

Executive Board – 16th March 2021

Subject:	The acquisition of the Clarendon College site for a new secondary Free School and the creation of a Temporary Sixth Form base at the Maid Marian Way Nottingham College site for the Archway Trust.
Corporate Director(s)/Director(s):	Catherine Underwood – Corporate Director for People (Children and Adults).
Portfolio Holder(s):	Councillor David Mellen – Leader of the Council and Portfolio Holder for Regeneration, Schools and Communications.
Report author and contact details:	Rob Caswell – Programme Manager, Major Projects. Tel: 0115 876 3408
Other colleagues who have provided input:	Lucy Juby – Project Manager, Access to Learning. Rod Martin – Development and Disposals Manager, Development
Subject to call-in:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Key Decision:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Criteria for Key Decision:	
(a) <input checked="" type="checkbox"/> Expenditure <input type="checkbox"/> Income <input type="checkbox"/> Savings of £1,000,000 or more taking account of the overall impact of the decision	
and/or	
(b) Significant impact on communities living or working in two or more wards in the City <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Type of expenditure: <input checked="" type="checkbox"/> Revenue <input checked="" type="checkbox"/> Capital	
Total value of the decision: Capital: £5.050 million, Revenue: See Exempt appendix	
Wards affected: Castle, Aspley and Berridge	
Date of consultation with Portfolio Holder(s): 8 th February 2021	
Relevant Council Plan Key Theme:	
Nottingham People	<input checked="" type="checkbox"/>
Living in Nottingham	<input type="checkbox"/>
Growing Nottingham	<input type="checkbox"/>
Respect for Nottingham	<input type="checkbox"/>
Serving Nottingham Better	<input type="checkbox"/>
Summary of issues (including benefits to citizens/service users):	
<p>There is a continued increasing demand for secondary school places in the city. The current capacity within existing secondary academies will not provide sufficient Year 7 places for September 21. As a mitigation for this in conjunction with the DfE and the Archway Learning Trust a new Free School will be built on the Clarendon College site by the DfE to cater for this demand from September 2023. However, to meet the requirement to provide places for September 2021, the temporary move of the Sixth Form to the Nottingham College site on Maid Marian Way creates space on the Bluecoat Aspley campus for the new Free School to open temporarily on that site in September 2021.</p> <p>Successful delivery of the new secondary school on both the temporary and permanent sites, is vital for the Council to meet our statutory duty to provide sufficient school places. The new Bluecoat Trent Academy will offer a good quality education, run by the Archway Learning Trust who have a strong track record of school improvement.</p>	

Exempt information: State 'None' or complete the following

An appendix to the report is exempt from publication under paragraph 3 of Schedule 12A to the Local Government Act 1972 because it contains information relating to the financial or (commercially sensitive) business affairs of Nottingham City Council and, having regard to all the circumstances the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

It is not in the public interest to disclose this information because it relates to commercially sensitive information that could prejudice the Council's position in respect of achieving best value on the costs of contracts and services to be procured / instructed in respect of the subject site.

Recommendation(s):

- 1** To approve the allocation and payment to the Department for Education of £3.250 million of Basic Need Grant funding from the allocation already received from the Department of Education, for the Council's contribution towards the acquisition and associated costs of the Clarendon College site.
- 2** To approve the use of £1.800 million of Basic Need Grant funding from the allocation already received from the Department of Education. To undertake works at the Nottingham College site on Maid Marian Way, to refurbish and reconfigure the building as necessary to allow the Archway Trust to use it as a temporary sixth form base for 2 to 3 years.
- 3** To approve the procurement of any technical services that are no longer available from the resource pool of NCC through the SCAPE framework, which is a compliant procurement route.
- 4** To approve the procurement of a contractor through the Scape Regional framework, which is a fully compliant procurement route, to undertake the works.
- 5** To delegate authority to the Director of Legal and Governance and Monitoring Officer to sign contracts with the preferred contractor and technical services provider as long as they are within the funding envelope approved of £1.800 million.
- 6** To delegate the expenditure of the contingency to the Corporate Director of People (Children and Adults) in conjunction with the Portfolio Holder for Regeneration, Schools and Communications.
- 7** To approve the granting of a lease for the Nottingham College, Maid Marian Way site to the Archway Trust to facilitate the use of a site as a temporary sixth form base for up to 3 years and delegate authority to the Corporate Director of Development and Growth to agree the terms of the lease.
- 8** To approve the proposed revenue budget to cover the potential costs of holding the site vacant, prior to and following occupation by the Archway Learning Trust.
- 9** To note the Business Case in Appendix 1.

