

Operational Decision Record

Publication Date 07 September 2023	Decision Reference Number 5019
Decision Title High Needs capital funding for Denewood Academy, to improve facilities to increase capacity by 8 places.	
Decision Value £244,650 The estimated cost includes a 10% contingency.	
Revenue or Capital Spend? Capital – from High Needs Capital funding, which the Council is in receipt of.	
Department Education	
Contact Officer (Name, job title, and contact details) Lucy Juby, School Organisation & Place Planning Manager, lucy.juby@nottinghamcity.gov.uk	
Decision Taken To allocate £244,650 of High Needs capital funding to Denewood Academy, to improve facilities to increase capacity by 8 places, initially on a temporary basis.	
Reasons for Decision and Background Information This increase of on-site places at Denewood Academy is initially a short term measure to address place pressures, while we await the outcome of the Alternative Provision (AP) Commissioning Review and the new AP Free School bid to the DfE. Both the bid and the review will address the pressing need for additional AP places, of the right type and quality, which prioritises early intervention to prevent exclusions, trauma informed practice and reintegration back into mainstream education. Denewood Academy currently supports the LA in complying with statutory responsibilities by providing education to pupils who have been permanently excluded from mainstream in key stages 2 and 3. Denewood Academy has approximately 102 pupils on roll of which 42	

pupils are educated on-site, whilst outsourced provision is arranged for approximately 60 pupils with numbers fluctuating during the academic year.

Permanent exclusion rates in Nottingham have risen in recent years and this, combined with an increased use of AP across the city has put pressure on capacity. Levels of permanent exclusion in Key Stage 2 have increased by 31% this academic year, compared to last and Raleigh Education Trust / Denewood Academy offer the only Key Stage 2 places for permanently excluded children in the city, which is at full capacity. Therefore, there is a pressing need for additional places on site at Denewood, which would support Key Stage 2 and Key Stage 3 pupils. Children who are taught on site at Denewood have greater access to the school's AP Taskforce, a multi-agency approach to supporting vulnerable young people, and are more likely to be reintegrated. Increasing the levels of reintegration of permanently excluded children back in to mainstream school is a key aim of both Raleigh and the LA.

Additional revenue funding has been approved by Schools Forum to add 8 on-site places to Denewood Academy to increase the total to 50, whilst the outcome of the AP Commissioning review and a new AP Free School bid are anticipated. Capital funding of up to £244,650 is also required to improve and adapt the facilities to enable this increase in places.

The LA is not yet able to commit to a formal expansion of Denewood Academy because we are awaiting the outcome of a Free School Bid submitted by Raleigh Education Trust, supported by the Priority Education Investment Area programme. If successful, this bid would add 100 additional AP places in the city.

Any additional costs in excess of £244,650 will be funded by the Raleigh Education Trust. A legal letter will need to be signed by the LA and the Trust in relation to the School's use of the funds, to ensure that it fulfils the project bid submitted by the Trust and that the additional 8 places will be delivered (project bid attached for background information). Only after completion of that agreement and the submission of invoices, will funds be released to the school.

Outline of the project to increase provision and estimated capital costs:

In order to improve the provision for an additional 8 pupils, some areas of the school are not suitable large enough to accommodate the increase or the required staff to pupil ratio.

To accommodate the curriculum needs at Denewood Academy, projects have been identified to support our shared ambition to help vulnerable children learn the necessary skills to live healthy and independent lives. They have been prioritised as follows:

- Priority 1 – Provide life skills provision and accredited qualifications by improving the provision for the cooking curriculum and increase the dining room to accommodate the additional 8 children - approx £74,150.
- Priority 2 – Provide a new outdoor learning area for the primary aged pupils - approx £60,500.
- Priority 3 - Install outdoor equipment (which is currently minimal and of poor quality) to improve the physical education curriculum and physical fitness of the children at Denewood Academy - approx £110,000.

This proposal was approved at the Council's Capital Officers Group on 2nd August 2023, then shared with Capital Board for information only.

**Comments provided by: Tom Straw – Senior Accountant (Capital Programmes),
18th July 2023:**

CAPITAL IMPLICATIONS:

Nottingham City Council has been allocated £17.963m of Higher Needs capital funding from the DfE for the period 2021/22 to 2023/24. At June Executive Board the Council formally committed £1.925m, with a further £0.900m endorsed by Capital Board in July (formal approval September) this leaves an uncommitted balance of £15.138m. As per the grant conditions this grant can only be used on capital expenditure and cannot be reallocated to fund abortive revenue costs.

Following the formal approval of this decision the uncommitted element of the Higher Needs funding will be added to the planned element of the General Fund Capital Programme and released to the approved programme following formal approval of the specific projects.

Comments provided by: Raina Mason - Interim Team Leader and Senior Solicitor, 19 July 2023:

Local Authorities (LAs) must make arrangements for the provision of suitable full-time education for a pupil of compulsory school age who is permanently excluded from a relevant school or excluded from a pupil referral unit for a fixed period, on disciplinary grounds, from the sixth school day of exclusion (Exclusion Regulations 2007). LAs are responsible for commissioning and funding high needs places.

The DfE guidance document, "Making significant changes to an open academy", makes it clear that (even where a LA has instigated a proposed change), academy trusts may still be required to go through the significant change process. There are two application routes depending on the circumstances of the proposed change – full business case or the fast track route. The Academy and the LA should be satisfied that the correct process has been followed/ will be followed. In relation to the changes of pupil numbers in a special or AP school, the guidance states that the significant change process applies only if the increase is for 20% or more; or 20 pupils or more (whichever is the smaller number). In this case, the increase in numbers by 8 pupils (from 42 to 50) is just over 19% so would come under this threshold and would not trigger the significant change process but any other aspects of the proposal should be checked to ensure they do not require a full business case under the guidance. The guidance and its contents should be flagged with the Academy if not already done so, and a condition of the funding should be that guidance is followed.

Other Options Considered and why these were rejected

The additional 8 places will cost £179,520 per annum in revenue and will be funded for two years through the high needs block. Alternative options would have used this revenue funding to cover external AP providers at a higher rate than the placement rate for Denewood, if this additional capacity wasn't provided. Which would have meant additional cost per place.

The associated Revenue funding has already been approved at School Forum on 27th June 2023. See attached report for information.

Any delay to funding approvals could delay delivery of the project. This is also likely to have a negative impact on what can be delivered within the available budget as costs are increasing.

Reasons why this decision is classified as operational

Has a value below £250,000 and is taken within agreed policies and budgets.

Additional Information

You should consider:

- obtaining and recording advice if necessary from legal, finance or other colleagues
- informing relevant ward councillors if a decision particularly affects their ward
- whether an EIA, DPIA, Carbon Impact assessment or consultation exercise is required for this decision
- for capital spend, confirmation that the decision has been through the appropriate capital approval processes
- referring to any related previous decisions
- risks of the decision and any mitigation of those risks
- if the decision is approving capital spend, please include confirmation that the Chief Finance Officer has agreed to it.

Decision Maker (Name and Job Title)

Catherine Underwood, Corporate Director for People



Scheme of Delegation Reference Number

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Date Decision Taken

7/9/23