

ABERDEEN CITY COUNCIL

COMMITTEE	Education Operational Delivery Committee City Growth and Resources Committee
DATE	Education Operational and Delivery Committee – 20 January 2021 City Growth and Resources Committee – 3 February 2021
EXEMPT	Yes – Appendix 1 Outline Business Case The content of the report is public, but has an exempt appendix – (Item 8 on schedule - Estimated expenditure on contracts)
CONFIDENTIAL	No
REPORT TITLE	Extension of Bucksburn Academy - Outline Business Case
REPORT NUMBER	RES/21/010
DIRECTOR	Steve Whyte
CHIEF OFFICER	Stephen Booth
REPORT AUTHOR	Maria Thies
TERMS OF REFERENCE	Education Operational Delivery Committee – 1.1.1, 1.1.2 City Growth and Resources Committee – 1.1.4, 2.1.1, 4.1

1. PURPOSE OF REPORT

- 1.1 Education Operational Delivery Committee: To note the proposals for the future anticipated school roll increase at Bucksburn Academy and to endorse the preferred design option.
- 1.2 City Growth and Resources Committee: To seek approval of the preferred design option and referral to the budget process for the funding required for the preferred design option to progress to detailed design development (RIBA stage 4).

2. RECOMMENDATIONS

That the Education Operational Delivery Committee:

- 2.1 note and endorse the preferred design option to increase the capacity of Bucksburn Academy; and
- 2.2 note that the report will be presented to the City Growth and Resources Committee to seek approval of the preferred design option and referral to the budget process for the funding required for the preferred design option to progress.

That the City Growth and Resources Committee:

- 2.3 approve the preferred design option within the Outline Business Case;
- 2.4 note the overall funding of £1.5m required to progress to the detailed development stage of this project;
- 2.5 refer this project to the Council's Budget Meeting in March 2021; and
- 2.6 instruct Officers to report back to a future meeting of the City Growth and Resources Committee with the Full Business Case

3. BACKGROUND

- 3.1 At its meeting of 3 March 2020, the Full Council Committee instructed the Chief Officer Corporate Landlord to take forward the proposals for the future anticipated school roll increase at Bucksburn Academy and to report back to the Education Operational Delivery Committee on 26 November 2020, this date was subsequently revised to January 20th due to the impact of COVID 19.
- 3.2. Bucksburn Academy was built in 2009 and was delivered as part of Aberdeen City Council's 3Rs Public Private Partnership (PPP) project which delivered 2 secondary schools and 8 primary schools. The school is operated and maintained by the 3Rs company, NYOP Education, under a PPP contract. Any alterations or extensions to the building can only be carried out with the agreement of NYOP and all design and construction work can only be carried out by NYOP's contractors on the Council's behalf.
- 3.3 Preliminary discussions with NYOP confirmed they would support the extension of the school, a feasibility study and options appraisal for an extension to Bucksburn Academy was subsequently commissioned based on providing additional capacity for 300 pupils at Bucksburn Academy. This additional capacity is required in order to meet future pupil capacity requirements as a result of the additional 1700 new homes within the Bucksburn Academy catchment area, to be constructed between 2019 and the end of 2025. A further 3400 homes within the school's catchment area are also allocated in the Local Development Plan beyond 2026. Extra capacity is therefore expected to be required at the school in the long term. An extension providing 300 additional

places would be appropriate to meet the needs of the school in the medium term. Coupled with the planned rezoning of Kingswells School from Bucksburn to Countesswells (once the new Countesswells Secondary School is built), this would provide flexibility to accommodate further increases in demand for pupil places beyond 2025. This will fulfil our duty under the Section 75 agreements for the Newhills Expansion area – allocations of developer funding “for the purposes of providing new or enhanced secondary school education facilities at Bucksburn Academy”.

3.4 The number of additional places required

The increase in pupil numbers is expected to be gradual over the next 6 years and beyond, as the new housing developments are established and continue to grow. Assuming that the plan to rezone Kingswells School to Countesswells goes ahead in 2023, it is anticipated that Bucksburn Academy’s current capacity will be sufficient to accommodate the expected additional pupils until August 2022, after which approximately 111 additional pupil places will require to be provided, to accommodate anticipated pupil numbers from 2022 to 2025. This is illustrated in Table 1 below.

