

ISLE OF ANGLESEY COUNTY COUNCIL	
Report to:	Executive Committee
Date:	12 January 2015
Subject:	Modernising Schools on Anglesey – combined Strategic Outline Case and Outline Business Case for a new primary school in Holyhead
Portfolio Holder(s):	Councillor Ieuan Williams
Head of Service:	Gwynne Jones
Report Author: Tel: E-mail:	Emrys Bebb
Local Members:	Councillor Robert Llewelyn Jones Councillor Raymond Jones Councillor J. Arwel Roberts

A –Recommendation/s and reason/s
<p>At its meeting on December 10, 2012, the Isle of Anglesey County Council Executive Committee resolved to recommend the merger of 3 schools i.e. Ysgol y Parc, Ysgol Llaingoch and Ysgol Y Parchedig Thomas Ellis in a new school as the preferred option for formal consultation and that the preferred site for the new primary school in Holyhead be the Cybi site.</p> <p>On May 19, 2014 officers were authorised to move to the formal consultation process. The proposal for formal consultation was for a primary school for 540 pupils and 75 nursery pupils by combining the pupils from Ysgol Y Parchedig Thomas Ellis, Ysgol Llaingoch and Ysgol Y Parc in a new building on the Cybi site. The status of the school being consulted upon was for it to be a Voluntary Controlled Church in Wales school (in the same manner as the Parchedig Thomas Ellis School).</p> <p>On November 3, 2014, the Executive Committee resolved that: “Three schools – Ysgol Parchedig Thomas Ellis, Ysgol Llaingoch and Ysgol y Parc – be merged in a new school building on the Cybi site and that the proposed new school will be a Voluntary Controlled Church in Wales school.”</p> <p>Welsh Government will provide 50% of the finance for this project and they require local authorities to complete business cases to justify expenditure. This business case for Holyhead is a combined Strategic Outline Case (SOC) and Outline Business Case (OBC). The Welsh Government has allowed officers from the Authority to prepare a combined SOC/OBC to save time an effort rather than preparing an individual SOC followed by an OBC. Approval of the combined SOC/OBC by the Welsh Government (WG) will mean that they give approval for finance from WG to be released for the project.</p>

The document is broken down into five main sections:-

- Strategic
- Economic
- Commercial
- Financial
- Managerial

The **Strategic** section sets out the strategic context and the case for change, together with the supporting investment objectives for the scheme. This section also outlines what the new school will accomplish. It will:

- improve the standards of teaching and learning for pupils in Holyhead.
- be a 2.5 form entry school with year groups assembled together but in separate classrooms. Small breakout areas are also proposed for each year group, close to the classrooms which will allow for small numbers of pupils to be taught away from mainstream classes, when appropriate. The new building will also make the best use of modern technology, with wireless technology, interactive whiteboards, flexible learning spaces and a community space which will have access to technology.
- Be a community asset, designed for community use, with its non-teaching spaces easily accessible.
- Allow the Headteacher of the new school to have up to a high % of non-teaching time in order to concentrate on standards and outcomes.
- Deliver significant improvements in energy efficiency and sustainability.
- Cater for the growth in pupil numbers and is planned to have 7% of spare places in 2016.

This part of the SOC/OBC explains how the proposed scheme fits within, supports and promotes the Authority's agreed strategy and work programme of which it is an integral part. In doing so, it explains how the proposed scheme helps to achieve the business goals, strategic aims and plans of the Authority.

The **Economic** section demonstrates that the Authority has selected a preferred way forward, which best meets the existing and future needs of the service and is likely to optimise value for money ("VFM"). It also describes how the Authority has developed its strategy and case for investment in the scheme on the basis of the Authority's overarching strategies.

The **Commercial** section outlines the proposed commercial arrangements underpinning the scheme and how the Authority will use the North Wales Schools and Public Buildings Contractor Framework to cut down procurement time and costs. The specification of the school is also outlined. An important part of the project is community benefits such as 78 week apprenticeships for every £1 million spent on the project. A Design & Build approach is being adopted for the Holyhead school i.e. a contractor or contractors will be appointed to design and build the school.

