



Northumberland

County Council

CABINET

Date: 26 April 2022

The Outline Business Case for The Replacement School Buildings for Astley High and Whytrig Middle Schools.

Report of the Executive Director of Adult and Children's Services: Cath McEvoy-Carr

Cabinet Member for Children's Services: Councillor Guy Renner Thompson

Report Author: Sue Aviston Head of School Organisation and Resources

Purpose of Report

To request Cabinet's approval of the Outline Business Case (OBC) to provide new school buildings for Astley High School and Whytrig Middle School.

An outline capital allocation for investment in Education has already been made within the Council's medium term capital programme. The Outline Business Case seeks to confirm the estimate of capital required for the proposed scheme, being £37,097,847.

Recommendations

Cabinet is recommended to:

1. Note the allocation of £40,942,222 capital funding in the Council's medium term financial plan 2022-2026 to deliver the scheme to provide new school buildings for Astley High School and Whytrig Middle School which are both local authority-maintained schools. The scheme is planned to be completed by Spring 2025.
2. Approve the commencement of procurement using a Design and Build Procurement strategy in order to deliver the project which would begin in January 2023 with the publication of the OJEU notice.
3. Note the Final Business Case to be approved by Cabinet prior to the award of contract to the preferred contractor in Spring Term 2023 following the procurement process as set out in the Outline Business Case within Appendix 1 of this report.

Link to Corporate Plan

This report directly links to the Council's Corporate aim 'Living, Learning - We will ensure the best education standards for our children and young people.'

Key Issues

1. Unlike neighbouring authorities, Northumberland has never benefited from being part of any government funded large scale school building replacement programme. It has therefore predominantly been the responsibility of the Council to fund its own capital investment in the school estate. There has been some success in applying for external funding for three of our high schools through the Priority Schools Building Programme. However, even within these projects the local authority still had to contribute approximately £5m. It should also be noted that despite the above, NCC still has over £80m of backlog maintenance issues in our maintained school estate.
2. A new build school for Astley High School and Whytrig Middle School has been in the MTFP since 2016 due to the condition need of the building with £15.7m backlog maintenance repairs. The building is in the greatest need for replacement when compared to the rest of the local authority-maintained school estate; it also has a high level of asbestos making repairs and maintenance extremely difficult and even impossible in some areas without closing large areas of the school.
3. During the process of developing an Outline Business Case (OBC) for the capital project to re-provide buildings for Whytrig Middle and Astley High Schools, the Governing Body of the Seaton Valley Federation identified that the educational benefits already being achieved from the co-location of Whytrig and Astley could be extended to include all students in the federation through the amalgamation of the two middle schools in the planned new buildings.
4. Informal consultation on the Governing Body proposal to amalgamate Seaton Sluice Middle School and Whytrig Middle was carried out from 13 October to 13 December 2021. However, there was a lack of expressed support for the proposal across the professional, public and political sectors giving rise to the concern that this proposal would not only be difficult to implement and therefore not achieve the improved educational outcomes on which the original consultation was initiated, but conversely may impact negatively on students within the Seaton Valley Partnership as a result of the division it could create. Therefore, the proposal was not progressed.
5. As a result of the consultation, the scope of the development of the outline business case for capital investment has now been defined and limited to the provision of new school buildings for both Astley High School and Whytrig Middle School on a shared site with shared facilities. A full detailed breakdown of the scope of works is included in Appendix 1 The Outline Business Case for replacement buildings for Astley High School and Whytrig Middle School.

6. There have been many challenges in finding a suitably sized site for the two schools within their existing catchment areas, with the minimum site requirements of 120,000m². The attached OBC provides the full detail on the site option appraisal, of the eight site options considered for the development. As a result of independent appraisal of the sites only two were deemed suitable for the development, the existing school site and The Avenue site.

As with any school redevelopment the existing school site, would always be assessed for its suitability and in vast majority of cases they are usually suitable, however in this case the school site is vastly undersized to meet guidance requirements of the DfE and Sport England with the site being undersized by 12,722m² (2 11v11 football pitches). An option however was developed that included off site playing fields in order to address the shortfall in on site provision, however this option brings many disadvantages to the operation of school in terms of safeguarding and the impact on curriculum time as the children and young people would have to travel on foot to the off-site pitches. A full assessment is shown as option 3 in the OBC.

