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# **Education Capacity – Babington TMBs**

Executive Decision

Decision to be taken by: Assistant City Mayor for Children  
and Young People

Decision to be taken on: 11 April 2025

Lead director/officer: Sophie Maltby

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## Useful information

- Ward(s) affected: Beaumont Leys; Abbey
- Report author: Michael Wilsher, Head of Education Sufficiency and Admissions
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- Report version number: 1.2

### 1. Summary

Leicester City Council has a statutory responsibility to ensure there are sufficient school places for pupils in the area. This includes places for mainstream and special school places.

Demand for places have significantly increased since the pandemic for both mainstream and specialist provision and demand is not forecasted to fall over the next 5 years.

In 2020, the council took action to purchase Temporary Modular Buildings (TMBs) to support Secondary expansion of places. These modules were purchased with a sell back programme over the next 6 years. However, as demand for places has increased and free schools have been delayed, extending the use of TMB's to meet this demand has been required. Several secondary schools have continued to offer bulge classes across their year groups.

Some schools wish to retain the additional capacity to support places, whilst some TMB's can be sold back or relocated to improve capacity in high demand areas.

This report considers to use of the TMBs located at the Babington Academy site for education capacity.

### 2. Recommended actions/decision

Recommended to note the contents of the report and approve the decision to:

1. Approval to dispose of TMB modules to provide mainstream and specialist places at Babington Academy.

### 3. Background and options with supporting evidence

#### 3.1 Background information

Leicester City Council (LCC) made the decision to install TMBs at six secondary schools across the city in 2017, their expansion in 2019 and the purchase of the modules in 2020. This was to support increased demand for secondary school places and as an interim measure whilst the DfE delivered additional Free Schools. The purchase of the TMBs modules were programmed to be removed and sold back over the next six years. The Purchase Agreement places a contractual responsibility on LCC to cover the costs of the removal of the modules and re-instatement of the land, capping of services etc.

The TMBs are owned by LCC and are managed as assets by Estates and Building Services (EBS). Their monetary value is pre-determined by the Purchase Agreement. However, due to delays to Free Schools and increased demand for specialist and mainstream school places there is a need to realign TMBs across the educational estate and opportunities to continue their use.

#### 3.2 Increased demand for mainstream places

In addition, over the last 2 years there has been unprecedented increases in migration into the city. This has resulted in surplus capacity being used much quicker than forecasted. Having insufficient spaces leads to either overcrowding in classrooms which both negatively impacts the education of pupils and places additional strain on teaching staff or requires students to travel to schools further away from their residence incurring cost and placing logistical pressures on families.

Over 1,100 pupils are currently taught using TMB capacity which has provided essential places to the city. Due to the rise in demand, it is recommended to use the TMBs to support education capacity in areas of need for the city.

If places were not secured, we would be failing our statutory duty to educate pupils. This would also have reputational and political implications to not providing suitable education to children.

### **3.3 Increased Demand for SEND**

Since the pandemic there has been a significant increase in demand in requests for Education, Health and Care Plans (EHCP) and for specialist placements to meet pupils needs.

### **3.4 Cost of Providing Capacity**

Hampshire County Council in collaboration with other councils and the DfE produce a National Benchmarking Study regarding the Cost of School Buildings. This takes account of recent developments nationally to deliver new school places.

**Table 2:** The national average cost of a school place

<b>Avg. Cost Per Pupil by Education Type</b>	<b>NEW</b>	<b>Re-Build/Ext</b>	<b>Refurbish</b>
<b>Primary</b>	£25,378	£20,946	£18,253
<b>Secondary</b>	£23,094	£21,235	£21,678
<b>SEND</b>	£91,960	£96,806	£31,539

### **3.5 TMB Modules Extended**

Due to increased demand through migration into the city and delays to the planned DfE Free Schools; it has been necessary to extend the use of TMB capacity at Crown Hills Community College, Rushey Mead Academy, Soar Valley College and The City of Leicester College. The TMBs are scheduled for removal from Summer 2030 as they will continue to deliver additional places for pupils in 2025.

