

Report of:	Deputy Mayor and Executive Member for Children's Services - Councillor Mieka Smiles Director of Education and Partnerships - Rob Brown
Submitted to:	Executive
Date:	5 April 2022
Title:	Schools Capital Programme 2022
Report for:	Decision
Status:	Public
Strategic priority:	Children and young people
Key decision:	Yes
Why:	Decision(s) will incur expenditure or savings above £150,000
Urgent:	No
Why:	

Executive summary

The report sets out Middlesbrough Council's responsibilities to maintain school buildings and ensure there are sufficient school places to meet demand. It seeks approval of a programme of capital works to address school maintenance priorities and increase provision for pupils with Special Educational Needs and Disabilities and identifies the proposed financing from Department for Education capital grants.

The Executive are recommended to approve the programme in order to fulfil these statutory duties and ensure that the grant funding is spent in a timely manner on improving teaching and learning environments

The Executive could choose not to approve the schemes for inclusion in the Schools Capital Programme. This could lead to elements of school buildings failing, resulting in lost teaching time, poor learning environments, Health and Safety risks, and a shortage of school places for some of the town's most vulnerable learners.

The implications of the recommendation have been considered by the appropriate officers of the Council and are set out in the main body of the report.

Purpose

1. To seek approval of schemes to be added to the schools capital programme for delivery to commence in the academic years 2021/22 and 2022/23.

Background and relevant information

2. Middlesbrough Council shares responsibility with governing bodies for the maintenance of 12 community and foundation school buildings across the town:
 - a. Responsibility for general maintenance, repairs and minor capital works is devolved to schools;
 - b. The Council is responsible for major capital schemes such as the replacement of substantial parts of buildings, the provision of new buildings and other high-value, strategic schemes that would be unaffordable by schools on their own.
3. The Council is also responsible for ensuring there are sufficient school places across the town to be able to meet demand. Investment can be in both locally maintained schools and Academies.
4. The schools capital programme, maintained and delivered by the Assets Team within Corporate Property, sets out all of the centrally funded school capital works being undertaken to discharge these duties. It is a multi-year, rolling programme of capital improvements to school buildings.
5. Schemes are selected to address maintenance, sufficiency and other strategic priorities. Schemes are prioritised to address those elements of schools with the most urgent need or to secure value for money as part of a larger programme of work.
6. Appendix 1 sets out new schemes proposed to be added to the programme for delivery during the 2021/22 and 2022/23 academic years and beyond. It includes schemes aimed at improving the condition of schools - roof works, improvements to heating systems, and drainage works.

Strategic Schemes - Special Educational Needs Provision

7. Middlesbrough is experiencing sustained pressure on places in specialist settings for pupils with Special Educational Needs and Disabilities (SEND). With insufficient places to accommodate pupils locally, many pupils are educated in expensive independent settings outside of the town.
8. The increase in demand for places in specialist settings is forecast to continue. More recently the COVID-19 pandemic has increased the number of referrals for Education Health and Care Assessments increasing pressure further. A series of investments in providing suitable school places for children with a range of specialist needs is required in the medium to long term.
9. It is proposed to allocate £6.2m from Basic Need capital to provide 70 new places for Pupils with Severe Learning Difficulties (SLD). This amount is an estimate based on national benchmarks of providing SEND places and will change as the scheme develops and the building requirement becomes clearer.
10. The preferred option is to extend the accommodation at Discovery Special Academy, a primary special school catering for pupils with the same need. This would allow the school to extend their offer to secondary age pupils.
11. The school currently operates from temporary accommodation at Brambles Primary Academy and is due to relocate to its permanent location on Sandy Flatts Lane in

September 2022. In the short to medium term it is proposed to utilise the temporary accommodation at Brambles Primary Academy, to allow Discovery Special Academy to admit pupils in the secondary age-range from September 2022.