1 Reasons for recommendations

- 1.1** The acquisition of the Clarendon College site by the Department for Education (DfE) will secure a suitable permanent location to accommodate the new Bluecoat Trent Academy, a 1,200 place secondary Free School, to enable the Council to meet its statutory duty to provide sufficient school places. The DfE will manage the redevelopment and new school build, with the intention that the permanent school site will be ready for occupation in September 2023.

- 1.2 As part of the development of the new Bluecoat Trent Academy, there is a requirement to find a temporary location for the current Archway Learning Trust sixth form, as the current sixth form block on the Aspley Lane site will be used as a temporary location for the new Bluecoat Trent Academy. The Nottingham College site on Maid Marian Way is the preferred location, however, there is a need to undertake some refurbishment and reconfiguration of the building to create a suitable environment for the sixth form pupils from the Archway Learning Trust who will be based on the site for 2 years, with a potential third year as contingency.
- 1.3 The Scape framework has been selected as a procurement route for this project as it allows early access to a contractor and reduces the lead in time to finalising the contract sum and starting on site. Given the importance of having the works completed by the beginning of the September 2021 so that the sixth form pupils can start the year in their new location, this early engagement is beneficial.
- 1.4 It is anticipated that the works will cost £1.450 million but there is still work ongoing with the contractor to finalise this price and there are significant unknowns in the building, so a contingency of £0.350 million has been included in the cost build up. This will only be used if necessary and with the approval of the Corporate Director for People (Children and Adults). Costs will be kept within this budget, if necessary by managing the scope of the refurbishment.
- 1.5 In order to formalise the Archway Learning Trust proposed occupation of the Nottingham College Maid Marian Way site. There will be a period of time prior to occupation of the site by the contractors undertaking the works proposed in this report and following the vacation of the site by the Archway Trust during which the Council will be responsible for the costs associated with holding the site. It is proposed that these periods are kept to a minimum, however, a revenue budget will be required to cover the potential costs of holding the site which are set out in the exempt appendix 2.

2 Background (including outcomes of consultation)

- 2.1 There is a continued and significant rise in demand for secondary school places in Nottingham. While the initial increase has been managed by expanding existing Academies it has become clear that there is still an increasing demand that cannot be met with the current secondary school estate in Nottingham. In discussions with the Department for Education (DfE) it has been agreed that there is sufficient demand to warrant the building of a new Free School in Nottingham.
- 2.2 The Council's Education Department has worked to secure this vital solution to the need to provide additional secondary school places in conjunction with the Archway Learning Trust and the DfE, as it facilitates provision of the essential additional secondary school places to meet the significant growing demand in the city. Working in partnership with educational providers across the city, we are ensuring more school places in a way, which offers parents a choice of a good quality education and maximises the number of pupils securing their first preference school. It is a significant investment for the city and an important step forward in Nottingham's 10 year strategic plan for schools, which strives to deliver the best possible education for every child and young person in Nottingham.