### **3.6 TMBs at Babington Academy**

Babington Academy have accommodated 48 TMB modules on site. This has supported the school to provide 60 additional places per year group (increasing from 210 to 270). In addition, Babington have opened a 30 place Designated Specialist Provision (DSP) Unit. The school have agreed to increase their published Planned Admissions Number (PAN) from 210 to 240 mainstream places per year group from 2026.

The school originally planned to provide permanent building to ensure the school had suitable physical capacity to accommodate 240 pupils per year group after the removal of the TMBs. Although due to increased building costs and continued use of TMBs, Babington's trust has asked to take over the responsibility of the TMBs and propose to

carry out modifications to improve them to deliver the required capacity for the long-term places.

The value of the TMBs when they are scheduled to be sold back in the summer of 2030 is £216.5k. However, the council will be responsible for the removal and 'make good' costs of the TMBs which is estimated to be £578.3k, as well as any landlord liabilities required until Summer 2030<sup>1</sup>.

There are several funding streams available to support the project, including the TMBs as an asset. The Council has currently committed and approved £502.5k of s106 funding to create 150 additional mainstream places (£250k has already been paid, with the remaining funding issued once the works have been completed). In addition, because the school has been operating a DSP unit within their current physical capacity, the Phase 2 DSP Programme has allocated £300k funding to create a separate physical space for DSP pupils above their current capacity. The DSP provides 30 specialist places above the school's PAN. This is in addition to any funds committed by the trust towards the project.

The trust has procured and awarded a contract for the remodelling of the school and TMB. The planned works and costs have been reviewed by the council's Building and Estates Team and are generally in line with expected market rates. This excludes costs for cladding the TMBs and to provide a dining space for DSP pupils, which is being funded by the trust.

Approval to dispose of the TMBs towards this project, would pass the financial and maintenance responsibility to the school for the TMBs removing the LA responsibility for maintenance, removal and 'make good' costs.

These places would secure long-term mainstream places (150) and specialist places (30). National benchmarking for refurbishment for these places would cost £4.2m. In addition, retaining the modules on site would negate the cost of removal of the TMBs from the site and any ongoing maintenance responsibility.

### 3.7 Options

#### **Option 1 – Approve to remove all Babington TMBs when scheduled.**

This option would remove all 48 modular units at Babington when scheduled for removal in 2030. The cost of removal and reinstatement is estimated to be £578.3k and there would be additional costs if these units were to be retained, refurbished and relocated. It would not be intended to sell these modules back sooner due to the need for these places and the disruption and impact of removing hundreds of pupils already on roll at the school and reducing needed capacity to meet demand for 150 mainstream and 30 specialist places.

#### **Option 2 – Approve to dispose of the Babington TMB assets to the trust for development into long-term capacity.**

The Babington TMBs would remain on site to provide the additional 150 mainstream and 30 specialist places. The asset value of the TMB would be included as part of the investment into the school project, in addition to s106 and DSP funding. It is noted that there would be no option to sell the TMBs, but any income from the sale would have been

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<sup>1</sup> These cannot be currently forecast as the TMBs are planned to be on site longer than originally expected. Schools may require sound proofing, carpet tiles etc. to extend their use or if items reach end-of-life.

used towards the removal and reinstatement costs with an additional cost of £361.8k. However, it will create long-term capacity and good value for money at £4.44k per pupil place (national average £21.6k per pupil place).

### **3.8 Recommendation**

It is recommended that Option 2 is approved as it provides value for money in providing needed capacity in the city. This will also support pupils remaining in the current schools and delivers places quickly, whereas building this capacity will cost significantly more and won't deliver the required places in time and would cost the LA to remove and relocate the TMBs.

## **5. Financial, legal, equalities, climate emergency and other implications**

### **5.1 Financial implications**

This report proposes the transfer of TMB's from Council ownership to Babington Academy. The Academy will then undertake a project to convert these into use for 150 permanent places and 30 DSP places.

