

**EXECUTIVE BOARD – July 16<sup>th</sup> 2019**

<b>Subject:</b>	Approvals in relation to the expansion of Nethergate Academy
<b>Corporate Director(s)/Director(s):</b>	Alison Michalska – Corporate Director Children and Adults
<b>Portfolio Holder(s):</b>	Councillor Neghat Khan – Portfolio Holder for Early Years, Education and Employment
<b>Report author and contact details:</b>	Caroline Butrymowicz – Project Manager, Major Projects. Tel: 0115 8763396 Email: <a href="mailto:caroline.butrymowicz@nottinghamcity.gov.uk">caroline.butrymowicz@nottinghamcity.gov.uk</a>
<b>Subject to call-in:</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<b>Key Decision:</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<b>Criteria for Key Decision:</b>	
(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
<b>and/or</b>	
(b)	Significant impact on communities living or working in two or more wards in the City <input type="checkbox"/> Yes <input type="checkbox"/> No
<b>Type of expenditure:</b>	<input type="checkbox"/> Revenue <input checked="" type="checkbox"/> Capital
<b>Total value of the decision:</b>	£2,162,328
<b>Wards affected:</b>	Clifton East
<b>Date of consultation with Portfolio Holder(s):</b>	27 <sup>th</sup> June 2019
<b>Relevant Council Plan Key Theme:</b>	
Strategic Regeneration and Development	<input type="checkbox"/>
Schools	<input checked="" type="checkbox"/>
Planning and Housing	<input type="checkbox"/>
Community Services	<input type="checkbox"/>
Energy, Sustainability and Customer	<input type="checkbox"/>
Jobs, Growth and Transport	<input type="checkbox"/>
Adults, Health and Community Sector	<input type="checkbox"/>
Children, Early Intervention and Early Years	<input checked="" type="checkbox"/>
Leisure and Culture	<input type="checkbox"/>
Resources and Neighbourhood Regeneration	<input type="checkbox"/>
<b>Summary of issues (including benefits to citizens/service users):</b>	
<p>This report seeks approvals in relation to the expansion of Nethergate Academy in Clifton, a project which supports the delivery of the City Council's Special Education Needs and Disabilities (SEND) strategy. This project will expand the places available for children and young people with Autistic Spectrum Disorder (ASD) by 48 places in September 2020.</p> <p>In February 2019, Delegated Decision 3404 approved some early works for two phases of the project to take place simultaneously. The first phase was to undertake some minor works to allow for a small number of children to attend the school after Easter 2019 and the second to complete feasibility study and design development to clarify the design and cost of creating a specialist Autistic Spectrum Disorder (ASD) unit.</p> <p>These early works are now complete and the attached Business Case, appended to this report, sets out the options investigated and the preferred option.</p>	
<b>Exempt information: State 'None' or complete the following</b>	
None.	

<b>Recommendation(s):</b>	
<b>1</b>	Subject to consultation being successfully concluded and the necessary approvals in place, to approve the expansion of Nethergate Academy by 48 places.
<b>2</b>	To amend the Capital Programme to reflect the capital funding envelope of £2,137,328 of funding from the Education and Skills Funding Agency (ESFA) phased over three years, noting that £250,000 has already been allocated towards this project in a previous report.
<b>3</b>	To give authorisation to approve the remaining SEND allocation received by the ESFA and an additional £275,000 from other funding sources, towards the cost of construction the ASD unit at Nethergate Academy. The details of the funding sources can be found in section 4 below.
<b>4</b>	To approve the use and procurement of consultants for mechanical and electrical services as this cannot be resourced in house.
<b>5</b>	To approve the procurement of the contractor in compliance with the Council's financial regulations and procurement policies.
<b>6</b>	To delegate authority to the Director of Legal and Governance to enter into contracts for the services and works.
<b>7</b>	To approve the funding of any direct costs and fees associated with Planning, Building Control, Design Services and reimburse any project related costs incurred by the school.
<b>8</b>	To delegate authority to Director of Major Projects to approve payment of any costs incurred by the school and to authorise reimbursement.

## **1 REASONS FOR RECOMMENDATIONS**

- 1.1 This report sets out the approval necessary to deliver a 48 place Autistic Spectrum Disorder (ASD) unit at Nethergate school.
- 1.2 Following extensive consultation, Nottingham City Council (NCC) published a SEND strategy that sets out the principles of the SEND strategy across the city of Nottingham for the next five years. The development of this strategy involved looking at the type and number of places required and reviewing options for increasing provision at SEND schools in order to meet the growing demand for places and identifying priority areas. The first priority identified in this strategy is the expansion of ASD provision at Nethergate by 48 places.
- 1.3 A previous report in February 2019 (DDM 3304) allowed for this work to commence, including early works to allow the school to provide urgently required places by Easter 2019 and to look at the options and costs for delivering a separate 48 place ASD unit. The results and recommendations from this study are detailed in the appended Business Case.

## **2 BACKGROUND (INCLUDING OUTCOMES OF CONSULTATION)**

- 2.1 Nottingham City Council is experiencing a significant increase in the number of pupils with ASD and there is a clear shortage of provision in comparison to demand. The SEND strategic priorities for 2018 – 2025 sets out clear outcomes

that we need to achieve. One of these priorities is to develop further provision by addressing the shortfall of high need places for ASD provision. Nottingham currently has one provision for young people with ASD and complex learning needs, namely Rosehill School. The school is now over capacity and there are no further places available for additional learners. Without the expansion of Nethergate, there is a risk that this vulnerable cohort will be without a school place or Nottingham City Council will need to commission places at non-maintained or independent schools at a much higher cost than at maintained or independent schools at a much higher cost than at a maintained school.