12. Additional accommodation will be provided on the Sandy Flatts Lane site linking to the new facility and providing a long-term solution to meeting increasing demand.
13. Providing these places will ensure that pupils can continue to receive an education appropriate to their needs in a local school. Avoiding the need to place pupils in expensive places out of the area, and avoid an escalation of costs in paying for these places in expensive independent settings with associated transport costs. Estimated revenue savings from the high needs revenue budget are £4m over the first five years of operation.
14. The school's academy trust, Tees Valley Education (TVED), has already had approval from the Regional Schools Commissioner (RSC) to increase its age-range to include secondary pupils.
15. It is proposed to finance the scheme through Basic Need capital in the first instance. This will require revisiting when the DfE announce further High Needs Provision Capital Allocations (HNPCA) for 2022/23 and 2023/24. HNPCA is a more appropriate source of funding for the scheme, the use of which will allow the Basic Need grant to be spent on other priorities.
16. This scheme is at an early stage of development with an estimated completion date of September 2025.
17. In addition to the schemes at Appendix 1, a number of previously approved schemes, with residual works outstanding, will be completed. Emergency works will also be undertaken if/when they occur and other schemes of moderate value where they are time sensitive e.g. preventative schemes to avoid higher costs later on, or schemes that address Health and Safety concerns and ensure compliance.
18. A change is also proposed to a scheme to fund the relocation of the Cleveland Unit Child Development Centre approved in 2021. The Unit relocated to the Hemlington Initiative Centre having been required to vacate its long-standing accommodation at James Cook University Hospital to free up space during the pandemic. At that point, alternative plans for the use of the Hemlington Initiative Centre meant that this could only be a temporary arrangement. £150k was agreed to refurbish accommodation at Stainsby Nursery to provide a permanent location.
19. Shortly following Executive approval of the 2021 programme, the Hemlington Initiative Centre became available as a long term prospect for the Cleveland Unit and is now being used as a hub to deliver services to children with SEND. It is therefore proposed that this money is used to make adaptations to the Centre to improve access, provide boundary fences to increase site security, and establish an outdoor space suitable for use by young children in order to establish this as the permanent location for the Unit. A mobile classroom will also be installed to provide accommodation for all age ranges for use by the Hub. There is no uplift in the funding required.
20. The capital programme covers schools widely distributed across the town. There are no specific ward implications. Ward members will be consulted on individual building schemes where appropriate as part of the normal process of securing planning permission.

What decision(s) are being recommended?

21. That the Executive approves the new schemes included in Appendix 1 and discussed in the report be added to the schools capital programme for delivery to commence in the 2021/22 and 2022/23 academic years.

Rationale for the recommended decision(s)

22. To ensure that that the grant funding available is spent in a timely manner on improving teaching and learning environments and outcomes for young people.

23. To deliver the Council's statutory obligation to ensure there are sufficient school places to meet demand, in particular for children and young people with Special Educational Needs, and to meet suitability and condition requirements.

24. There is no obligation for the Council to consult over these schemes. Schools named in the programme have been engaged on a tentative basis to ensure that, where a school contribution to the cost of schemes is required, this can be agreed.

25. The Schools Capital Programme has not been examined by the Overview and Scrutiny Board or by a Scrutiny Panel.

Other potential decision(s) and why these have not been recommended

26. The Executive could choose not to approve the schemes for inclusion in the Schools Capital Programme. In the short term this could lead to elements of the buildings identified failing, resulting in lost teaching and learning time, inappropriate learning environments, Health and Safety risks, and a shortage of school places for some of the town's most vulnerable learners.

27. In the longer-term, such an approach would lead to the gradual decline of the condition of the schools, children being out of school unnecessarily and escalating costs for both the schools and the Council.

Impact(s) of the recommended decision(s)

Legal

28. The decision would assist the Council in meeting its statutory duty, under Section 14 of the Education Act 1996, to ensure there are sufficient school places to meet demand.

29. The decision would assist the Council in meeting its statutory duty under Section 22 of the School Standards and Framework Act 1998 as amended by the Education Act 2002 and the Education and Inspections Act 2006 to maintain schools in its area.

Strategic priorities and risks

30. The recommended decision will ensure that all pupils can access an appropriate school place and provide a safe and welcoming environment in which they can learn and achieve, improving outcomes for children and young people.

31. The relevant risks this decision would influence are below, alongside an explanation about why they are relevant and how each risk is affected.

Register No	Description of risk	Explanation as to why they are relevant and how it would affect each risk
O4-012	If the department fails to meet statutory responsibilities , due to lack of resources or staff knowledge, then this will lead to reduced effectiveness and increased costs.	The Schools Capital Programme will ensure that the Council complies with its statutory duty to supply sufficient school places to meet demand.
O4-026	There may be insufficient year 7 school places available to meet demand over the next 5 years which could result in Middlesbrough children not being able to attend school in the town, leading to a failure to fulfil our statutory obligations, and placing a financial burden for funding additional places. It could also damage our reputation and lead to dissatisfied parents.	The proposed expansion of places for secondary pupils with SEND will have a positive impact on mitigating this risk.
O4-010	The lack of sufficient services and placements locally to meet the needs of children and young people with SEND 0-25 will result in significant pressures on the High Needs budget as the Council has to source services from outside the area.	Securing a permanent location for the Cleveland Unit and the establishment of new secondary provision for pupils with Severe Learning Difficulties will have a positive impact on mitigating this risk.
O7-026	If the Council fails to comply with the Health and Safety at Work Act 1974 , other legislation and good practice, then avoidable deaths and accidents may occur, resulting in charges under the Corporate Manslaughter and Corporate Homicide Act 2007; and HSE prosecutions with corresponding financial and reputational loss.	The Schools Capital Programme prioritises schemes to ensure that the schools are structurally sound, ensuring the safety of pupils and staff and having a positive impact on the risk.