The purpose of the **Financial** is to highlight the likely funding and affordability position and the potential balance sheet treatment of the scheme section as well as setting out the indicative financial implications of the preferred way forward as set out in the Economic case and on the basis as set out in the Commercial case. The total project cost will be £8.41 million with the Authority and Welsh Government each providing £4.205 million. The Authority's funding will be made up of £1.4 million in capital receipts and £2.805 million in unsupported borrowing.

Further detailed analysis of the financial case will be set out within the Final Business Case stage.

In the **Management** section, it is demonstrated that the scheme is achievable and can be delivered successfully in accordance with accepted best practice. The Authority's overall project management and governance systems for the School Modernisation Programme is outlined. The purpose of this is to show that the systems are sufficiently robust to ensure that progress is made; adequate and appropriate resources are engaged; key stakeholders are informed and involved as appropriate, and that decisions can be made in a timely manner. The arrangements reflect and recognise the scale of the spending commitment involved, the complexity of the consultation and the breadth of issues raised in the course of delivering this project.

It is recommended that the Executive Committee:

- i. approve the combined Strategic Outline Case / Outline Business Case (SOC/OBC) for the new primary school in Holyhead and
- ii. approve the submission of the SOC/OBC to Welsh Government.

B – What other options did you consider and why did you reject them and/or opt for this option?

Several options were considered by the Executive Committee at its meeting on December 10, 2012. At that meeting, the Executive Committee decided to support Option 10 (merger of 3 schools i.e. Ysgol y Parc, Ysgol Llaingoch and Ysgol Parch. Thomas Ellis in a new school) as the Executive's preferred option for formal consultation. The options can be seen in the report to the Executive Committee for the meeting on the above date and in the informal consultation document.

Several other sites have been considered.

C – Why is this a decision for the Executive?

The Executive Committee is responsible for school organisation matters.

D – Is this decision consistent with policy approved by the full Council?

Yes

DD – Is this decision within the budget approved by the Council?

Yes – It is one of the plans in the Strategic Outline Programme that was approved by the Executive Committee on January 13, 2014.

E – Who did you consult?		What did they say?						
1	Chief Executive / Strategic Leadership Team (SLT) (mandatory)							
2	Finance / Section 151 (mandatory)							
3	Legal / Monitoring Officer (mandatory)							
5	Human Resources (HR)	Planned merger of 3 schools has staffing implications and possible transfers/redundancies therefore need to ensure sufficient consultation with affected employees.						
6	Property (Head of Planning and Public Protection)	<p>As far as Modernising Schools on Anglesey – combined Strategic Outline Case and Outline Business Case for a new primary school in Holyhead is concerned, looking at the Report’s section F, you will be aware of the risks to any project in terms of obtaining the relevant Planning consents – in this case planning permission and two listed building consents (which lie in the hands of the Welsh Government Planning Division and CADW and not the Council as the Local Planning Authority).</p> <p>The planning risk is recognised in the OBC on page 55 “Approach planning officers for advise at key stages” and it would be reasonable to note the planning risk in the Report in section F particularly as the programme appears optimistic and does not mention Listed Building Consent.</p> <p>“</p> <table border="1"> <tr> <td>Planning Submitted</td> <td>Application</td> <td>Feb 2015</td> </tr> <tr> <td>Planning Determined</td> <td>Application</td> <td>May 2015</td> </tr> </table> <p>“ – page 68</p> <p>I’m aware that Planning Officers have had meetings with the Design Lead / Project Manager. [The Development Management Manager] is more than happy to further discuss the programme and any technical issues (these can be considered by the multi-disciplinary Development Team). This will help mitigate these risks.</p>	Planning Submitted	Application	Feb 2015	Planning Determined	Application	May 2015
Planning Submitted	Application	Feb 2015						
Planning Determined	Application	May 2015						
7	Information Communication Technology (ICT)							
8	Scrutiny							

9	Local Members	
10	Any external bodies / other/s	

F – Risks and any mitigation (if relevant)		
1	Economic	
2	Anti-poverty	
3	Crime and Disorder	
4	Environmental	
5	Equalities	
6	Outcome Agreements	
7	Other	

FF - Appendices:

G - Background papers (please contact the author of the Report for any further information):
<ol style="list-style-type: none"> 1. Executive Committee meeting minutes for December 10, 2012. 2. Informal Consultation Document 3. Strategic Outline Programme (SOP) presented to the Welsh Government in December 2013. 4. Letter from the Welsh Government dated January 31 2014. 5. Minutes of the Executive Committee meeting held on November 3, 2014.