3.4.1 If the new school at Countesswells is not completed by 2023, then Kingswells pupils will continue to transfer to Bucksburn Academy after primary school, and it is expected that the requirement for additional places at Bucksburn Academy will increase to 152 in 2023, and 259 by 2025 (see Table 2 below).

Table 1 – Predicted shortfall in spaces for Bucksburn Academy (assuming Kingswells rezoned from 2023)

Current functional capacity : **683**

Year (from Aug)	2018	2019	2020	2021	2022	2023	2024	2025
Pupil Roll	551	624	683	725	794	786	781	770
Capacity Shortfall	-132	-59	0	42	111	103	98	87

Table 2 – Predicted shortfall in spaces for Bucksburn Academy (if Kingswells rezoning is delayed)

Current functional capacity : **683**

Year (from Aug)	2018	2019	2020	2021	2022	2023	2024	2025
Pupil Roll	551	624	683	725	794	835	889	942
Capacity Shortfall	-132	-59	0	42	111	152	206	259

3.4.2 The required additional capacity for Bucksburn Academy in the period from 2022 to 2025, therefore, is likely to range from 111 to 259 pupil places, depending on the programme for delivery of the new school at Countesswells. Significant further demand for additional places at Bucksburn is then expected to arise beyond 2025.

Pupil roll forecast figures can only be approximate, and the above numbers of additional required places are the best estimates based on the data available. It would be prudent to ensure that there are sufficient unused places available at the school to cope with future unanticipated fluctuations in demand, rather than having the school 100% full as soon as the extension is completed.

3.4.3 It is therefore proposed that a new extension to the school providing 300 additional places, is delivered. This would ensure that sufficient space is available at the school to accommodate the new housing developments, and would allow for any delays in rezoning Kingswells School to the new secondary school at Countesswells.

3.4.4 Longer term requirement

Whilst our school roll forecasts indicate a required capacity increase at the school of up to 259 pupil places between now and 2025, based on current pupil per household rates used for the Bucksburn area, the 3400 homes which are expected to be constructed in the Bucksburn catchment area post 2025 could potentially generate a further 340 pupils at the school, giving an overall increase of 599 pupils in the long term. This means that further action is likely to be required to be taken at a later date, to ensure there is sufficient capacity at the school.

3.4.5 However, as noted above, it is not possible to accurately predict pupil numbers more than 7 years in advance. Moreover, extending the building further at this point to provide accommodation which may not actually be needed for up to 16 years or more, would not be cost effective. It is therefore suggested that an extension providing 300 additional places would be appropriate to meet the needs of the school in the medium term. Coupled with the planned rezoning of Kingswells School, this would provide flexibility to accommodate further increases in demand for pupil places beyond 2025.

3.4.6 Any additional action required in the longer term to ensure there is sufficient capacity at the school will be identified and planned for accordingly.

3.4.7 There is no trigger date within the Section 75 agreement for providing new or enhanced secondary school education facilities at Bucksburn Academy, this is led by the projected school roll forecasts which include projected build out rates from the Housing Land Audit therefore these figures may vary depending on the actual annual build rate achieved by the developer.

3.5 Future Vision

3.5.1 It is recognised that learning takes place within families, at school and in our communities. As such we need to take a broader view and consider how our new school buildings can better serve communities, as part of a community campus model. This approach would support delivery of multi-agency spaces, drive efficiency through the co-location of services supporting the needs of a particular community, and have the potential to maximise delivery of primary prevention and early intervention, in keeping with the Local Outcome

Improvement Plan. It is proposed that to ensure a more efficient secondary school estate, with over-provision and under-provision of school places kept to a minimum, new secondary schools have a minimum roll of 1,000 pupils. By providing and investing in an additional 300 pupil places at Bucksburn Academy will ensure adherence to these principles and the building remains a long term sustainable community asset which can serve the needs of both our future pupil population and the wider community within this ASG.

