

Business Case

Project Title:

Expansion of Bluecoat Academy – primary phase

Lead Department:

Major Programmes



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DOCUMENT CONTROL

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1.0 PURPOSE OF DOCUMENT

This document sets out the Business Case for funding the preferred option in the expansion of Bluecoat Academy to provide a Primary School of 420 places and a 26 Full Time Equivalent (FTE) place nursery.

2.0 EXECUTIVE SUMMARY

The purpose of the project overall is to increase the age range of the Bluecoat Academy providing 420 primary school places in the Bilborough with a 26 FTE place nursery. There are two sites considered for the expansion of Bluecoat, the Aspley Lane site and the site of the former Shepherd school site adjacent to the Bluecoat Beechdale site in Bilborough.

Approvals

Several approvals have already been sought in relation to this project including:

- Agreement in principle to fund the Bluecoat primary provision was given by the Portfolio Holder and Corporate Director following the submission of a Briefing Note setting out the priorities for capital investment in schools for 2014 – 16.
- Bluecoat Academy received confirmation that they were able to expand from the Department for Education in December 2014.
- Approval for the demolition and temporary accommodation was received in November 2014.
- Approval to allow the design process to develop the design to planning stage and undertake surveys. This approval was received in March 2015.
- Approval to cover the cost of providing additional temporary accommodation on the Bluecoat Beechdale site to accommodate the new intake for 2015/6 was received in October 2015.

3.0 STRATEGIC FIT

3.1 Background of Business Need

Local Authorities are under a statutory duty to ensure there are sufficient school places in their area, promote high educational standards, ensure fair access to educational opportunity and promote the fulfilment of every child's educational potential. They must also ensure that there are school places available in the areas of need, promote diversity and increase parental choice. The proposals contained within the Business Case support these aims.

This project forms part of a broader programme of works to expand primary schools across Nottingham City and increase the number of school places available to children. To date, over 2,700 places have been added at schools in Nottingham through the combination of school expansions and schools admitting additional classes, called bulge years. Plans are also underway to add a further 1,500 places by September 2016 and this includes the scheme at Bluecoat Academy.

School projects are delivered by Major Programmes on behalf of the School Organisation team. The School Organisation team identify where new places are required and nominate either one school or a number of options that should be expanded. Major Programmes then work with a design team, including the school, to plan projects and deliver the works required.

Bluecoat Academy has long aspired to add a primary phase to their existing academy and they approached Nottingham City Council back in 2013 for support with this. This would be a Church of England primary school so would draw children from across the City, which will help with the ongoing pressure on primary school places. However, it will also be based in the Aspley / Bilborough area of the City so will help with the ongoing pressure on places in that area, which is particularly challenging. The forecast numbers of pupils within the Aspley / Bilborough area are shown in Table 3.1.

Table 3.1 Forecast pupil numbers for Aspley / Bilborough area.

Pupil Age	4	5	6	7	8	9	10	Apr -14	PAN
Year	R	1	2	3	4	5	6	Total	
2013/14	765	760	759	703	684	660	664	4995	793
2014/15	763	765	760	759	703	684	660	5094	823
2015/16	767	763	765	760	759	703	684	5201	853
2016/17	749	767	763	765	760	759	703	5266	853

This forecast is based on birth rates and in this area, historically, it under reports the number of pupils coming through. This is at least partly explained by inward migration from other areas across the City as well as nationally.

Ambleside has already been expanded to a 630-place primary school and projects are underway to expand both Rosslyn Park and Glenbrook. All three schools are in the Aspley / Bilborough area. The Pupil Admission Number (PAN) shown in Table 3.1 takes into account the increasing capacity at Rosslyn Park, Glenbrook and the additional capacity provided by the new Bluecoat Primary school.

Initially, the proposal was for the primary phase to be added to Bluecoat’s Aspley Lane campus but the traffic implications that a primary school poses means this would be unlikely to get planning approval. So, an alternative site has been proposed – the former Shepherd School on Harvey Road, which is opposite Bluecoat Beechdale Academy.

