



EXECUTIVE 26th AUGUST 2021

Report Title	Improvement of facilities at Montsaye Academy, Rothwell, using banked Section 106 funding
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Executive Member	Cllr Scott Edwards, Executive Member for Children, Families, Education and Skills

Key Decision	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Forward Plan Reference (if yes to Key Decision)	
Is the decision eligible for call-in by Scrutiny?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Are there public sector equality duty implications?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Does the report contain confidential or exempt information (whether in appendices or not)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Applicable paragraph number for exemption from publication under Schedule 12A Local Government Act 1974	

List of Appendices

Appendix A – Science Block plan;
Appendix B – Dining Facility plan;
Appendix C – DT Courtyard plan;
Appendix D – Accessibility Lift plan.

1. Purpose of Report

- 1.1. To provide Members with all the necessary information to make a fully informed decision on whether to passport banked Section 106 funding, that names Montsaye Academy as beneficiary, for use on a capital improvement scheme to improve the educational facilities at the school.

2. Executive Summary

- 2.1 North Northamptonshire Council (NNC) is currently in receipt of £606,446 of banked Section 106 developer contributions that name Montsaye Academy as beneficiary;
- 2.2 NNC Officers have worked in conjunction with Pathfinder Schools Academy Trust (the Trust which operates Montsaye Academy) to produce plans that will improve the standard of accommodation at, and the educational environment

provided by Montsaye Academy. These works will benefit all current and future students that will attend the school;

- 2.3 These plans will also act as facilitating works for a future increase in the Published Admission Number (PAN) from 240 to 270 places per year group and provide 150 new secondary school places in total. These wider extension works will be completed when further new housing has been delivered in the area and future S106 contributions have been received;
- 2.4 Should this funding request not be approved, in excess of 60% of the banked S106 contributions will 'expire' in June 2022 and would be returned to the relevant housing developer at this point. This funding needs to be utilised by June 2022 to realise the benefit for Montsaye Academy and its students.

3. Recommendations

- 3.1 It is recommended that the Executive:
- a) Approve the release of £606,446 of Section 106 contributions for Montsaye Academy;
 - b) Approve the delivery of the project by Pathfinder Schools Academy Trust;
 - c) Delegate authority to the Executive Member for Children, Families, Education and Skills in consultation with the Director of Children's Services to enter into a Funding Agreement between North Northamptonshire Council and Pathfinder Schools Academy Trust for the delivery of planned improvement works.
- 3.2 Reason for Recommendations –
- The recommended course of action will allow the timely progression of capital improvement works at Montsaye Academy that are required to improve the educational environment for students and staff;
 - The recommended course of action will benefit students currently being educated at Montsaye Academy;
 - The Council (or customers) will receive the maximum benefit from the option proposed and Montsaye Academy will be able to derive the full benefit of the banked S106 contributions.

4. Report Background

- 4.1 North Northamptonshire Council (NNC) has, or is due to receive, Section 106 developer contributions specifically towards secondary education at Montsaye Academy. In total there are seven different developments, where the Section 106 agreements identifies Montsaye Academy as the beneficiary of these contributions. For the purpose of clarity, this funding cannot be used at any other school;
- 4.2 In total, the Section 106 agreements stipulate that the funding which equates to £2.6m (plus indexation) in total will be received by NNC. However, this request relates only to S106 contributions that have been received and banked by NNC.

At present a total of £606,446 has been received from the three completed developments identified below;

- KE/00/0119, Jubilee Street, Rothwell;
- KET/2012/0528, Land off Harborough Road, Desborough;
- KET/2012/0780 Harrington Road, Desborough;

4.3 To ensure that the maximum benefit can be derived from this funding for students currently being educated at Montsaye Academy, it is proposed that works at the school be delivered in a phased manner as and when funding is received by NNC;

4.4 The proposed works are required to improve the standard of accommodation available at Montsaye Academy. The main aim of the proposed works is to ensure that the school has the ability to effectively deliver the Science curriculum to current and future students that attend the school and also improve the school's safeguarding arrangements in terms of access to the school site. A full list of the proposed works can be found in section 4.5 of this report.