A further three design options were developed to provide new school buildings on The Avenue site with alternative access arrangements on to site and differing levels of on site parking, shown as option 4, 5 and 6 in the OBC. The preferred option is shown as option 6 in the OBC as it gives the greatest level of benefit for the schools and the wider community as it brings together all the new facilities on one site, the site is a suitable size to future proof any increased demand for school places or changes to school organisation, provides the minimum amount of disruption to education of children during the construction phase. It precludes the use of the land in the ownership of the National Trust, which enables the schools to be operating from their new site and buildings from April 2025.

Consultation has taken place during the development of the OBC options with NCC planners, NCC Highways Development, Sport England, Historic England, National Trust and Hasting Estates, with their views being taken into consideration in recommending the preferred option. The site is situated in the Green Belt, and would therefore require a “very special circumstances” case to be presented to support the proposal. This should clearly evidence the outweighing benefits the school would bring when balanced against the harm to the Green Belt and the loss of the openness. Those benefits were discussed with NCC planning Officers, and from a planning perspective, their initial view was that the very special circumstances would outweigh the harm to the Green Belt and development on The Avenue site could be supported. A full copy of the planning letter of support is contained at Appendix 4b of the OBC.

7. There have been many challenges in developing a design for the new schools that takes into account the views of the schools, along with the statutory consultees such as Highways, Planning, Historic England, National Trust and Sport England; their views have been sought throughout the process and have been fundamental in developing the preferred design option. This is detailed within the Outline Business Case in Section 4.

8. A full appraisal of the procurement option is contained within the OBC at Appendix 1, Section 2 appendix 2Bi of the report. It is recommended that NCC follow a Design and Build Procurement strategy utilising a single stage tendering procedure tendered via an open tender process at the end of RIBA stage 4 to deliver the project. This route to market enables NCC to achieve best value for money whilst retaining a level of control over the quality of the design. If approved, the procurement process would begin by the end of January 2023 with the publication of the OJEU Contract Notice, following achieving planning approval in November 2022. The target date for awarding the contract is April 2023 with the aim for the school buildings being completed for April 2025.
9. A full commercial appraisal of all six options has been undertaken in order to establish the costs for each. The detail for each of these options is contained in Section 5 of the OBC, attached at Appendix 1. The recommendation is to proceed with Option 6, which is to provide a new building for Astley High School and Whytrig Middle School on a new site off 'The Avenue' as detailed with the OBC. This is denoted within the OBC as the preferred option with a recommendation to proceed through to procurement with an outturn budget of £37,097,847, slightly under the estimated allocation within the Council's medium term financial plan 2022/26 which was £40,942,222.
10. A risk workshop was undertaken in the early phase of the project which included representatives from the schools, the Project Team and the Council's Risk Manager who facilitated the process. A risk register was developed, and mitigation measures were put in place in order for this project to proceed. The risk register will be constantly monitored throughout the project with key risks and issues being reported at every Project Board meeting. The risk register is managed by the Project Director with specific input from the Project Team.
11. Consultation events on the options set out in the OBC took place with Local Elected members, The Governing Body of the schools, staff, Seaton Valley Community Council, parents and members of the public. They were asked to make comments on each option identifying what they liked about each option and also what improvement they felt could be made. The feedback from these events will be used at the next stage of detailed design in order to mitigate the concerns raised with the preferred option.

Background Information

13. In the Council's revised medium-term plan for 2019-2022, the Seaton Valley Federation of Schools was named as the next project proposed for major capital investment. More than ten years ago, Astley High School was identified for a new school build as part of a previous capital investment programme but unfortunately, this investment did not come to fruition. Since this time there has been some capital investment in the school, but it has become increasingly difficult to keep the building operational.
14. In order to progress the proposals for redevelopment, Cabinet allocated £250k from the Medium-Term Plan in February 2019 to undertake the development of the Outline Business Case which included site investigations and surveys in

order to provide the cost certainty and deliverability of the project before entering into a procurement process. The results from the findings are contained within section 4 of the OBC Appendices 4D - 4K.

Conclusions

15. The preferred scheme supports the objectives set out in the Council's vision for Northumberland's residents. While strong leadership and good governance are key components of successful schools, the provision of a suitable learning environment can also have a positive impact on outcomes for children and young people.

The need to improve the buildings of Astley High School and Whytrig Middle School had already been identified as a priority for the Council as far back as 2016. Following a series of delays in developing proposals for new school buildings, it has now been possible to complete the work on the attached Outline Business Case that now sets out in detail the deliverability and affordability of the scheme with the Council resources.