Bluecoat Primary is a priority because of the potential the school has to ease pressure in this area and across the City, providing an additional 420 places will be provided by the school. Analysis of the other faith primary schools in the City shows that, on average, they draw from 23 catchment areas whilst also filling an average of 62% of their places from children living in their immediate area, which means the primary will benefit the immediate Aspley / Bilborough areas whilst also freeing up capacity in schools across the City.

Another anticipated benefit of Bluecoat’s primary phase is the broadening of choice for parents of children in the Wollaton area. Bluecoat is already a popular and successful secondary school in Wollaton and parents may consider Bluecoat Primary as a suitable

alternative to Fernwood and Middleton, especially as their child would be guaranteed a place in the secondary phase of the school. This would ease pressure in another area of the City. The numbers of pupils in the three areas adjacent to the Aspley / Bilborough area are shown in Table 3.2. It is anticipated that this popular Church of England school will draw pupils from across a wider number of catchment areas across the City. Additionally a surplus capacity of between 5-10 % is ideal as it allows the opportunity for siblings to go to the same school and families who come into the catchment during the school year the opportunity to find a school place.

Table 3.2 Forecast of pupil number in the three adjacent areas to Aspley / Bilborough

Pupil Age	4	5	6	7	8	9	10		PAN (Pupil Admission Number)
Year	R	1	2	3	4	5	6	Total	
2013/14	1363	1312	1266	1247	1159	1151	1079	8577	1360
2014/15	1460	1363	1312	1265	1247	1159	1151	8957	1420
2015/16	1525	1460	1363	1312	1265	1247	1159	9331	1450
2016/17	1466	1525	1460	1361	1312	1265	1247	9636	1450

A further demand on school places in this area has been created through a number of planned housing developments. A development on Chalfont Drive in Bilborough is well underway and this is set to provide more than 300 family houses in the area. Also, the former Denewood site may be used for housing.

Bluecoat Academy has consulted on lowering their age range to accommodate primary pupils. This was approved by the Education Funding Agency (EFA) in the autumn term, allowing the school will start to admit Reception children in January 2015. This will require temporary accommodation until the building work is complete and it is estimated this will cost £0.3m. This will ease pressure on places in this area so that some benefits are felt immediately.

Works to procure temporary accommodation are already underway. In addition, £0.2m funding has been set aside to demolish the former Shepherd School where the new primary accommodation will be located.

3.2 Strategic Objectives and Outcomes

This project contributes to the Council’s priority to ensure that all children and young people thrive and achieve. It will provide a quality learning and teaching environment and meets the Council’s objectives to expand good and outstanding schools across the City; Bluecoat was rated as Outstanding in the latest Ofsted report (November 2012).

In addition, expanding Bluecoat will support the City Council’s commitment to deliver on Education for Nottingham, in particular by:

- Ensuring every child is taught in a school judged good or outstanding by Ofsted
- Reducing absence from school by a quarter
- Creating more special school places for children with additional needs.

Providing additional primary school places and a specialist Autistic Spectrum Disorder (ASD) unit fits with the strategic objectives of Nottingham City Council.

3.3 Scope

The scope of the project is expand Bluecoat Academy by providing a standalone new build expansion with space for 420 primary age pupils and 26 Full Time Equivalent (FTE) nursery age pupils on the site of the former Shepherd Special School off Harvey Road in Bilborough. The new school will include provision for a specialist Autistic Spectrum Disorder (ASD) unit, providing additional support for children with ASD with the intention of integrating these children into mainstream education.

The Academy will operate the primary school as part of a portfolio of schools across the City, including the Bluecoat Beechdale secondary school adjacent to the proposed primary school site.

In order to accommodate primary children in January 2015, temporary accommodation has been provided on the site of Bluecoat Beechdale, enabling the school to provide for up to 180 children. Demolition of the former Shepherd School has already taken place.