- 2.3 The additional six forms of entry in Year 7 entry provided from September 2021 on the temporary site, is the very minimum required to meet the Council's statutory duty to provide sufficient school places. Once the Bluecoat Trent Academy moves to the permanent site, it will provide the required eight forms of entry (240 places per year group), growing to a total capacity of 1,200 places once all year groups are full.
- 2.4 Archway Learning Trust has a strong track record of school improvement. It provides a high standard of education for pupils aged from three up to 19 through its five existing Nottingham Schools, which are all Ofsted rated 'good' or 'outstanding'. Bluecoat Trent Academy will also build on the partnership the Trust already has with Nottingham Trent University. The university will be involved with mentoring and supporting students through their outreach programme as well as being actively involved in the governance of the school.
- 2.5 In conjunction with the Archway Learning Trust it has been agreed that the new school will start in the current sixth form block on the Bluecoat Aspley Campus. To allow this the sixth form will need to move to a temporary location and after some consideration it has been concluded that using the recently vacated Nottingham College site on Maid Marian Way is the preferred solution.
- 2.6 The Nottingham College, Maid Marian Way site is currently due to be vacated in April 2021 as the College will consolidate on the Nottingham College Hub. This site is ideal to be used as a temporary sixth form base for the Archway Trust. In conjunction with the Archway Learning Trust a scope of work for the necessary reconfiguration and refurbishment is being developed and agreed. A cost plan will be developed jointly with the contractor for this scheme, there are concerns that because the scheme is a large scale refurbishment, although light touch, of an existing building there will be unexpected issues requiring resolution. To manage these variations in the cost a significant contingency has been allocated within the project cost build up and will be delegated to the Corporate Director for People (Children and Adults) to approve if required. The scope of works will be managed within this identified contingency, if necessary reducing the scope to meet the budget.
- 2.7 A key risk to the refurbishment of the temporary sixth form block is completing the programme of works to allow the staff and students to commence teaching and learning in the building for September 21. The programme will be agreed with both the contractor and the Archway Learning Trust to allow time to prepare for the new school year. In the event that there are delays to the programme a phased handover of space within the building will occur which will allow staff and students access while the works are being completed. A risk management plan can be found in the Business Case in Appendix 1.
- 2.8 The temporary use of the Nottingham College, Maid Marian Way site as a sixth form base has delayed the opportunity for the Council to start the redevelopment of this key site in the city centre. Overall it is felt that this current plan has the greatest overall benefit to the Council. To mitigate this delay there will be an early engagement with developers to reduce the timeframe from the Archway Learning Trust leaving the site to the site being redeveloped. As part of this there will be close liaison with DfE team who are delivering the new Free School in relation to their progress towards a completion for September 2023.

3 Other options considered in making recommendations

- 3.1 Other potential options were explored for the permanent school site, including the Cussons site at Wilkinson Street, but the Clarendon site is the preferred option. The key priorities in identifying the most suitable site were a central location to address the city wide demand for secondary places and particularly in the central, north and west areas of the city. Also key is deliverability in the required timeframe to address the peak in overall capacity pressure in the city.
- 3.2 Consideration was given to the option of procuring temporary accommodation for the temporary Sixth Form and locating it at the Nottingham Science Park. This option was rejected as for the amount of accommodation required it would have been significantly more costly either to purchase or rent for the 2-3 year timeframe.

4 Finance colleague comments (including implications and value for money/VAT)

Capital comments

- 4.1 The **£5.1m** Basic Need grant identified within this decision is secured and received by the Council. The **£5.1m** value is split into 2 connected projects:
- **£3.3m** which is to be repaid to the DfE as per recommendation 1 is included in the Capital Programme approved at Executive Board February 2021. Following the approval of this decision the new secondary school project will move from a category 2 scheme (i.e. planned) to a category 1 scheme (i.e. approved).
 - **£1.8m** to undertake capital works at the Nottingham College site on Maid Marian Way, enabling the site to be used as a temporary sixth form base for 2 to 3 years (per recommendation 2). This element of the decision will be an addition to the Capital Programme.
- 4.2 The project manager is required to closely manage the works at the Maid Marion site to ensure that all costs meet the definition of capital as defined by CIPFA, mitigating the risk of grant clawback. Any revenue refurbishment costs incurred cannot be funded from Basic Need Grant so would cause a revenue pressure.
- 4.3 As detailed in Appendix 2 the potential holding costs for the estimated period between the Trust handing back the site and disposal are to be funded from the future anticipated capital receipt generated from the site. Any holding costs incurred during the disposal period in excess of the budget will require funding to be identified and further approval as necessary.
- 4.4 No budget has been identified if the Council incurs holding costs prior to the site being handed to the contractor. As detailed above as these would be classed as revenue costs they do not meet the conditions of the Basic Need Grant. This risk will require close management by the project manager and project sponsor.
- 4.5 The Maid Marion Way site is included within the Asset Rationalisation Programme forecast of receipts, so does not generate any additional resources to the Council than what is already forecast.

- 4.6 Due to both elements of this decision being wholly funded by ringfenced grant with no match funding from the Council this decision is exempt from the current amended scheme of delegation and does not require prior approval of the section 151 Officer or the Chief Executive.