COMBINED
STRATEGIC OUTLINE CASE
&
OUTLINE BUSINESS CASE
(OBC)

**A New Primary School in Holyhead,
Anglesey**

Issue Date: December 2014

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1. EXECUTIVE SUMMARY

1.1 Introduction

This combined Strategic Outline Case and Outline Business Case (“OBC”) sets out the case for the change and modernisation of the schools in the Holyhead area and explains why the preferred way forward is to build a new 525 place area primary school plus a 60 place nursery on the site of Ysgol Cybi, incorporating and refurbishing the existing listed building and building a 2,680m² extension, to replace three existing schools. This proposal will provide improved educational and community facilities and specialist SEN spaces. The Authority has completed informal and formal consultation on the proposed closure of three existing schools (Ysgol Llaingoch, Ysgol Parchedig Thomas Ellis and Ysgol Y Parc), and it is intended that their pupils will be transferred to the new area school within the combined catchment area). The new school in Holyhead forms part of the Authority’s Strategic Outline Programme (SOP) which will lead to a reduction in the number of schools maintained by the Authority, allowing us to focus resources on remaining schools in order to provide an estate that is modern, efficient and effective for the delivery of the modern curriculum. Key aspects of the proposal are that it:

- caters, in a sustainable way, for the current growth in primary pupil numbers across the town – 47 new places
- provides a 21st century school with facilities that allow the delivery of a full range of educational experiences through high quality learning facilities;
- provides for needs groups
- improves the leadership and management capacity through organising resources and year groups so that the leadership team have more non-contact time;
- will help improve attainment/results by providing for one non-teaching headteacher. The facilities will provide improved learning facilities and ICT;
- improves on community facilities. The school will run breakfast clubs, after-school clubs, summer and weekend activities for the community. It is to be located opposite Holyhead Secondary School close to the centre of Holyhead;
- realise revenue savings estimated at £110k per annum or £201 per pupil
- will deliver significant improvements in energy sustainability and efficiency. It will replace three schools and refurbish a disused school building with poor energy rating with the new area school with a BREEAM excellent rating
- makes better use of the Authority’s resources by bringing back into use a refurbished a listed disused school building situated close to Holyhead High School and provides an extension of 2,680m² and parking areas –sports and other facilities will be shared with the High School
- The anticipated total project cost is **£8.410m and the contribution from WG £4,205k**. The total project cost has been reduced from the £11.040m originally estimated in the SOP, as the Authority has achieved the cost reduction through reviewing the specification.

1.2 The Strategic Case

The main rationale for the new school is to improve the standards of teaching and learning for pupils in this part of Holyhead. The majority of Lower Layer Super Output Areas (LSOA's) in Holyhead are categorised as “deprived”, and the overall town ranking under the Welsh Index of Multiple Deprivation is the highest of any town in North or Mid Wales, with an especially high deprivation ranking for housing, income, and employment. Almost 2,000 residents rely on work-related benefits. In two of the three schools, 44% and 55% of pupils are on free school meals. There is also a higher than average number of pupils with Special Educational Needs (SEN, 122 pupils or 27% as compared with the Anglesey average of 20%).

The new area school will provide the opportunity to design a school which is fit for the twenty first century. It will be a 2.5 form entry school with year groups assembled together but in separate classrooms. Small breakout areas are also proposed for each year group, close to the classrooms which will allow for small numbers of pupils to be taught away from mainstream classes, when appropriate. This is perceived as an essential provision. The new building will also make the best use of modern technology, with wireless technology, interactive whiteboards, flexible learning spaces and a community space with wireless technology and ICT.

The building will be a community asset, designed for community use, with its non-teaching spaces easily accessible. The new school will be able to provide more spaces for breakfast clubs and out of hours homework clubs than are currently available at the three schools, to help parents take up employment opportunities and provide learning facilities for pupils who may not have access to these at home.

The importance of a strong management team with time to focus upon teaching and learning is important in driving up standards. The Headteacher of the new school will have 100% non-teaching time, supported by a Deputy / assistant head teachers who will have at least 50% non-teaching time, in order to drive improvement in standards.