Under the current ownership arrangements, the TMB's represent a future financial liability to the Council in that the cost of removing them in 5 years' time (£578k) would exceed the estimated value of the assets themselves (£217k). In that regard, the transfer of the TMB's to Babington Academy is financially beneficial to the Council. In addition, maintenance costs over the next 5 years, which would otherwise have fallen to the Council, will now fall to the Academy.

The total cost of the project to convert from temporary to permanent units is estimated to be £1,095k, and the risk and financing of the project falls to the Academy. However, the Council is contributing to the project and has paid £300k towards specialist places (from the new school places policy provision), and will be making further contributions of £253k from residual Section 106 monies, which is already included in the Council's capital programme.

Signed: Stuart McAvoy – Head of Finance

Dated: 28<sup>th</sup> March 2025

### **5.2 Legal implications**

#### **Commercial Legal**

Legal comments are based on option 2 of this report which is to gift all of the temporary modular buildings to Babington Academy. Subsidy Control issues must be considered, and legal advice sought in this respect.

Under the Purchase Agreement (including variations to this) the Council has to offer the Supplier the first right of refusal/sell back option of the TMBs. Therefore, in transferring the TMB's to Babington Academy the Council will need to ensure that firstly it is contractually able to do so, formalising any agreement required from the Supplier and generally ensure that all of its obligations are being fulfilled under the Purchase Agreement. Assuming, this is permitted then the transfer agreement with Babington Academy will need to be robust enough to ensure the Council's rights, if any are protected, where relevant cascading down any obligations from the Purchase Agreement.

Legal support to be sought as required.

Signed: Mannah Begum, Principal Solicitor, Commercial Legal Ext 1423

Dated: 29 November 2024

### 5.3 Equalities implications

When making decisions, the Council must comply with the public sector equality duty (PSED) (Equality Act 2010) by paying due regard, when carrying out their functions, to the need to eliminate unlawful discrimination, harassment and victimisation, to advance equality of opportunity and foster good relations between people who share a 'protected characteristic' and those who do not.

Protected characteristics under the public sector equality duty are age, disability, gender re-assignment, pregnancy and maternity, marriage and civil partnership, race, religion or belief, sex and sexual orientation.

The report is seeking approval for Option 2, whereby the Babington TMBs would remain on site and be developed by the trust, providing an additional 150 mainstream and 30 specialist places in the long term. If this option is agreed, it would have a positive impact across a range of protected characteristics for pupils attending the academy. It will help towards meeting local demand and our statutory obligations by ensuring there are sufficient school places in the area and enabling pupils to remain in their current school ensuring their education is not disrupted.

Signed: Sukhi Biring, Equalities Officer

Dated: 27 November 2024

### 5.4 Climate Emergency implications

Schools are a significant source of carbon emissions in Leicester and are an important area to tackle following the council's declaration of a climate emergency and ambition to achieve net zero carbon emissions.

The use of TMBs to provide extra places may have a positive carbon emissions impact, through avoiding the embodied emissions associated with the construction of new classroom space. However, the TMBs are also likely to be less energy efficient than a comparable building, and therefore could increase emissions from energy use in the long term.

The report notes the intention of the school to install cladding to the TMBs, which could be expected to improve their energy efficiency and reduce their carbon emissions. As such, the school should be encouraged to consider targeting the best possible level of energy efficiency as part of any works, as well as any other relevant opportunities to improve the energy efficiency of the modules.

Signed: Aidan Davis, Sustainability Officer, Ext 37 2284

Dated: 28 November 2024

### 5.5 Other implications (You will need to have considered other implications in preparing this report. Please indicate which ones apply?)

**6. Background information and other papers:**

**7. Summary of appendices:**

**8. Is this a private report (If so, please indicate the reasons and state why it is not in the public interest to be dealt with publicly)?**

**9. Is this a “key decision”? If so, why?**