Human Rights, Equality and Data Protection

32. A Level 1 (Initial Screening) Impact Assessment (IA) accompanies this report at Appendix 2.
33. The impact assessment identified that the proposal would have a positive impact on the local community and would not represent a concern to equal rights, disability discrimination or the impingement of human rights.
34. The decision being sought aims to positively affect educational outcomes for young people aged 3-16 and particularly those with Special Educational Needs and Disabilities, improving their learning environment, access to educational services and removing the need for these children to travel to schools outside of the town to access appropriate education.

Financial

School Condition Allocation (SCA)

35. Capital maintenance schemes are funded from the Council's annual Schools Condition Allocation (SCA). This is formulaic capital grant funding received from the Department for Education (DfE) to maintain the buildings of schools it has responsibility for.

36. New maintenance schemes with a total value of £691k have been identified to be added to the programme. Schools are required to contribute to capital maintenance schemes from Devolved Formula Capital or revenue budget shares, reducing the Council's commitment to £590k.
37. The DfE have not yet announced local authority SCA allocations for the 2022/23 financial year but, on the basis of the DfE's allocation formula, this is estimated to be in-line with the 2021/22 allocation and at least £600k. Without the 2022/23 allocation there are sufficient funds in the SCA block budget of £592k to cover the cost of the schemes. These schemes have already been added to the Capital Investment Strategy and budgetary approval granted.

SEND Sufficiency Scheme

38. The SEND sufficiency scheme to provide new places for pupils with SLD is being funded from Basic Need capital allocations in the first instance. This is capital grant received from the Department for Education to provide new mainstream school places, allocated on the basis of demonstrated need. The grant is not ring-fence and can therefore be spent on providing special school places.
39. The Capital Investment Strategy will be adjusted at Quarter 4 to reflect the new commitment and approval sought from Council.
40. Together with the 2022/23 allocation which has been confirmed by the DfE there is £7,528k Basic Need capital. This is sufficient to fund the enlargement of Discovery Special Academy leaving a balance of £1,328k. No allocations beyond this have been announced but it is expected that, as allocations are based on demand, these are likely to be of low or zero value.
41. High Needs Provision Capital is provided by the DfE to deliver new places and improve existing provision for pupils with Special Educational Needs and Disabilities or who require alternative provision. The DfE are due to announce allocations for 2022/23 and 2023/24 shortly. Funding for the scheme will be revisited once Middlesbrough's allocations are known to ensure that it is funded from HNPCA wherever possible, thereby freeing up Basic Need funding to be spent on other priorities more in-line with its intended purpose.
42. The costs for all schemes identified in the appendix and main body of the report are indicative until such a time as full feasibility studies can be undertaken and are subject to change until schemes have returned from tender. The schemes in Appendix 1 will be treated as a programme of works, with savings in schemes being used to offset increased costs in others and the programme being managed within the overall funding envelope.
43. Where there is a significant deviation from the estimates in individual schemes these will be revisited and appropriate action taken, which could include reducing the scope of works, re-tendering, or postponing of the scheme. Where there is a significant effect on the cost of the programme, which would result in a key decision being required, this would be brought back to Executive for decision.

Actions to be taken to implement the recommended decision(s)

Action	Responsible Officer	Deadline
Officers in Corporate Property's Assets Team will commence the delivery of the schemes to the specified timescales. This includes the detailed design, commissioning and completion of all works.	Teresa Garret/ Sue Corner	31 August 2022
The Capital Investment Strategy will be adjusted at Quarter 4 to include new schemes identified in the report and approval sought from Council.	Gary Maddison	31 March 2022

Appendices

1	Appendix 1 –Schools Capital Programme – New Schemes 2022/23
2	Appendix 2 – Equality Impact Assessment

Background papers

44. No background papers were used in the preparation of this report.

Contact: Gary Maddison, Strategic School Planning Manager
Email: gary_maddison@middlesbrough.gov.uk