The new area school will deliver significant improvements in energy efficiency and sustainability. The Authority will specify a BREEAM Excellent requirement for the new primary school with a Grade A rating with respect to energy efficiency on the Display Energy Certificate. The modernisation of the existing Cybi building will also incorporate BREEAM principles.

The Authority has been rationalising the number of schools in order to reduce surplus places, ensure that schools are located in the correct place, provide environments conducive to 21st century teaching, and ensure that school buildings are efficient and cost effective. There is currently a 7% over provision in the three schools in Holyhead (September 2014, 4-11year olds). The new school will cater for this and the growth in pupil numbers; it is also planned to have 7% of spare places in 2016 and that surplus places will remain at the Authority's target of 10% or under.

1.3 The Economic Case

The Authority has considered a range of options, including whether to refurbish and extend one or more of the existing schools. The long list of options considered was:

The following short list of options emerged.

Option 1- Do nothing

Option 2 – Repair three schools, increase space provision by redesignating space in existing schools and mobile classrooms

Option 3 – The closure of one school and the extension and refurbishment of another existing school to accept the pupils of the closed school and projected growth, minimal refurbishment at the remaining school

Option 4 – closing three schools and transferring the pupils to a new school on a different site

The financial appraisal of each option, based on a 60 year assessment period, is summarised below:

Financial Appraisal of Options

<i>Option</i>	<i>Undiscounted (£k)</i>	<i>Net Present Cost (Value) (£k)</i>
<i>Do Nothing:</i> Backlog maintenance		
<i>Minimum:</i> Increase provision of places by re-designating space in existing schools and mobile classrooms. Minimal refurbishment would be done at all three continuing schools.		
	1,388	1,340
<i>Intermediate:</i> Closure of one school and the extension and refurbishment of another existing school to accept the pupils of the closed school and projected growth, minimal refurbishment at the remaining school		
	(4,249)	(985)
<i>Maximum:</i> Closure of the three schools and transferring the pupils to a new primary school within the combined catchment area		
	587	4,113

Evaluation Results	Option 1	Option 2	Option 3	Option 4
Economic appraisals	£508k	£1,340	(£985)	£4,113
Benefits appraisal	0	170	250	880
Risk appraisal	34	89	128	238(Residual 159)
Overall ranking	2	3	1	4

Based on the overall option appraisal conducted, the Authority's preferred solution is for a new school for 525 pupils with a 60 place nursery. This will cater for the growth in pupil numbers and ensure that surplus places remain at 10% or less, as the three current schools in the Holyhead catchment area are scheduled to close.

This option would deliver a new building to replace the existing 3 buildings. This option is preferred because it would realise the investment objectives and critical success factors. It is also the pragmatic solution as it uses a central location and is mindful of the impact on the community. The main benefits to stakeholders / users is the provision of a much improved, flexible and fit-for-purpose teaching and learning environment, appropriate for the delivery of a modern curriculum, in area in much need of regeneration and renewal.

A site evaluation exercise was conducted early in 2014 and it concluded that locating the new school at the Cybi site is the preferred option. This site consists of the development of a Grade II listed building along with a new build construction at the rear. Despite concerns from some Holyhead residents about the size of the site, the site is sufficiently large enough to conform to the standards set out in Building Bulletin 99.

Since undertaking this work, the Authority has carried out informal and formal consultation on the options. A further set of consultation meetings was held (June/July 2014) with the parents of the pupils at the three schools set for closure to discuss the site for the new school and the Authority is establishing an external stakeholder group, comprising of Members, and other representatives from the three areas, to consult with and enable stakeholders to discuss and challenge the information provided to them by officers.

1.4 The Commercial Case

The Authority has considered in detail the options available for procuring Band A of the Schools' Modernisation Programme. It is important that the Authority procures a "quick win" in order to show parents and other stakeholders that the 21st century schools planned for the island will be a significant improvement on the school buildings which are to be closed. Furthermore, the Authority wishes to demonstrate that there is a private sector market for building schools on the island and to demonstrate to potential bidders that Anglesey can deliver so that future proposed contracts are desirable.