- 2.2 Nethergate Academy is part of the Greenwood Academy Trust. At the time of writing this report Greenwood Academy Trust are part way through the formal consultation to expand the school by 48 places. Subject to this consultation being successful and receiving approval from the Education and Skills Funding Agency (ESFA), the school will expand to allow the admission of the additional pupils for September 2020.
- 2.3 Details of the proposed project including design, cost and programme are included in the attached Business Case. Funding arrangements are outline in section 4 below.

### **3 OTHER OPTIONS CONSIDERED IN MAKING RECOMMENDATIONS**

- 3.1 Do nothing – this option was considered but rejected. The shortfall in provision for pupils with ASD across the City needs to be addressed in order to mitigate an increase in the revenue costs for sourcing specialist provision for other providers that is not sustainable in the long term.
- 3.2 Consideration was given to procuring the works through an available framework. This was discounted as it was deemed that this scheme was ideal to test the open market to ensure value for money.

### **4 FINANCE COLLEAGUE COMMENTS (INCLUDING IMPLICATIONS AND VALUE FOR MONEY/VAT)**

#### 4.1 Capital

This decision increases the Nethergate Expansion project approval to **£2,412,328** Table 1 below details how this project is to be funded:

<b>Table 1: Nethergate Expansion – Approval</b>			
	<b>Delegated Decision £m</b>	<b>This Decision £m</b>	<b>Total Value £m</b>
<b>Capital Expenditure</b>	<b>0.250</b>	<b>2.162</b>	<b>2.412</b>
<b>Capital Funding Approved</b>			
ESFA – Special Provision Grant	(0.250)	(1.887)	<b>(2.137)</b>
Accessibility Fund (*)	-	(0.100)	<b>(0.100)</b>
Basic Needs Grant	-	(0.175)	<b>(0.175)</b>
<b>Total Capital Funding</b>	<b>(0.250)</b>	<b>(2.162)</b>	<b>(2.412)</b>

(\*) allocation split £0.050m from 2019/20 and £0.050m from 2020/21.

The capital programme will be amended to reflect this decision.

The project manager is required to ensure that all the capital grant conditions are adhered to in order to reduce the risk of grant clawback. It should also be ensured that the funding is received as forecast to avoid in year funding shortfalls.

Tom Straw – Senior Accountant (Capital Programmes) 13 June 2019

#### 4.2 Revenue

The revenue implications of this proposal will be met by the Dedicated Schools Grant funded High Needs (HN) budget. In order for this to be manageable there will need to be a gradual phasing in of the additional 48 places. Once fully occupied, the revenue funding required to provide the school with place and top-up funding for the 48 pupils will be in the region of £1.000m. This will be budgeted from anticipated increases in the Council's HN funding allocation under the HN national funding formula.

This proposal will provide value for money, as it increases capacity to meet the rising demand for ASD provision in our local special schools. Without the additional places at Nethergate, increased commissioning of places for ASD pupils would be required from the independent non-maintained sector at more than double the cost.

Kathryn Stevenson – Senior Commercial Business Partner (Schools)  
31 May 2019

### 5 **LEGAL AND PROCUREMENT COLLEAGUE COMMENTS (INCLUDING RISK MANAGEMENT ISSUES, AND LEGAL, CRIME AND DISORDER ACT AND PROCUREMENT IMPLICATIONS)**

5.1 The procurement team have no significant concerns with the recommendations set out in the report and will work with their client to ensure the procurement is in accordance with the Council's Finance Regulations.  
Sue Oliver – Procurement Category Manager 28 May 2019

5.2 This report does not raise any significant legal issues, as it is understood from discussions with the report author that the intention is to go out to an advertised competitive tender for the contracts to ensure the Council can meet the requirements of the ESFA and demonstrate value for money. However in the event this approach does not attract appropriate bids then the Council will need to discuss with ESFA the use of relevant framework agreements. Recommendations 2 to 8 are subject to the outcome of recommendation 1 confirming the requirement for the additional places.

Andrew James – Team Leader- Commercial, Employment and Education  
28 June 2019

### 6 **STRATEGIC ASSETS & PROPERTY COLLEAGUE COMMENTS (FOR DECISIONS RELATING TO ALL PROPERTY ASSETS AND ASSOCIATED INFRASTRUCTURE)**

6.1 Property support the expansion of this specialist facility subject to the request for formal consent under the terms of the Academy lease.

### 7 **SOCIAL VALUE CONSIDERATIONS**

- 7.1 Nottingham City Council Construction charter stipulates that main contractors appointed to deliver building projects must bring a return to local regeneration and also re-circulate spend to the benefit of Nottingham citizens. This is benchmarked with relevant KPIs and is monitored throughout the construction phase and on completion.

## **8 REGARD TO THE NHS CONSTITUTION**

- 8.1 Not applicable.

## **9 EQUALITY IMPACT ASSESSMENT (EIA)**

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

No

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

Yes

Attached as Appendix x, 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 Delegated Decision 3404: Approvals to allow early works in relation to the expansion of Nethergate Academy - February 2019