

Leicester
City Council

WARDS AFFECTED
All Wards

FORWARD TIMETABLE OF CONSULTATION AND MEETINGS:
CABINET
EDUCATION AND LIFE LONG LEARNING SCRUTINY COMMITTEE

23 APRIL 2001
15 MAY 2001

SPACE FOR SPORT AND ARTS

Report of the Director of Education

1. Purpose of the Report

- 1.1 To advise members of the potential financial implications of progressing the eight bids already accepted by the Department of Culture, Media and Sports (DCMS) for which £3.5 million has been 'earmarked' for Leicester in respect of Space for Sport and Arts.

2. Summary

- 2.1 The supporting information paper details the issues to be addressed as a result of progressing the above bids.

3. Recommendations

The Cabinet is recommended to:

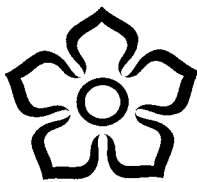
- 3.1 Approve the development of the initial bids in order that the grant of £3.5 million be pursued;
- 3.2 approve the commitment to incur up to £297,500 in fees in order to prepare the detailed bids on an 'at risk' basis as there are no funds available to meet such costs within the Committee revenue budget and compensating savings would have to be found to meet any resultant overspend;
- 3.3 note and approve the estimated ongoing increase in school revenue funding resulting from the additional buildings and
- 3.4 note that free standing equipment cannot be funded from within these grants.

4. Financial and legal Implications

- 4.1 The financial implications are as set out in the report.

5. Report Author/Officer to contact:

Ann Barwell
Standards and Effectiveness Division
Telephone: 2211626



Leicester
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**WARDS AFFECTED:
ALL WARDS (CORPORATE ISSUE)**

**FORWARD TIMETABLE OF CONSULTATION AND MEETINGS:
CABINET
EDUCATION AND LIFE LONG LEARNING SCRUTINY COMMITTEE**

**23 APRIL 2001
15 MAY 2001**

SPACE FOR SPORTS AND ARTS

Report of the Director of Education

SUPPORTING INFORMATION

1 Summary

- 1.1 The report details the financial implications to be addressed as a result of progressing bids in respect of 'Space for Sports and Arts'.

2 Space for Sports and Arts bid

- 2.1 It was announced on 31 January 2001 that eight initial bids to build or refurbish facilities for sport and arts had been successful and that we could proceed to develop these bids into detailed applications. We have until the end of October 2001 to develop and submit these detailed bids for consideration by the DCMS Project Board.
- 2.2 It is anticipated that feasibility, design and other professional fees will be 14% of the total costs and, should the detailed bids be approved, these costs will be financed from the grant awarded.
- 2.3 In order to meet the October deadline, feasibility and design works need to be undertaken immediately and Commercial Services have advised that fees of up to 8.5%, or £297,500, will have been incurred prior to the tendering stage.
- 2.4 Whilst it is strongly anticipated that the detailed bids will be successful, should any or all of the bids subsequently not be approved these costs would have to be met by the authority.
- 2.5 The grants cannot be used to purchase free standing equipment and therefore schools will need to finance purchases from within their own budgets or by applying for other aid (eg SRB funding).

- 2.6 The provision of new buildings, whether on existing school grounds or off site, will create an increased revenue funding requirement for the authority in respect of 'split-site allowance (Crosscorners site only) and that part of school budgets calculated on floor space. Whilst plans are at an early stage, it is anticipated that the funding of school budgets will increase by approximately £110,000 per annum.

3 Financial Legal And Other Implications

Financial Implications

- 3.1 A successful bid will attract inward capital investment of upto £3.5 million of which each individual project will be worth a maximum of £500,000.
- 3.2 Professional fees will be financed from within the grant budget should the bids be successful but, should any or all of the bids be unsuccessful, then any fees incurred would result in an overspend against the Committee revenue budget and savings would have to be identified to meet these costs.
- 3.3 An ongoing school revenue funding requirement of (approx.) £110,000 p.a. will be created by the additional floor space created. There is currently no provision for this funding and it will need to be built into the Departmental revenue budget strategy.

Legal Implications

- 3.4 There are no specific implications arising from this report.

c) Other Implications

OTHER IMPLICATIONS	YES/NO	Paragraph References within this report
School Improvement	YES	2.1
Equal Opportunities	NO	
Policy	NO	
Sustainable and Environmental	NO	
Crime and Disorder	NO	
Human Rights Act	NO	

4 Recommendations

- 4.1 Recommendations to Cabinet are as set out in the report.

5 Report Author/Officer to contact:

Ann Barwell
Education Officer
Standards and Effectiveness Division
Telephone: 2211626