The Authority is progressing with its plan for a new build school in North West Anglesey (Llannau) and, as the Holyhead school is proceeding on a similar timescale, it considered a joint procurement. The North West Anglesey (Llannau) school is being designed by the in-house Architectural Team however, a Design & Build approach is being adopted for the Holyhead School as there is insufficient capacity to design both schools internally. The Authority has approached the market and from its market soundings it has concluded that two separate new build school procurements will attract more interest from the private sector and from small and medium enterprises on the island.

The Authority has been using the the North Wales Schools and Public Buildings Contractor Framework to cut down procurement time and costs. The Authority has considered grouping this project with another school project from a neighbouring Authority. The Framework Contractors were consulted on this collaborative proposal to tender two projects together and were approached, through the Framework Manager, to submit their views on possible benefits. The feedback received indicated that the benefits that can be associated to this process would be no greater than those that would be taken from full collaboration through the framework if the schemes were tendered individually. There was also some concern from one contractor who was bidding for contracts within Lot 1 (£4.322m > £7.5m) of the Framework that combining these two schemes under one tender would mean that only Contractors within Lot 2 (£7.5m > £15m) could tender and would result in them losing one opportunity to bid. The proposals were discussed at the Framework Strategic Board and the Framework Operational Board. Based on the feedback received, it was decided not to group the two projects.

1.5 The Financial Case

Following the approval of the SOP the Authority has achieved a cost reduction of £2.630m (24%). The original total cost for the Holyhead project in the Authority's SOP was £11.04m. The capital cost is now estimated at £8.410m, with a resultant Welsh Government contribution of **£4.205m** (50%). This reduction stems from further discussion with the Welsh Government, downscoping of size requirements, and more detailed analysis of costs.

The Authority's funding requirement of £4.205m is currently expected to be funded by means of:

- £2.805m unsupported borrowing (additional borrowing which does not attract government grant);
- £1.4m in capital receipts from the sale of surplus sites.

The expected revenue savings from this project are estimated at £110k per annum. This will be earmarked for the repayment of borrowing costs on the programme.

The Council's Executive has given approval in principle to the required level of funding and this Outline Business Case will be considered at the meeting of the Executive Committee (Cabinet) on 12 January 2015.

1.6 The Management Case

The Authority has completed its formal consultation with its stakeholders on the proposal to build a new primary school and close the three existing schools – the consultation ran from 16 June 2014 to 27 July 2014. The results indicate that the principle of a new school to replace the existing 3 has support. The Executive confirmed its support for the proposal in their meeting on 03 November 2014.

The Authority underwent a Gateway Review 0 (The Strategic Assessment) in April 2014. One of the recommendations was that the Authority should establish a stakeholder engagement group. The terms of reference of this group confirms the purpose of such a group as acting as a sounding board for emerging developments and proposals and providing a channel for ideas and concerns from within the group and for those they represent. A stakeholder engagement group has since been set up for the first project in Band A and has ensured greater transparency and coherence in the decision making process. Stakeholder engagement will also be replicated for this particular project for Holyhead.

An internal project team has been working on the proposals for the new school and the governance structure for driving the project has been in place since the SOP was submitted earlier this year. A timetable is in place for the scheduled opening of the school in September 2016.

The successful delivery of this new school will set an example for the rest of the programme and will help to demonstrate that the Authority has the resources and vision to change its provision of education on the island.

Signed:

A handwritten signature in black ink that reads "Gwynne Jones". The signature is written in a cursive style with a period at the end.

Date: 10 December 2014

Gwynne Jones - Senior Responsible Owner

2. INTRODUCTION

2.1 Introduction

This combined Strategic Outline Case and Outline Business Case (“OBC”) is intended to establish the case for funding a new school in Holyhead from the Welsh Government (WG). This will change and improve the provision of primary education in Holyhead. This OBC provides a preferred way forward for the early approval of management, Members, stakeholders and the WG as a contributor of funding. The document provides an early opportunity for the Isle of Anglesey County Council (“the Authority”, “the Council”) and key external stakeholders to consider the proposed project and influence its direction.