4.5 A feasibility study and detailed design has been commissioned and completed by the Pathfinder Schools Academy Trust (the Trust who operate the school). These design works identified the following works to be progressed as a matter of priority during the 'Phase 1' tranche of works:

- Refurbishment of existing Science Block: The current Science facilities at Montsaye Academy are old are no longer fit for purpose in terms of delivering the current national curriculum to students. The existing accommodation will be completely refurbished and new equipment provided within to address this issue;
- Extension of dining facilities: To allow the school to address what has become a significant 'pinch point' in terms of student circulation and to facilitate an increase to the school's PAN in the future; ·
- Installation of new pedestrian and vehicular access gate: To improve the safeguarding arrangements at the school and to make access to the school site more secure;
- Miscellaneous works: To improve student circulation around the school site and to address various accessibility issues in parts of the school (replacement lift).

4.6 The 'Phase 1' works can also be considered as enabling works to allow a future increase in its PAN from 240 to 270 places per year group, once future S106 contributions have been received from area housing developments to fund the rest of the required works;

4.7 The proposed expenditure of £606,446 for the works identified above, was approved at NNC's 'Strategic Capital Board' on 9th August 2021. The total cost of the works will be £628,000, however, NNC's total commitment will be £606,446 and the Academy Trust will provide the rest of the funding for completion of the proposed scheme.

5. Issues and Choices

5.1 The only other option available in respect of this proposal is for NNC to hold the S106 funding already received until all developer contributions have been

received and to deliver the planned Phase 1 works as part as a wider project. However, this would mean current students at the school would not benefit from the improved facilities and would continue to be taught in a sub-standard environment;

- 5.2 The proposed works will be fully funded using banked S106 contributions that name Montsaye Academy as the beneficiary of said contributions, they cannot be legally utilised anywhere else. Should the decision be taken to delay the planned works there is a risk that the previously banked contributions would 'expire' and have to be returned to the relevant housing developer. In excess of 60% of the currently banked S106 contributions will expire in June 2022 and this funding must be utilised before this date;
- 5.3 Any funding pass-ported to the Academy Trust that operate the school would be underpinned by a Funding Agreement that would limit NNC's financial liability to the total amount of banked S106 contributions only and assigns all financial risk over and above this value to the Academy Trust delivering the works. This is standard practice when NNC has provided funding for capital works to be delivered by an Academy Trust in the past;

6. Implications (including financial implications)

6.1 Resources and Financial

- 6.1.1 Total capital contributions of £606,446 have been invoiced and received by NNC.
- 6.1.2 For the purpose of clarity, the S106 agreements that will provide the funding in question name Montsaye Academy as the beneficiary of the funding and it cannot be used by NNC for any other purpose;
- 6.1.3 There are no other resources or financial implications arising from this proposal. The project will be delivered by the Academy Trust and supported and monitored by Officers within the School Place Planning Team at nil cost to NNC.

6.2 Legal

- 6.2.1 This proposal would have limited legal implications for NNC, the pass-ported of any funding would be underpinned by a 'Funding Agreement'. This agreement will clearly set out the roles and responsibilities of all parties and identify for which purpose the funding may be utilised;
- 6.2.2 There are no other legal implications arising from the proposals.

6.3 Risk

- 6.3.1 There is no risk to NNC associated with the delivery of this project; the Funding Agreement that will underpin the delivery of the proposed scheme will limit NNC's financial liability in respect of this scheme to the value of the banked S106 contributions only. The Funding Agreement allocates all risk associated with delivery of the scheme to Pathfinder Schools.

6.3.2 The biggest risk associated with the proposed scheme would arise from any decision not to approve this proposal and funding request. In excess of 60% of the banked S106 contributions that form the funding stream for these proposed works are due to expire in June 2022. If this funding has not been used by this date it would be returned to the housing developer who made the original contribution and it could then not be used for the benefit of current and future students attending Montsaye Academy.

6.4 **Consultation**

6.4.1 The decision to approve expenditure of S106 funding received would be the decision of NNC and is not subject to any statutory consultation process. As such, there is no requirement for any consultation on the matter to have been conducted.

6.5 **Consideration by Scrutiny**

6.5.1 None.

6.6 **Climate Impact**

6.6.1 Any construction works at Montsaye Academy would have a limited climate impact, which will be managed via the relevant planning process;

6.6.2 The request to passport the funding itself to Montsaye Academy has no direct climate impact.

6.7 **Community Impact**

6.7.1 This proposal can be considered to have a positive impact upon on both students that currently attend Montsaye Academy or will do in the future by providing access to improved educational facilities.

6.7.2 The planned 'Phase 1' tranche of works that this funding request relates to, can also be considered facilitating works for a future increase in Montsaye Academy's PAN from 240 to 270 places and will provide 150 new secondary school places in the future. As such, this proposal will have a further positive community impact as it will help provide sufficient secondary school places in this area of North Northants in the future.

7. **Background Papers**

7.1 None.