

**From:** Sarah Hammond, Corporate Director of Children, Young People and Education

**To:** Beverley Fordham, Cabinet Member for Education and Skills

**Subject:** Capital release for the second phase of works to increase the Designated Number at Nexus Foundation Special School

**Decision Number and Title – 25/00073**

**Key decision:**

- *It involves expenditure or savings of maximum £1m*

**Classification:** Unrestricted

**Past Pathway of report:** N/A

**Future Pathway of report:** Cabinet Member Decision

**Electoral Division:** Mark Hood and Paul Stepto – Tonbridge Division

**Summary:** This report sets out the proposal to release capital funding for the second phase of works required to increase the Designated Number at Nexus Foundation Special School, Upper Haysden Lane, Tonbridge, Kent TN11.

**Recommendation(s):**

The Children's, Young People and Education Cabinet Committee is asked to consider and endorse or make recommendations to the Cabinet Member for Education and Skills for proposed decision 25/00073 as set out within the PROD.

## **1. Introduction**

- 1.1 Kent County Council (KCC), as the Local Authority (LA), has a statutory duty to ensure sufficient school places are available. The County Council's Commissioning Plan for Education Provision in Kent (KCP) is a five-year rolling plan which is updated annually. It sets out our future plans as Strategic Commissioner of Education Provision across all types and phases of education in Kent.
- 1.2 The 2024-28 iteration of the KCP highlighted the Special Educational Needs (SEN) place pressure that Kent has experienced, with the number of Education Health and Care Plans (EHCPs) increasing significantly. The demand for special school provision within Tonbridge and the wider West Kent area has increased commensurately, and in recent years KCC has commissioned additional places at Nexus without providing additional accommodation.

## **2. Key Considerations and Background**

- 2.1 Since the academic year 2021/22 Nexus has temporarily increased its intake to an average of 16 on its main campus and to 6 for the Wouldham satellite to meet the commissioned demand. The demand for places at Nexus is set to

remain for the foreseeable future and therefore the proposed scheme provides the physical capacity to continue to admit the increased intakes on a permanent basis and ensure the school has the appropriate facilities and accommodation support provision for children with profound, severe and complex needs.

- 2.2 In July 2024, the Cabinet Member for Education and Skills agreed to permanently increase the Designated Number of places at Nexus Foundation Special School from 228 to 330 from September 2024 and to release capital to fund the first phase of works to permanently expand the school. Combined with a second phase of works, which this report details and seeks approval of, this will provide the physical capacity for Nexus to continue to admit the increased intakes on a permanent basis and ensure the school has appropriate facilities and accommodation to support provision for children with profound, severe and complex needs.
- 2.3 The additional places and associated accommodation are to be on its main Tonbridge Site; the satellite at Wouldham will remain with a capacity of 42. The capacity at the Tonbridge site will be 16 per year group on average in the primary phase and 18 on average in the secondary phase.
- 2.4 This paper requests the commitment of High Need Capital Budget funding to complete the second phase of the planned works.

### **3. Alternative Options**

- 3.1 **Do nothing** - Nexus is the only special school for children with profound, severe and complex needs in Tonbridge and Malling and without the delivery of the phase 2 accommodation, the school would not be able to permanently continue to admit as many pupils as it has done on a temporary basis and the number of places available each year would decrease.
- 3.2 Currently, the school has 294 pupil on roll (as at June 2025) and have been commissioned to support 330 from September 2025. The school is utilising non-teaching and shared/communal spaces and facilities on a temporary basis to support the children, but this approach is restricting how and where staff can undertake planning and preparation and also non-teaching activities, which cannot be sustained in the longer term.
- 3.3 If phase 2 was not progressed the school's designated number would have to reduce from 330. This would also involve the initiation of a statutory process, including public consultation and require KCC to pay for independent places when otherwise it would not need to.
- 3.4 The number of places the school could accommodate on a permanent basis without further accommodation would be greater than 228, detailed work would need to be carried out to determine the final figure, it is however estimated at approximately 260.
- 3.5 This would mean 70 fewer permanent places would be available within the state maintained sector and KCC may then be required to place those children within the independent sector, with places likely to be further away from children's

homes and at a significant cost to KCC, including placement and transport costs.