3.6 Design Options

- 3.6.1 A design options appraisal was commissioned via NYOP for a proposed extension to Bucksburn Academy following approval from the Capital Programme Board in April 2019. AHR architects were appointed and were the original Architects who designed the 3Rs schools. A project team with senior user representation (School Head Teacher) and Officers from Corporate Landlord collectively agreed and set the project objectives and key criteria to ensure an optimum design was achieved. Consultation and participation from Senior Users i.e. the Head Teacher and Faculty Heads from Bucksburn Academy during the initial scoping and option appraisal work was key in determining an optimum design solution for the proposed extension.
- 3.6.2 Option 2 within the appended Outline Business Case (OBC) identifies and recommends a preferred design option which would best deliver an extension to Bucksburn Academy to generate an additional 300 pupil places. This design option best meets the project objectives and key criteria from the outset.
- 3.6.3 Other options within the OBC have been identified and discounted accordingly.
- 3.6.4 The design works will also allow the opportunity to address a number of issues in the operation of the current facility, in particular the future sports provision and improving the interface with community and Sport Aberdeen managed facilities.

3.7 Procurement and Funding

- 3.7.1 An external legal and financial advisor was commissioned to establish and evaluate the most efficient and effective procurement and financing route for this project taking into consideration how the procurement would interact with the project for delivery, operation, and ownership. A recommendation of a "Project Variation" (Authority Change) represents the simplest contractual route for the Council to procure the Extension. NYOP remains the single point of responsibility for the Council and is responsible for the carrying out the works required for the Extension.
- 3.7.2 It should also be noted that under the 3Rs contract that the Council holds with NYOP, any permanent extension to the Bucksburn Academy building will result in increases to the annual unitary charge for the provision of the building which will cover maintenance, lifecycle replacement, janitorial and cleaning costs. This charge is funded through revenue, and therefore a permanent uplift in revenue funding would require to be identified in order to meet the additional costs following completion of the extension. The likely size of this increase would be dependent on the size, nature and funding of the extension, this indicative cost is detailed within section 7 of the OBC however, final costs will be determined once detailed design is complete.

3.8 Alternatives

- 3.8.1 The provision and delivery of education at a local level in Scotland is the statutory responsibility of Local Authorities under the Education (Scotland) Act 1980. This involves ensuring adequate and appropriate primary and secondary school provision is in place to serve the needs of existing and new communities in the city. Failure to plan and provide this additional capacity at Bucksburn Academy will result in insufficient capacity available to pupils living in the Bucksburn ASG. Failure to increase the capacity at Bucksburn Academy would mean that pupils living within the new developments in the Newhills Expansion area would require to be placed at other schools in the area (eg. Dyce Academy or Northfield Academy). However, capacity at these schools is also limited, and for the majority of the new pupils the schools are likely to lie further than 3 miles' safe walking distance from their homes, and the Council would therefore be required to provide free transport to school for these pupils, at a considerable and ongoing revenue cost. This option has been discounted in the OBC in appendix 1.

4. FINANCIAL IMPLICATIONS

- 4.1 Funding to date for this feasibility study and options appraisal have been met by developer contributions aligned to this project. Further funding of £1.5m will be required for the development of the preferred option up to RIBA stage 4 and any associated design works regarding future delivery of PE provision which will allow a full business case to be presented for approval prior to tender award. This funding is expected to be met from the developer contributions associated with this project. Details of developer contributions received to date are provided in the appended Outline Business Case.
- 4.2 The full cost of developing and constructing the Bucksburn Academy extension is likely to be higher than the potential developer contributions available. Financial modelling undertaken by consultants engaged recommends the cheapest method of providing the additional finance required is borrowing from the Public Loan Works Board.
- 4.3 The Council's approved Capital Programme contains other new schools partially funded by developer obligations. The Bucksburn extension would require the programme to "cash flow" any timing differences between project expenditure and available developer obligation funding. The full business case will detail the final development costs of this project, and profile the expected developer obligation funding.
- 4.4 It should also be noted that under the 3Rs contract that the Council holds with NYOP, any permanent extension to the Bucksburn Academy building will result in increases to the annual unitary charge for the provision of the building which will cover maintenance, lifecycle replacement, janitorial and cleaning costs.
- 4.5 This charge is funded through revenue, and therefore a permanent uplift in revenue funding would require to be identified for future financial years in order to meet the additional costs following completion of the extension. The likely size of this increase would be dependent on the size, nature and funding of the

extension, this indicative cost is detailed within section 7 of the OBC however, final costs will be determined once detailed design is complete.