2.2 Structure and Content of the Document

This SOC has been prepared by the Authority’s School Modernisation Project Team using the agreed standards and format for business cases, as set out in H.M. Treasury’s Green Book Guide. Thus, the structure and format of this document generally follows the Five Case Model, which comprises the following key components:

- the **Strategic Case** section. This sets out the strategic context and the case for change, together with the supporting investment objectives for the scheme;
- the **Economic Case** section. This demonstrates that the Authority has selected a preferred way forward, which best meets the existing and future needs of the service and is likely to optimise value for money (“VFM”);
- the **Commercial Case** section. This outlines the proposed commercial arrangements underpinning the scheme;
- the **Financial Case** section. This highlights the likely funding and affordability position and the potential balance sheet treatment of the scheme;
- the **Management Case** section. This demonstrates that the scheme is achievable and can be delivered successfully in accordance with accepted best practice.

3. THE STRATEGIC CASE

3.1 The Strategic Context

The strategic context for the proposal of a new school for 525 (4-11) pupils and 60 pupils in the nursery is as follows.

In addition to reflecting regional and national priorities, the Authority has developed its strategy and case for investment in the scheme on the basis of the Authority's overarching strategies. This part of the SOC explains how the proposed scheme fits within, supports and promotes the Authority's agreed strategy and work programme of which it is an integral part. In doing so, it explains how the proposed scheme helps to achieve the business goals, strategic aims and plans of the Authority.

In 2012, the Authority's Executive Committee approved a Transformation Plan for Anglesey. The Transformation Plan sets out how the Authority will continue its improvement journey over the next three years. The vision outlined in the Plan is that by 2016:

"We will be a professional and well-run Council, innovative and outward-looking in our approach, committed to developing people and partnerships in order to deliver efficient and effective services of good quality that are highly valued by our citizens."

This means that by 2016 the Authority will have:

- increased the pride in Anglesey, of its elected Members, management, staff, services and amenities;
- respect within the local government family in Wales, locally, regionally and nationally;
- elected members, managers and staff who make a difference and grow in capability as a result;
- an understanding of and be proactively managing the performance of its services, targeting improvement actions where and when this is needed;
- areas of innovation, good practice and service excellence that other organisations seek to benchmark themselves against;
- productive, transparent and trusting relationships with its partners;
- satisfied its auditors in terms of leadership, governance and organisation.

To achieve all this in the timescale, the Authority needs to ensure that there is enough pace to deliver improvement against a challenging timeframe. The Transformation Plan is structured in a way which ensures clarity of responsibility, direction and accountability, which ensures initiatives are 'joined-up' and which allows for effective progress monitoring and reporting.

Pursuant to the above, three Programmes Boards have been established:

Island of Enterprise

To focus on how the Authority develops its regeneration plans with its partners and the community, by re-energising communities, addressing skills, housing and the infrastructure and environment of the Island;

Service Excellence

Ensuring the implementation of a sound performance management system for all services; overseeing the improved performance of services in difficulty, the implementation of efficiency plans and the transformation/modernisation of front line services;

Business Transformation

Transforming the way in which the organisation operates internally and its culture. In particular ensuring the organisation has the necessary business mechanisms, expertise, workforce, behaviours, technology, plans and governance in place.

3.2 The Authority's School Modernisation Strategy

The Authority wishes to see every child, young person and learner, wherever they be, achieving their potential and being ready to play a prominent role as responsible citizens and community champions. The Authority's vision has identified that every young person, regardless of their background, has the potential to achieve and succeed. This is central to the vision for Anglesey.

In this context, the Authority wants to see schools that are fit for the twenty first century. This approach will lead to higher standards to help pupils respond to the changes taking place in society, in communities and in the economy; improve outcomes for children and young people and, in particular, break the link between deprivation and low achievement.

The Authority aspires to provide education for all children on Anglesey in modern fit for purpose buildings which make the best possible use of modern technology. This is an objective that will be achieved gradually. The Authority also wishes to be proactive in ensuring that children are educated, where possible, within their home catchment area.

In order to accomplish this, a more efficient and effective schools system is needed – one that will require schools to be located in the right place and led by inspired headteachers with sufficient leadership time to carry out the task.

