

EXECUTIVE BOARD – 17 NOVEMBER 2015

Subject:	Approvals in relation to the expansion of Bluecoat Academy		
Corporate Director(s)/ Director(s):	Alison Michalska, Corporate Director for Children and Adults		
Portfolio Holder(s):	Councillor Sam Webster, Portfolio Holder for Schools		
Report author and contact details:	Sarah White, Senior Project Manager, Major Programmes Telephone: 0115 87 63410 Email: sarah.white1@nottinghamcity.gov.uk		
Key Decision	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Subject to call-in	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Reasons: <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			<input type="checkbox"/> Revenue <input checked="" type="checkbox"/> Capital
Significant impact on communities living or working in two or more wards in the City			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Total value of the decision: £5,777,000			
Wards affected: Bilborough		Date of consultation with Portfolio Holder(s): 21 October 2015	
Relevant Council Plan Strategic Priority:			
Cutting unemployment by a quarter			<input type="checkbox"/>
Cut crime and anti-social behaviour			<input type="checkbox"/>
Ensure more school leavers get a job, training or further education than any other City			<input checked="" type="checkbox"/>
Your neighbourhood as clean as the City Centre			<input type="checkbox"/>
Help keep your energy bills down			<input type="checkbox"/>
Good access to public transport			<input type="checkbox"/>
Nottingham has a good mix of housing			<input type="checkbox"/>
Nottingham is a good place to do business, invest and create jobs			<input type="checkbox"/>
Nottingham offers a wide range of leisure activities, parks and sporting events			<input type="checkbox"/>
Support early intervention activities			<input type="checkbox"/>
Deliver effective, value for money services to our citizens			<input checked="" type="checkbox"/>
Summary of issues (including benefits to citizens/service users):			
This report asks for approval to allocate funding towards the construction of a 420 place primary school as part of Bluecoat Academy. In addition, this report also asks for approval to enter into contract with Wates Construction to procure the new school.			
Exempt information:			
None			
Recommendation(s):			
1 To approve the allocation of funding, as set out in paragraph 4.2 and Appendix A, for the expansion of the Bluecoat Academy, creating a new 420 place primary school.			
2 To delegate authority to the Head of Legal Services to enter into a contract on behalf of Nottingham City Council with Wates Construction to deliver the expansion, subject to costs being within the agreed budget of £5,777,000, and value for money demonstrated.			

1 REASONS FOR RECOMMENDATIONS

- 1.1 Nottingham City Council is facing increasing pressure to provide additional places for primary children due to an increasing birth rate and inward migration. To date, 1,920 places have already been provided, primarily using Basic Need grant. This grant allocated by the Education Funding Agency (EFA) to support Local Authorities to fund additional school places. The construction of a new primary school, which will be part of the Bluecoat Academy, on the site of the former Shepherd Special School in Bilborough will help address the need for additional school places in the City.
- 1.2 Design development is now complete and the project has been subject to market testing to provide a robust cost estimate. In order to procure the new school, approval to allocate the required funding and to enter into contract is required.

2 BACKGROUND (INCLUDING OUTCOMES OF CONSULTATION)

- 2.1 Bluecoat Academy began a consultation process for the expansion in April 2014 and concluded the process in June 2014. There were no objections to the expansion.
- 2.2 Initial approvals have been given to demolish the Shepherd School building and to provide temporary accommodation on the Bluecoat Beechdale site to allow the school to provide primary school places. Additional approvals have authorised the procurement of design and survey works to allow the development of the project to progress in order to ensure the new building will be available as soon as possible.
- 2.3 Details of the proposed project including designs, cost and programme are included in the Business Case at Appendix B. Funding requirements are attached at Appendix A.

3 OTHER OPTIONS CONSIDERED IN MAKING RECOMMENDATIONS

- 3.1 Doing nothing was rejected as there are no other schools in the required area able to accommodate this size of expansion at this time.