Guidance on the size of teaching and learning spaces in primary schools is given by the Department for Education (DfE). This was previously included in Building Bulletin 99 (BB99) but has since been updated to Building Bulletin 103 (BB103). This information is provided on the Education Funding Agency (EFA) website:

<https://www.gov.uk/government/publications/mainstream-schools-area-guidelines/area-planning-for-maintained-schools>

Further guidance on school design is available on the EFA website, including a baseline design which can be used for massing:

<https://www.gov.uk/government/publications/baseline-design-420-place-primary-school-with-26-place-nursery>.

3.4 Feasibility and scope

This Business Case presents the case for delivering the preferred option for expanding Bluecoat Academy following on from a feasibility study and detailed design work.

Wates Construction was asked to submit a detailed feasibility study for the Bluecoat project. This followed on from an initial exercise to look at options for developing the site and concern about what was feasible within the available budget. The scheme that was affordable within the original budget allocation of £4.3m was reviewed by the Directors of Education and it was agreed that this would not meet the educational needs of the school. It was proposed that the footprint of the building be increased and, following further discussions, that a specialist Autistic Spectrum Disorder (ASD) unit be included within the scope of the project. The design team, working on behalf of Wates, were briefed to develop a scheme on this basis. A full feasibility study was received in July.

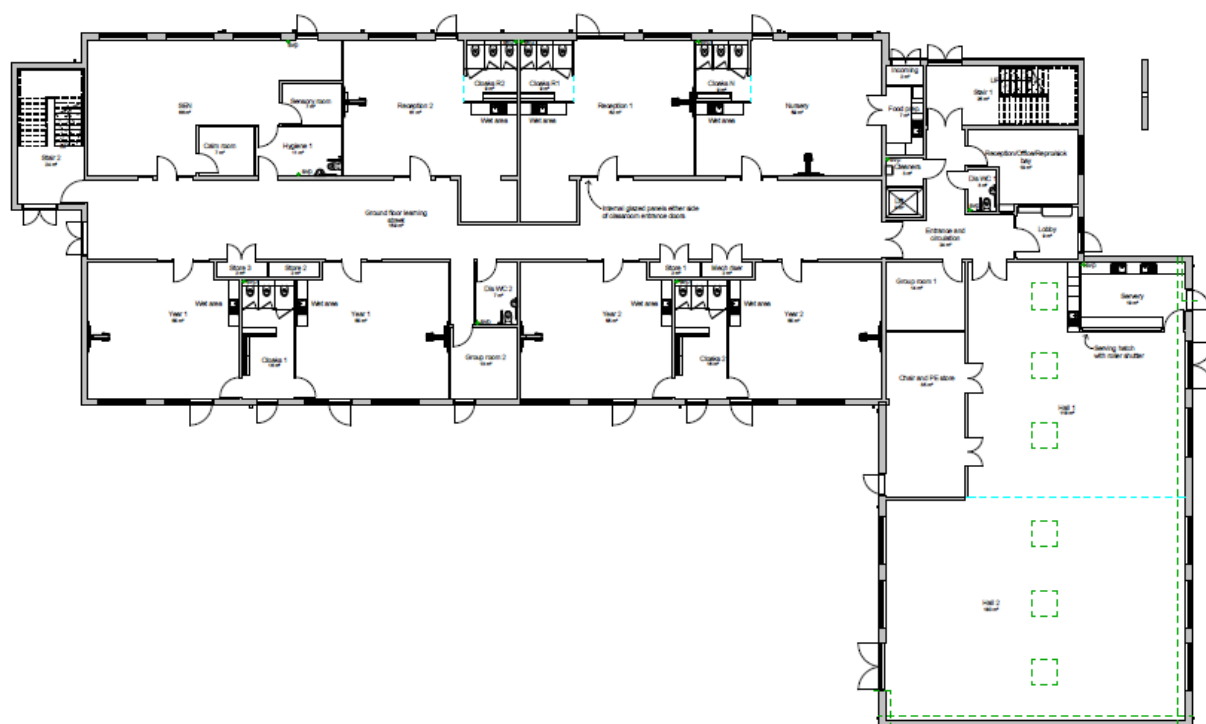
The proposed scope of the project now includes:

- 14 classrooms, including two for Reception age children
- A small number of group rooms and break out areas for small groups

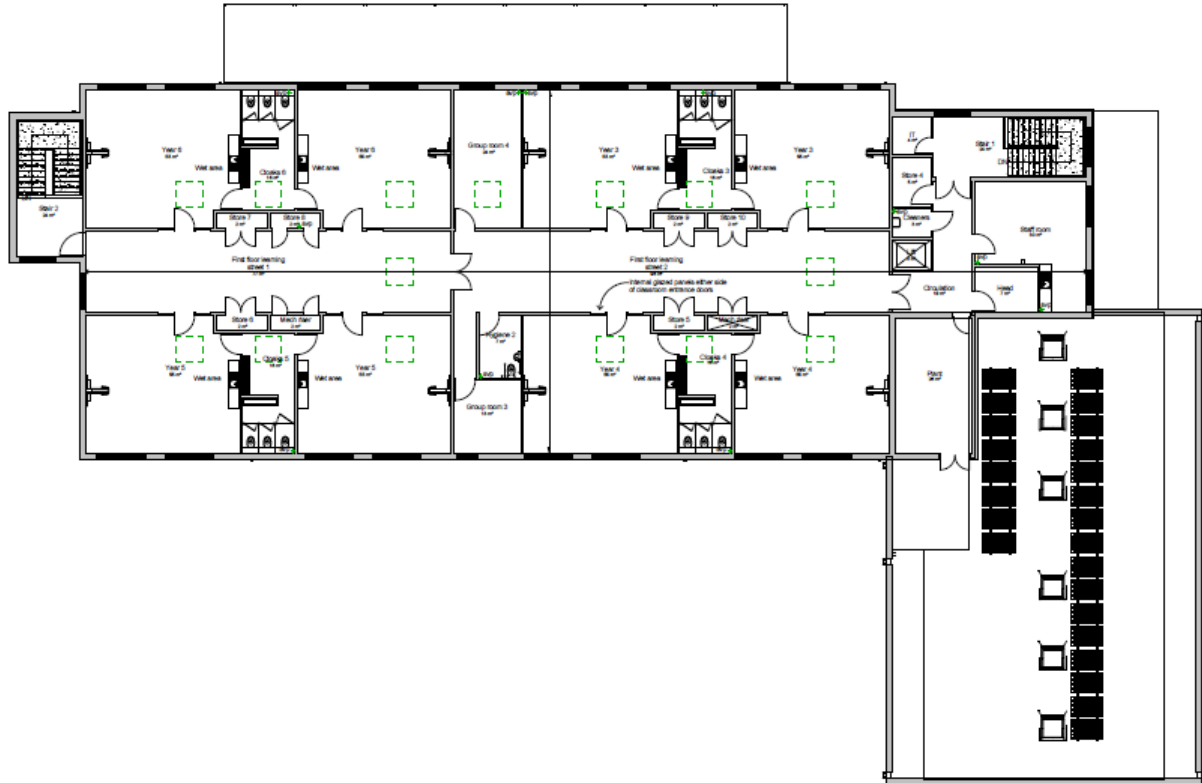
- One room for a 26 Full Time Equivalent (FTE) nursery provision
- One large room and several smaller rooms for the ASD provision
- Administrative and staff areas including a main office/ reception, staff room and head teacher's office
- Toilet, storage and circulation space
- A lift, accessible and ambulant toilet facilities and hygiene rooms
- A hall with a servery (not a kitchen – Bluecoat Academy will deliver meals to the site)
- A limited amount of external works including playground areas, fencing, access controls and CCTV to the building. No works are proposed to the rear of the site where a previous playground area and field are in place.

Indicative floor plans are included in the feasibility study. These have been updated in recent meetings with the school as below:

Ground floor layout



First floor layout



The external areas being delivered within the scope of the project are shown below:

The new school should be operational in January 2017.