Tom Straw, Senior Accountant (Capital Programmes) - 22 February 2021

Revenue comments

- 4.7 Funding for the pupils attending the new Bluecoat Trent Academy in years 7 to 11 will be from the Schools Block in the Dedicated Schools Grant (DSG), which is allocated to local authorities (LA's) by the Education & Skills funding Agency (ESFA) each financial year. Funding for sixth form pupils comes from the Education & Skills, Funding Agency based on a 16 to 19 national funding formula. This funding is allocated to post 16 establishments direct by the ESFA, local authorities have no involvement in the allocation of this funding unless it relates to a maintained school.
- 4.8 As the new free school is due to open in September 2021 the new free school will be allocated funding from the LA's DSG allocation for 7/12ths of the financial year using the local funding formula which mirrors the Department of Education's schools national funding formula. This funding is then recouped by the ESFA from the LA and passed onto the free school.
- 4.9 When a new secondary free school is due to open local authorities are required to estimate and come to an agreement with the free school on the number of year 7 pupils it will fund until each year group has been admitted. In liaison with the Bluecoat Trent Academy Nottingham City Council has agreed to fund six forms for entry from September 2021 and these pupil numbers are guaranteed to enable the free school to have certainty over its funding. For the following financial year 2022/23 the funding will be based upon the pupils on the October 2021 school census plus the estimated pupils that will be admitted into year 7 for the academic year 2022/23. This carries on each year until all year groups are admitted, after which the budget will be based solely on the pupils on the October school census each year.
- 4.10 The schools local funding formula is made up of factors which attract funding based on pupil-led and school-led characteristics. It is up to each school to decide how they wish allocate the funding to best meet the needs of the pupils in the school.
- 4.11 If the recommendations of this report were to be approved, the ongoing revenue maintenance costs of the buildings at either the Bluecoat Academy Aspley site or the Clarendon College site would have to be met from the free schools individual school budget or better known to free schools as their General Annual Grant from the ESFA.

Julia Holmes, Senior Commercial Business Partner - 22 February 2021

5 Legal and Procurement colleague comments (including risk management issues, and legal, Crime and Disorder Act and procurement implications)

- 5.1 This report seeks authority to return £3.25m of Basic Need Grant to the DfE to be used by the DfE as a contribution to the costs of purchasing a site for and construction of a new school at the Clarendon College site. The new free

school will be provided by the Archway Learning Trust through the Bluecoat Trent Academy. The City Council will enter into an agreement with the DfE for the payment of the Basic Need Grant. The DfE will be responsible and take the risks associated with the construction of the new school and will have a funding agreement and lease with the Archway Learning Trust. It is understood that the City Council has agreed with the DfE for the Archway Learning Trust to open the new free school but the City Council (as with other academies) will not have a direct agreement with the Archway Learning Trust. The risks associated with the free school failing or becoming surplus to requirements over time are therefore managed by the DfE.

- 5.2 Until the new school is open the City Council has agreed to grant a lease for the existing college site on Maid Marian Way to be used as temporary sixth form base. Prior to grant of the lease the City Council will undertake certain works to the former college building and the proposal is to award contracts for this work through SCAPE which is a framework that complies with the City Council's Contract Procedure Rules. The City Council should ensure that it mitigates so far as reasonably possible the risk of any financial liability for delays to the opening of the college site.

Andrew James Team Leader, Commercial, Employment and Education Team
- 19th February 2021.

- 5.3 One further element of relevance is that the freehold of the Maid Marian Way site has not, at the time of writing these comments, transferred to the Council. This is likely to occur during March or by the longstop date of 10 April 2021. Consequently, the Council will be unable to grant any lease until that transfer happens.

Malcolm R. Townroe, Director of Legal and Governance - 26 February 2021

6 Strategic Assets & Property colleague comments (for decisions relating to all property assets and associated infrastructure)

- 6.1 Please see the Exempt Property Comments.

Rod Martin Development Manager, Strategic Assets and Property - 18th February 2021.

7 Social value considerations

- 7.1 The Scape Regional Framework from which the contractor has been selected has a number of KPI's that measure social value. These include local spend, local employment targets including apprenticeships and environmental targets around waste reduction.

8 Regard to the NHS Constitution

- 8.1 There are no implications on the NHS Constitution.

9 Equality Impact Assessment (EIA)

- 9.1 Has the equality impact of the proposals in this report been assessed?

No

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An EIA is not required because:
(Please explain why an EIA is not necessary)

Yes



Attached as Appendix 3, and due regard will be given to any implications identified in it.

10 List of background papers relied upon in writing this report (not including published documents or confidential or exempt information)

10.1 None

11 Published documents referred to in this report

11.1 None