As with any proposal for change not everyone will support it, especially when it involves the relocation of a school site. However in this case there is a clear body of support from the vast majority of those that attended a recent consultation event on the options, that new school buildings for Astley and Whytrig are needed, and the majority also favoured two of the three options (option 4 & 6) shown on The Avenue site, whilst there was very little support for the development on the existing site with off site playing fields.

The Council's cabinet is now recommended to approve the Outline Business Case to allow the project to progress with option 6 as the preferred option to detailed design, procurement and submission of a planning application for the project. The outcomes of the procurement exercise will be reported back to Cabinet in the form of a Final Business Case (FBC) in order to seek final approval for the award of contract in April 2023.

SPORT AND RECREATION

20. There would be a positive impact on sport and recreation, with the proposed improvements to sports facilities for the school and the wider community.

IMPLICATIONS ARISING OUT OF THE REPORT

Policy:	The consultation has been consistent with the Council's policy to review changes to schools in accordance with local wishes and needs.
Finance and value for money	The scheme is to be funded using £9m of external government grant allocated to address the condition need of maintained school buildings together with the remaining balance of £28,097,847 funded by NCC own resources, as set out in the Council's Medium Term Financial Plan, resulting in a total cost of £37,097,847 for the preferred option. However, given the price increases being experienced within the construction industry it is

	<p>not proposed to amend the MTFP at this stage of the project and therefore the project budget remains at £40,942,222. A final business case will be produced for Cabinet approval following the procurement exercise which will set the final project budget.</p> <p>For a full breakdown of the budget Refer to Section 5 - Commercial Appraisal of the OBC.</p>
Legal	Legal advice has been obtained from external legal advisers in consultation with NCC's internal legal team.
Procurement	Advice has been obtained from Procurement within Northumberland County Council and external legal advisors to understand its obligations regarding the Public Contracts Regulations 2015.
Human Resources:	It is not envisaged that this proposal would have detrimental impact on the staff involved in the change.
Property	All the Property implications are contained within the Outline Business Case and the body of the report. Refer to para 1&2.
Equalities (Impact Assessment Attached) Yes <input type="checkbox"/>	First iteration of Equality Impact Assessment has been undertaken.
Risk Assessment	A full risk assessment has been carried for the project and is contained in the Appendices 6a of the OBC.
Crime & Disorder	This report has considered Section 17 (CDA) and the duty it imposes and there are no implications arising from it.
Customer Considerations:	The proposals set out in this report are based upon a desire to act in the best educational interests of current and future children and young people in Northumberland.
Carbon Reduction	NCC's approach to Carbon Reduction is set out in its Northumberland Local Plan. The Project considerations of Carbon Reduction are outlined within Section 4.11 of the OBC, which concludes that the new building will be zero carbon in operation, with the financial implications of achieving this set out in section 5.5.3 of the OBC.
Consultation	This report has been considered by the Executive Director for Adult Social Care and Children's Services and the Member for Children's Services.
Wards	Hartley; Holywell; Seghill with Seaton Delaval

BACKGROUND PAPERS

Report of the Executive Director of Adult Social Care and Children's Services;
Amalgamation of Seaton Sluice Middle School and Whytrig Middle School, October 2021

Report of the Executive Director of Adult Social Care and Children's Services;
Outcomes of consultation on amalgamation of Seaton Sluice Middle School and
Whytrig Middle School, January 2022

REPORT SIGN OFF

	Full Name
Service Director Finance and Deputy Section 151 Officer	Alison Elsdon
Monitoring Officer/Legal	Suki Bin
Executive Director of Children's Services	Cath McEvoy-Carr
Deputy Chief Executive	Cath McEvoy-Carr
Portfolio Holder(s)	Guy Renner- Thompson

DATA PROTECTION IMPLICATIONS

In carrying out the development of the OBC set out in this report, the Council has acted in compliance with Data Protection Act 1998 via the Council's Data Protection Policy

Specifically:

- Data gathered during this consultation process has been dealt with fairly - e.g. the responses from members of the public have been anonymised, whilst those responding within a public role have been identified e.g. Chairs of Governors, Dioceses and so on.
- The data and information gathered during Phase 1 and Phase 2 consultation has been used to assist in informing the recommendations set out in this report and will not be used for any other purpose, i.e. it will not be shared with another service area or any third party.
- The data and information gathered has been limited to that which would assist in informing the recommendations set out that will arise from this consultation.

The Council has set out how it deals with information received as part of consultations in the Council's Privacy Notice, at

<http://www.northumberland.gov.uk/About/Contact/Information.aspx#privacynotices>.

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Appendices

Appendix 1. Outline Business Case