3.6 Dependencies

This project forms part of a broader strategy to increase pupil places in areas of need across Nottingham. It contributes towards the strategic priority of Family Nottingham identified in the Council Plan 2009 – 2012: “Ensure that all children and young people thrive and achieve in education, training and employment.”

The Academy required approval from the Secretary of State to expand their age range to allow them to include a primary school within their portfolio of schools. The formal Business Case has been submitted to DfE for approval and was approved in December 2014.

Bluecoat Academy requires £350,000 in funding to be able to provide all the hall space shown in the drawings above and in the annexes. Approval for the additional funding for the hall extension must be received by December 2015 or this element will be omitted. There may be additional costs for incorporating this at a later date.

3.6 Key Risks

The key risks are:

Risk Number	Risk Description	LIKELIHOOD Rating	IMPACT Rating	Risk Rating	Risk Responses
1	Approval for NCC funding is not received	Possible	Catastrophic	15	Present a robust Business Case with clear options for delivering the required places and demonstrate the impact of not providing places.
2	The proposals are too costly to deliver.	Possible	Major	12	Ensure that the scope of the feasibility studies is realistic. Undertake financial assessments to ensure that the rates used reflect the market and offer value for money.
3	Site issues such as drainage or Highways requirements increase costs	Possible	Moderate	9	Liaise with appropriate personnel to establish what requirements are at an early stage so that the budget is reflective of requirements. Where the position is not clear, allocate a risk amount to cover any potential increase in costs.
4	Proposals do not meet school needs	Unlikely	Moderate	6	Engage school to ensure that the scope of works will address the needs of the young people and allow effective teaching and learning to take place.

3.8 Benefits Realisation Plan

Benefits	Observable	Measurable	Quantifiable	Financial	Expected
Financial Benefit	Reduction in cost of providing places in temporary accommodation	Revenue increase	Reduction in revenue spent on temporary accommodation	£151,450 per annum	At completion
Quality gain	Provision of required space in order to deliver effective and appropriate curriculum to children and young people.	Maintain high quality of education and educational outcomes	Ofsted ratings, test and exam performance, improvement in quality of life for children and young people.		Two years post-completion
Quality Gain	Provide a high quality building and improve existing resources in areas where additional resources are required	Satisfaction of children, young people, parents, carers and staff	Survey information to measure. Attendance figures. Increased parental choice.		Five years post-completion
Health gain	Improvement in quality of care provided in school environment	Satisfaction of children, young people, parents, carers and staff	Survey information to measure		Two years post-completion
Equality gain	Children and young people given suitable educational opportunities to achieve	Maintain high quality of education and educational outcomes	Ofsted ratings, test and exam performance, improvement in quality of life for children and young people.		Two years post-completion
Political gain	Provision of a wide range of suitable places ensuring parental choice	Additional places made available	Increase in capacity		Two years post-completion
Political gain	Expansion of special school places	Additional special school places made available	Increase in capacity		Two years post-completion
Quality gain	Expansion of popular and successful schools	Additional school places made available in schools that are good are outstanding	Increase in capacity		Two years post-completion

4.0 FINANCE

Estimated project costs

The estimated project budget is outlined below in Table 4:

Table 4.01 – Overview of Budget

NEW BLUECOAT PRIMARY SCHOOL - Budget				
FEASIBILITY COST PLAN				
<u>Construction cost</u>				£4,793,276.00
CLIENT CONTINGENCY & OTHER ITEMS				
Contingency			£100,000.00	
works)			£50,000.00	
Works to Existing Pitch			£0.00	
Works to Existing MUGA			£0.00	
Existing Play Area			£0.00	
design development)			£65,000.00	£215,000.00
	Carried Forward			£5,008,276.00
NCC DIRECT COSTS				
NCC Quantity Surveyor			£50,000.00	
Clerk of Works			£0.00	
CCTV Off Site			£10,000.00	
Schools IT Fees			£0.00	
Fire Insurance			£10,000.00	
Planning fees			£10,000.00	
Building Control			£15,000.00	
Demolition of Shepherd School			£130,000.00	
Portakabins			£543,724.00	768,724.00
	Overall cost			£5,777,000.00
	Approval			£5,777,000.00

Existing approvals and spend to date

Existing approvals have allowed the procurement of feasibility work, temporary accommodation, demolition and detailed design works as set out in the table below.