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

4.1 Background

In October 2014 Full Council approved £4.39m (pending full business case to the expansion of Bluecoat Primary. £0.500m has previously been approved for demolition costs and is included in the Capital Programme. The costs of the scheme have since increased to £5.777m, an increase of £1.397m.

4.2 Funding

This approval is requesting approval for scheme costs of £5.777m, the table below sets out the proposed funding for this scheme.

Funding	Amount £m
Basic Needs Grant (Demolition Works)	0.500
Basic Needs Grant - approved pending business case	3.800
Additional Basic Needs Grant Required	0.875
Total Basic Needs Grant	5.175
Schools Forum Accessibility Funding	0.080
Savings on Oaks Fields Scheme	0.172
Diocese Contribution	0.350
Total Cost	5.777

The additional Basic Needs Grant funding is contained within confirmed and indicative grants; therefore, there will no overall impact on the Capital Programme.

The Capital Programme will be amended accordingly.

On 29 March 2012 Schools Forum approved the allocation of £0.200m of Dedicated Schools Grant funding each financial year to fund schools accessibility works. Portfolio Holder approval was given via Delegated Decision 2120 to allocate the 2015/16 allocation to specific school schemes. As a result of slippage on some schemes in 2015/16 funding of £0.080m has now been earmarked to fund the Bluecoat Primary scheme.

Bluecoat Academy lowered the age range of its pupils admitted by the Academy when it opened Bluecoat Primary in January 2015. As a consequence of this, a request to vary the pupil numbers for the additional pupils that would be admitted from September 2015 to September 2020 was submitted to the Department for Education and this was approved. This will result in the funding required by Bluecoat Academy for running the new primary school being allocated from the Dedicated Schools Grant through the local funding formula approved by Schools Forum.

If the building of the new school goes ahead the ongoing maintenance costs of the new building would have to be met from the schools budget.

4.3 VAT

Once the extension is complete the extension will be leased to the Academy to operate under a peppercorn lease, for VAT purposes a peppercorn lease is outside the scope of VAT. If the Diocese contributes an element of funding to this scheme, this peppercorn lease may become void and the contribution classed as consideration for the ease, this would revert the lease from outside the scope of VAT to an exempt lease, which may cause partial exemption issues.

Once it has been decided that the extension of the hall required, this element will need to be looked at in more detail to mitigate any partial exemption risk that might arise.

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

5.1 There are no significant procurement concerns with the recommendations set out in the report. The EMPAii regional Framework Agreement provides a compliant route for the engagement of Wates Construction and for the delivery of the works.

5.2 From a legal perspective the proposals set out in the report raise no significant issues and, on the basis of the rationale put forward, are supported.

6 SOCIAL VALUE CONSIDERATIONS

6.1 There are no social value considerations as these works fall below the threshold.

7 REGARD TO THE NHS CONSTITUTION

7.1 There are no implications to the NHS constitution.

8 EQUALITY IMPACT ASSESSMENT (EIA)

Has the equality impact been assessed?

- | | |
|---|-------------------------------------|
| (a) not needed (report does not contain proposals for new or changing policies, services or functions, financial decisions or decisions about implementation of policies development outside the Council) | <input type="checkbox"/> |
| (b) No | <input type="checkbox"/> |
| (c) Yes – Equality Impact Assessment attached | <input checked="" type="checkbox"/> |

Due regard should be given to the equality implications identified in any attached EIA.

9 LIST OF BACKGROUND PAPERS RELIED UPON IN WRITING THIS REPORT (NOT INCLUDING PUBLISHED DOCUMENTS OR CONFIDENTIAL OR EXEMPT INFORMATION)

9.1 Delegated Decision 1990 – Approvals related to design works, legal procurement and surveys to develop Bluecoat Primary School – 13 March 2015

9.2 Delegated Decision 2120

10 PUBLISHED DOCUMENTS REFERRED TO IN THIS REPORT

10.1 None

11 OTHER COLLEAGUES WHO HAVE PROVIDED INPUT

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