robertsbridge Community College

2.2.1 The proposal is to improve the sports facilities at the college by the provision of a sports hall.

3. Conclusion and Reason for Recommendations

3.1 Uplands Community College

3.1.1 The covered walkway is an integral part of the development of the new catering outlet which will provide better access to prepared 'grab and go' meals for students throughout the day. The school has been advised on the proposal by the Capital Strategy Team. Planning permission is not required.

3.2 Robertsbridge Community College

3.2.1 The school is seeking to construct a new sports hall and associated facilities and has engaged a consultant to complete a detailed feasibility study, with assistance from the Capital Strategy Team. On the basis of the detailed feasibility study and cost estimate a funding package has been identified comprising monies from the Inspired Facilities Grant for which an application has been prepared, the County Council capital programme and this capital loan.

3.3 The Lead Member is recommended to approve the loan application requests.

MATT DUNKLEY
Director of Children's Services

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Local Members: Councillor P Jones
Councillor R Tidy

Background Documents: Capital Loan Scheme Guidance Document on c-zone
[https://czone.eastsussex.gov.uk/schoolmanagement/finance/Documents/secure/Capital%20Loan%20Scheme%20\(secur%20document\).pdf](https://czone.eastsussex.gov.uk/schoolmanagement/finance/Documents/secure/Capital%20Loan%20Scheme%20(secur%20document).pdf)