- 3.6 The annual cost of a state-funded special school place is approximately half the cost of an independent school place. The resulting impact of not providing the permanent additional places would be an increase to the on-going financial revenue pressure on the High Needs Block, of up to £1.75m per year. Along with additional transport costs which would be dependent on where children are placed.
- 3.7 **Proposed Decision:** Progress with phase 2 - this is the recommended proposal as it will permanently increase capacity at the school and avoid further pressure of placements in the independent and non-maintained sector, potential revenue cost avoidance of up to £1.75m per year. Whilst the capital cost of delivering phase 2 of the construction is significantly greater than previously estimated, it is in line with market prices, within the budget available and will provide value for money to KCC whilst improving the provision for children with some of the most complex needs in the local community.

#### **4. Financial Implications**

- 4.1 Comprehensive feasibility and design work has been completed in preparation for progression through the planning process for phase 2. This phase will provide the school with the main additional accommodation required to accommodate a total roll of 330 pupils on a permanent basis. It entails a single storey standalone traditional construction build, consisting of 4 general classrooms and a specialist science room. It also includes a calm space/room, 2 small group rooms paired with the classrooms, accessible toilets via a cloakroom between classrooms, a hygiene suite and suitable circulation space along with other ancillary accommodation to meet the needs of the pupils using the accommodation. Along with accommodation delivered in Phase 1, this will add teaching space to the school and enable the school to stop using space it has temporarily converted to teaching space.
- 4.2 The type and amount of accommodation proposed is based on the findings of a space needs assessment against BB104, which is Department of Education (DfE) guidance for space standards in special schools.
- 4.3 A detailed cost plan has been produced estimating that £7,173,774 of High Need Capital Budget funding is required to complete phase 2 of the project. The previous initial high-level feasibility, completed prior to phase 1, estimated that £2.88m would be required for Phase 2. However, this proved to be an underestimation when the more detailed feasibility work was completed taking into consideration specific site and operational constraints.
- 4.4 The revised cost estimate represents a significant increase from the original projection. To ensure accuracy, the County Council commissioned independent verification from chartered quantity surveyors, who confirmed that the figure of £7,173,774 aligns with current market expectations.
- 4.5 The cost increase can be attributed to three principal factors:

- **Macroeconomic Conditions:** Rising labour and material costs, coupled with global economic uncertainty, have contributed to higher inflationary pressures, which are now being reflected in contractor pricing.
  - **Project-Specific Developments:** Detailed design and site investigations have progressed since the initial estimate, including assessments of building placement, ground conditions, site logistics and planning and environmental requirements. This has revealed additional cost elements that were not considered in the initial estimate.
  - **Initial Estimation Optimism:** The original cost estimate was subject to a greater degree of optimism bias than was appropriate by the contractor that produced it.
- 4.6 The original estimate was independently prepared by contractors who were requested to produce realistic project estimates, albeit at an early stage of the project's development. This was informed by market rates and information available at the time (4Q 2023). Officers within the Infrastructure Division have since introduced improved processes to reduce the likelihood of similar issues arising in future projects.
- 4.7 The combined cost of Phase 1 and 2 construction works would be £8,433,774; which is £82,684.06 per place across the 102 additional places. This is slightly below the average of £85,738 per place based on 74 schemes completed nationally and included within the June 2025 National School Delivery Cost Benchmarking Report, which was compiled by Local Authorities and the DfE.
- 4.8 The proposed expenditure enables delivery of the Council's statutory services and requirements at a minimum possible level as set out in KCC's Spending Control Guidance and avoiding the need for Independent Placements will support the County Council to prevent the current situation from getting worse as set out in section 3.
- 4.9 **Revenue Funding:** Should the scheme progress, £6,000 per new learning space would be provided towards the cost of furniture and equipment. This would be provided to the school to purchase required equipment. In addition, an allowance of up to £2,500 may be payable to outfit each new teaching room with appropriate ICT equipment, such as touch screens or projection equipment. The school would receive funding for the additional pupils that it admits in line with the funding allocated to special schools through KCC's funding formula. This is a total of £42,500 one-off revenue costs. All school related revenue costs highlighted will be met from the Dedicated Schools Grant, a ring-fenced grant from the Department of Education.
- 4.10 Both the Capital and Revenue funding requirement are expected to be met in full from DfE specific grants. The Capital funding will come from the High Needs Capital Grant with a combined allocations totalling over £70m (between 2023-26). The cost avoidance outlined in section 3.6 also impacts expenditure funded from the high needs block, a specific grant from the DfE which the Council is currently overspending and is aiming to recover through the implementation of the Safety Valve Agreement, of which this proposal will support this plan.