Table 4.02 – Overview of budget requiring approval

NEW BLUECOAT PRIMARY SCHOOL - BUDGET	
Approvals and Funding	
Funding already approved	
Demolition & Portakabin funding allocated	£500,000.00
Funding requiring approval	
Basic Need Funding allocated in the Capital Programme but not approved	£3,800,000.00
ASD Provision (100m2 @ £2,500)	£250,000.00
Additional area (250m2 @ £2,500)	£625,000.00
Schools Forum Accessibility funding	£80,000.00
Oak Field PFI savings	£172,000.00
Bluecoat Hall Funding	£350,000.00
Total additional funding requiring approval	£5,277,000.00
Overall budget	
Previously approved funding and funding requiring approval	£5,777,000.00

Funding

The funding for this scheme is from the Basic Need grant funding provided to the City Council from the EFA to provide the necessary school places within the City. Additional funding from the Schools Forum Accessibility fund will contribute towards the ASD provision. Savings from the Oak Field PFI scheme will be reallocated towards this project to ensure that there is a contingency figure for risks and additional works that may be required during the project. The contingency of £215,000 is comparable to that on similar projects and reflects the assessment of risks based on the survey information currently available.

Bluecoat Academy is looking for an additional £350,000 in funding from the Diocese and school funds in order to allow them to add an extension on to the proposed hall space as shown on the drawings to provide a dedicated worship space in order to meet their curriculum requirements. We are awaiting the outcome of a funding bid to see if this additional hall space will be delivered. If the funding is not available, the additional hall space will be omitted from the scheme.

Whole Life Costings.

When the building works are completed the new school will be transferred to the Academy Trust. School funding is provided based on a per pupil basis so the additional capacity will generate additional funding. In addition to the revenue budget there are regular opportunities to bid into funding for building improvements. It is not proposed that there should be a life cycle fund set up as there is a whole portfolio of school buildings that would be older and in worse condition that will need maintaining. The responsibility for maintaining the school will be the responsibility of Bluecoat Academy and they will have funding delegated to them directly from the Department for Education for this purpose.

It is unlikely that any substantial works will need to be undertaken to maintain the

building during the first five years other than decoration. A maintenance schedule will be provided within the Operations and Maintenance manuals handed to the school on completion of the project. In addition, Wates Construction will provide estimated costs for the running services in the new building based on the mechanical and electrical models developed for the project.

The school will be able to estimate the operational costs for the building based on the footprint of the building in comparison to their other buildings and should be able to make efficiencies in procuring these services.

Nottingham City Council's Authority's Requirements (ARs) are used to establish the quality criteria that Wates must meet for the building to be acceptable. These are available for review on request. These ARs also specify the minimum service life of each element of the building, reflecting best practice in construction. This draws on the experience of previous projects including the Building Schools for the Future schemes and incorporates lessons learned to ensure a robust set of requirements are in place establishing the City Council's expectations in relation to the quality and performance of the building.

Furniture, Fittings and Equipment (including ICT)

The school will require further funding to provide Furniture, Fittings and Equipment (FF&E) needed to run a school including desks, chairs and ICT equipment. These items are not covered by the project budget above and separate reports will be prepared to secure funding for these essential items.

5.0 PROCUREMENT AND VALUE FOR MONEY

The proposed procurement method is using the East Midlands Property Alliance (EMPA) framework with Wates Construction acting as the lead contractor.

Scape's regional frameworks are procured following a 2 stage OJEU process, with all documentation and contracts provided for clients to use. Each framework partner has been appointed following competitive tendering to ensure they provide exceptional value for money; 100% of tender packages for each project cost are market tested. Wates Construction is the contractor on the Scape Framework for this value of works.