- 4.6 Additional financial plans and proposals for future management arrangements of the school will be developed by Integrated Children’s and Family Services and may be required to be submitted for separate approval.

5. LEGAL IMPLICATIONS

- 5.1 There are no direct legal implications arising from the recommendations of this report however all future 3Rs contractual amendments and implications will be fully detailed in the full business case.

6. MANAGEMENT OF RISK

Category	Risk	Low (L) Medium (M) High (H)	Mitigation
Strategic Risk	N/A		
Compliance	Future 3Rs contract amendments may be complex and add time delays to the delivery programme	M	A project variation has been identified as the most effective way to procure the proposed extension. Agreement on a procurement route at the outset will allow to plan accordingly.
Operational	The preferred option doesn’t meet the aspirations of the Community/stakeholders	L	A comprehensive and inclusive communications strategy will form part of this project. Both internal and external stakeholder engagement at key stages of this project will be fundamental to the successfully delivery and operation of this new extension. All public meetings/workshops will be carried out in a consistent manner ensuring an inclusive and participative approach. Senior Users have participated in the design

			option appraisal to date. Further design development will also resolve any other issues around future delivery of PE provision.
Financial	Funding option may not be affordable within current financial constraints of ACC Non receipt of Developer Contributions	L M	Expert legal advice and evaluation of procurement and financial options has identified the most appropriate and viable route for this proposed project. The funding route is the most economically advantageous option for ACC Regular monitoring, tracking and scrutiny of completions and adherence to schedule of developer contribution payments to ensure payments are received when due to ACC.
Reputational	Risk of damage to Council reputation if the recommendations are not implemented and future capacity requirements are not met.	H	Implementing the recommendations in this report will ensure that this project can proceed to the next stage of development
Environment / Climate	Risk of negative impact on the environment if the recommendations are not implemented and future zoned pupils cannot access education provision within their ASG and therefore would require to be transported to another school further afield.	L	Implementing the recommendations in this report will ensure that this project can proceed to the next stage of development. Including a project objective to meet ACC's aspirations for net zero carbon will ensure any environmental impacts are considered and addressed during the design stage

7. OUTCOMES

Council Delivery Plan	
	Impact of Report
Aberdeen City Council Policy Statement	The proposal within this report supports the delivery of Place Policy Statement 3 – Refresh the local transport strategy, ensuring it includes the results of a city centre parking review; promotes cycle and pedestrian routes; and considers support for public transport. This proposal would provide additional accommodation to ensure pupils living in the Bucksburn ASG can attend their zoned local school which will help promote more sustainable routes to schools and contribute to the safety, fitness and wellbeing of our communities.
Local Outcome Improvement Plan Themes	
	Impact of Report
Prosperous Economy	This project supports the delivery of LOIP Stretch Outcome 1 – 10% increase in employment across priority and volume growth sectors by 2026. The investment in our estate is interlinked with the investment in our workforce and will contribute to the diversification of the local economy.
Prosperous People	LOIP Stretch Outcome 7 - Child Friendly City which supports all children to prosper and engage actively with their communities by 2026 – if the project is accepted to progress to the next stage, the additional capacity created at Bucksburn Academy will allow a larger cohort of pupils to actively engage within their Associated Schools Group (ASG) and wider community. Increasing the capacity of Bucksburn Academy will also ensure that transitions from primary school can be planned accordingly, which has been proven to positively contribute to how children prosper in the secondary stage.
Prosperous Place	<i>LOIP Stetch Outcome 15</i> - 38% of people walking and 5% of people cycling as main mode of travel by 2026 - Investing in Bucksburn Academy would provide additional accommodation to ensure pupils living in the Bucksburn ASG can attend their zoned local school which will help promote more sustainable routes to schools and contribute to the safety, fitness and wellbeing of our communities.

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8. IMPACT ASSESSMENTS

Assessment	Outcome
Impact Assessment	Full impact assessment not required
Data Protection Impact Assessment	Not required

9. BACKGROUND PAPERS

None

10. APPENDICES

Appendix 1 – Outline Business Case for Extension to Bucksburn Academy

11. REPORT AUTHOR CONTACT DETAILS

Maria Thies
Estates Programme Manager
mthies@aberdeencity.gov.uk
Tel: 07793365907