- 4.11 There is no direct General Fund costs or savings associated with this proposal. However, if this was not to proceed, any feasibility costs to date would be classed as “abortive” and could no longer be classed as capital expenditure, therefore these costs would become a one-off revenue costs on the General Fund. The estimated costs to date with phase 2 are £0.4m.

## **5. Legal implications**

- 5.1 Planning permission will be required for the new accommodation to enable the expansion of the school’s accommodation.
- 5.2 The Council will procure a contractor in line with procurement law and KCC policy. This will be done in consultation with Strategic Commissioning, General Counsel and implemented by Director of Infrastructure. Appropriate contracts and licenses, which include provision for premises access (the school owns the freehold of the land) to enable the required works, will need to be put in place and will be drawn up by KCC Estates.
- 5.3 Whilst the first smaller phase of construction was managed by the school under a formal Development Agreement with KCC, the second phase is proposed to be managed by KCC through a build contract with a main contractor, with authority sought for the Director of Infrastructure to enter into such contract in consultation with the General Counsel and Director of Education.

## **6. Equalities implications**

- 6.1 An Equality Impact Assessment (EqIA) has been produced, and no issues were identified in the early-stage EqIA, the assessment will be reviewed as the project continues. The design of the buildings has fully incorporated the access needs of the pupils with profound, severe and complex needs.

## **7. Governance**

- 7.1 The proposed decision will authorise the Director of Infrastructure, Strategic and Corporate Services in consultation with the General Counsel and Director of Education to enter into any necessary contracts/ agreements on behalf of the County Council with Nexus Foundation Special School and the relevant construction contractor(s). It would also enable the Director of Infrastructure, Strategic and Corporate Services to be the nominated Authority Representative within the relevant agreements and to enter into variations as envisaged under the contracts.

## **8. Consultation**

- 8.1 An informal education consultation ran from 17 May 2024 to 21 June 2024. The results were presented to Cabinet Committee as part of the Phase 1 Decision. Overall, of the 11 respondents, 8 were in support of the school’s expansion and 3 either disagreed with the proposed expansion or were undecided. Of those who disagreed (2) concerns related to parking and drop-off and whether class sizes would increase. The Phase 2 proposals include increased parking and drop-off capacity and through providing additional accommodation the aim is to

ensure that class sizes decrease to support the needs of children with the most complex needs.

- 8.2 In accordance with the Department for Education's Statutory Guidance (January 2024): Making 'prescribed alterations' to maintained schools, a formal statutory consultation process was completed as part of increasing the school's Designated Number, this is a Public Notice.
- 8.3 Following the Cabinet Member decision in July 2024, a Public Notice ran from 15 August 2024 to 12 September 2024. There were no objections to the Public Notice.

## **9. Views**

### **9.1 The View of the Local Members**

The KCC Members for Tonbridge Division, Mark Hood and Paul Stepto, have been consulted on this proposal.

Mr Hood provided the following comments:

'I believe that increasing the capacity of Nexus will improve its ability to meet the needs of children and families in West Kent and Tonbridge specifically. The school provides an excellent educational environment and it's expansion will enable it to meet its potential.

By increasing capacity the council can provide more places and this can cut journey times which will benefit pupils and subsequently reduce the cost of Home to School Transport where that is required as the campus is easily reached from the towns and villages in West Kent.

Nexus has a proven record of delivering excellent results and is a valued part of the Tonbridge community.'

### **9.2 The View of the Assistant Director Education – West Kent**

The Assistant Director fully supports this proposal as it contributes to ensuring sufficient places to meet the demand for SEND provision in Tonbridge and Malling and the wider West Kent area.

## **10. Conclusions**

- 10.1 This proposal seeks approval to release High Needs capital to complete Phase 2 of the expansion works at Nexus Foundation Special School. These works will enable the school to accommodate the increased Designated Number on a permanent basis and ensure that children with profound, severe and complex needs in Tonbridge and Malling, and the wider West Kent area, have access to appropriate local specialist provision.

## **11. Recommendation(s):**

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The Children's, Young People and Education Cabinet Committee is asked to consider and endorse or make recommendations to the Cabinet Member for

## 12. Background documents

Commissioning Plan for Education Provision in Kent 2024-28 & 2025-29  
Proposed Record of Decision

## 13. Contact details

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