Before the project is taken for formal approval, value for money and an assessment of procurement routes will be undertaken.

Consideration was given to the use of the Local Education Partnership (LEP) partner Inspired Spaces to procure this building. While the LEP have been very successful delivering the Building Schools for the Future (BSF) Programme, they have been less successful delivering value for money at smaller projects including primary schools. In addition they do not currently have a standardised solution such as the Connect system offered by Scape, instead offering off site construction solutions such as the one used to build Farnborough School and Technology College.

The project will be delivered as a design and build contract under the Scape framework using NEC Contract.

Where appropriate, such as where existing contracts exist, the school may be asked to procure works directly and will be refunded these costs by the City Council. The school are required to comply with financial regulations when procuring works.

The budget has been reviewed by a qualified Quantity Survey and their comments are:

- The rates included for the tender packages are comparable with the Heathfield Primary School, a project recently completed by Wates for NCC.
- The contingency included in the feasibility is at £100,000. This is considered reasonable for comparable in line with the recently completed Heathfield project.
- Provision for a design contingency at feasibility stage (for the contractor) is currently at £260,000. This will reduce as the detailed design develops and the design is firmed up and completed.
- Provision of £159,472 has been included within the feasibility breakdown for inflation. This is considered adequate at feasibility stage and will be reviewed as tendered costs on the project are firmed up.
- Wates tender is due to be received in January 2016 and will be subject to full scrutiny and analysis.

6.0 DELIVERY

The project will be delivered by Major Programmes on behalf of School Reorganisation; the team have considerable experience in delivering schemes of this nature and a strong working relationship with the school.

Delivery team

Internal resources:

The project will be managed by a Project Manager reporting to Programme Manager within Major Programmes. A Quantity Surveyor from the City Council will act as the contract administrator; this responsibility includes the validation of any change requests, verifying the costs for the project and managing the project budget.

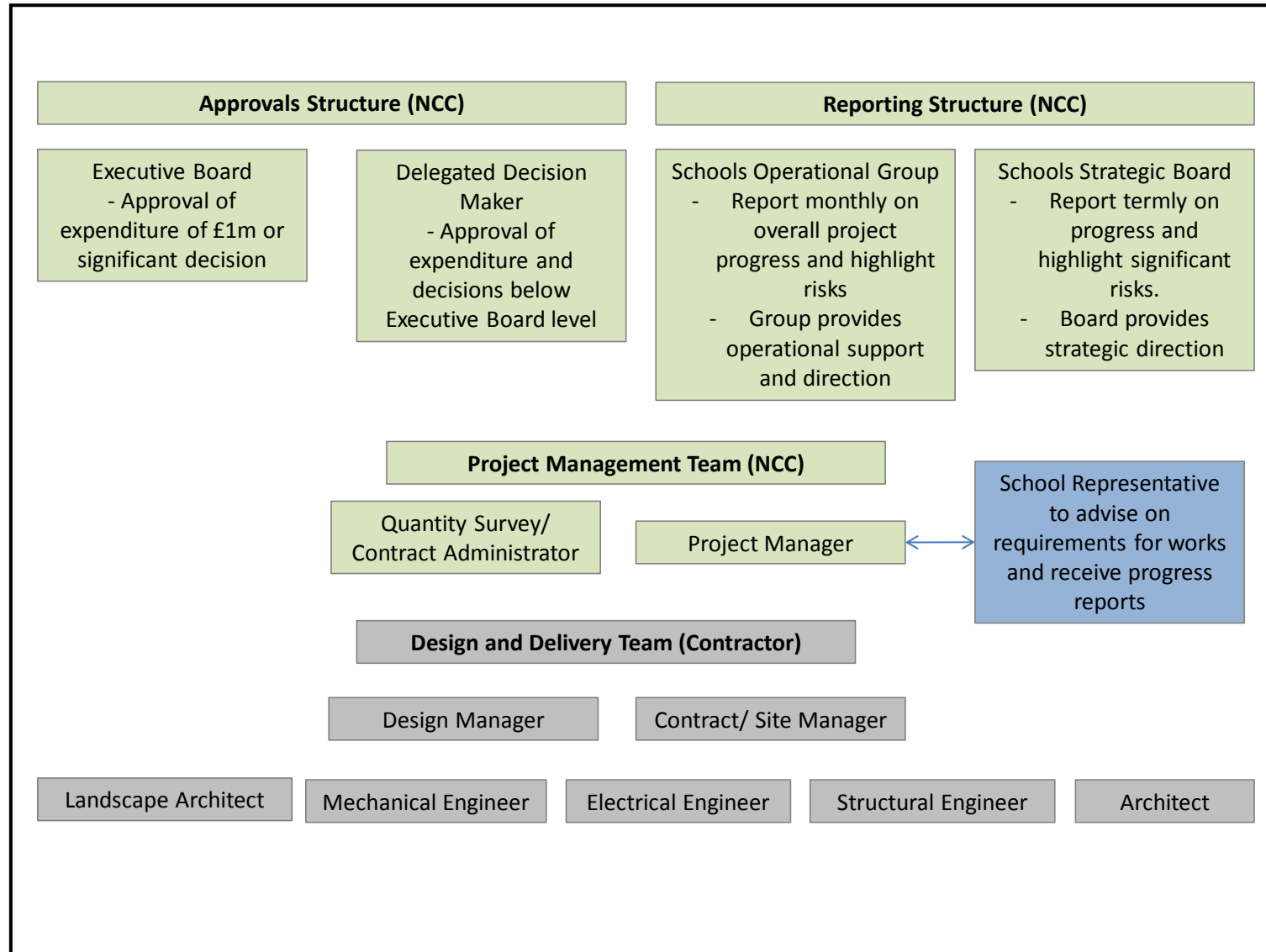
External resources:

Wates Construction will act as the contractor and will use the Scape team as architects. The contract type is yet to be confirmed.

A Construction Design Management (CDM) Coordinator will be appointed for the project using the Scape Framework, through Faithful and Gould.

7.0 PROJECT GOVERNANCE AND REPORTING

The governance and reporting structure for this project is as follows:



8.0 PROGRAMME

This Business Case will be presented to the Executive Board on 17th November 2015. At this stage, a decision will be made that will determine whether the project will progress.

In order for the milestones to be met, it is assumed:

- Approval is given by Executive Board in November 2015 allocating funding and agreeing to enter into contract.
- A planning period of 13 weeks will be required.

Using these assumptions, the key milestones are:

Milestone	Date
Approval process	
Executive Board meeting date	17 th November 2015
Approval to proceed (following call-in period)	2 nd December 2015
Planning application approved	23 rd December 2015
Design and contractual process	
Tender documentation and tender process by Wates	January 2016
Contracts signed	January 2016
Mobilisation period	February 2016
Start on site	February 2016
Handover	January 2017

Whilst the construction programme indicates a completion in December 2016, it is likely that the school will require some time to set up the building in preparation for children and therefore an additional period has been allowed in the milestones.

9.0 Project Governance

To date this project has had the following structure; in the first instance Nick Lee (Head of School Access and Improvement) and Rob Caswell (Programme Manager) have been responsible for managing the school reorganisation and expansion programme. In the event of issues needing to be escalated, these have been taken to Portfolio Holder Briefing, with the Corporate Director and Portfolio Holder for Schools to approve decisions.

Having recently appointed a Director of Education it is now anticipated that they will chair a Strategic Board that will include the relevant parties from Children and Adults and Major Programmes. In the first instance the following Officers will sit on the Board:

- Pat / Sarah Fielding – Directors of Education
- Nick Lee – Head of School Access and Improvement
- Jonny Kirk – Service Manager, Access to Learning
- Lucy Juby - Project Manager, Access to Learning
- Richard Beckett – Head of Major Programmes (Head)
- Rob Caswell – Programme Manager
- Sarah White – Senior Project Manager