On January 13, 2014, the Executive Committee approved the Authority's School Modernisation Strategy, which describes the Authority's aspirations to provide the very best educational provision for all the children and young people of the island and sets out an ambitious programme to raise standards, reduce the number of surplus school places on the island, improve management of staff and services, and to share good practice. This Strategy goes hand in hand with the Strategic Outline Programme ("SOP") submitted to WG in December 2013. The following principles and desired outcomes underpin the School Modernisation Strategy:

- develop a secure learning journey for all children and young people from 3-19, ensuring that transition points are managed with the needs of the pupil in mind;

- all pupils are given the opportunity to attend their nearest appropriate school where they can access the full range of facilities;
- all children have access to suitable facilities that allow the delivery of a full range of educational experiences – to include high quality teaching and learning facilities, suitable play areas, appropriate staff and administration areas, security of school buildings, high quality ICT facilities;
- reducing the number of unfilled places in the Authority’s schools in accord with WG guidelines - individual schools to have more than 85% of their places filled and 90% of places filled across the primary and secondary sector as a whole;
- consider the long term viability of schools where the number of pupils is 75 or less;
- supporting the development of leadership skills within and across schools in order to develop a self-improving system where there is a shared commitment to excellence;
- the removal of mixed key stage classes, and a reduction in the number of classes with more than two age groups;
- the intention to co-locate primary and secondary schools and leisure facilities on the same campus.

The SOP identified a preferred option representing the comprehensive renewal and complete reconfiguration of the school estate across Anglesey. It is envisaged that it would incorporate:

- new build Primary Schools,
- merging of existing schools through a combination of school federations and merging on one preferred site,
- the closure of schools that are not fit for purpose.

The projects to be included within Band A as set out within the SOP were selected to address the greatest identified need and produce the maximum impact in securing the improvements required in the 2012 Estyn report.

3.3 The Business Need for Change

3.3.1 Background on Holyhead

The town of Holyhead is located on Ynys Cybi to the west of Anglesey. Holyhead is Anglesey’s largest town by a considerable margin, with an urban area population of c. 12,000. The town has been designated as a specific growth Hub, a Primary Key Settlement, Key Regeneration Area, Key Business Sector Area, National Connectivity link, and area of Coastal Tourism Potential. The area is served by the A55 linking Ynys Cybi to the rest of North Wales.

Despite its strategic role as an international ferry port, Holyhead has suffered from poverty, unemployment, and deprivation for many decades, and many residents are now being adversely impacted by welfare reform. Large scale job losses took place in 2009-10 with two of the town’s three main employers effectively closing down, reversing previous job gains. Almost 2,000 residents rely on work-related benefits. The claimant rates for Job Seeker’s Allowance for July 2014 show that Holyhead has a higher unemployment rate (8.9%) than the county (3.2%), regional (2.6%) and Welsh average (2.9%). According to the 2011 census, of the 16-74 year olds in Anglesey who were in work, the professional jobs sector employed the majority namely

17.6% and 14.6% were doing skilled work. Employment in the elementary vocational sector was 12.8% whilst the other sectors varied between 6.5% and 12.7%.

Most of Holyhead's wards are categorised as "deprived", with Morawelon identified as one of the 10% most deprived wards in Wales and another five wards being in the group of 20% most deprived wards in Wales as measured by the Welsh Index of Multiple Deprivation - the highest proportion of any town in North Wales. The wards have an especially high deprivation ranking for Housing, Income, and Employment. The six deprived wards form part of the Ynys Mon Communities First cluster and most parts of them qualify for Flying Start. The table below presents the current situation in terms of poverty and deprivation in Holyhead. The majority of the wards are eligible for the Welsh Government schemes aiming to reduce and eliminate poverty namely Communities First and Flying Start.

Table 1

<u>Ward</u>	<u>WIMD rank</u>	<u>WIMD rank (Education)</u>	<u>Communities First</u>	<u>Flying Start</u>	<u>Main School Catchment Area(s)</u>
<u>Morawelon</u>	<u>146</u>	<u>228</u>	<u>Y</u>	<u>The majority of the ward is included</u>	<u>Llanfawr</u>
<u>Porthyfelin (1)</u>	<u>198</u>	<u>329</u>	<u>Y</u>	<u>Y</u>	<u>Y Parc</u>
<u>Holyhead Town</u>	<u>246</u>	<u>312</u>	<u>Y</u>	<u>Will be included in 2015-16</u>	<u>Y Parc Y Parch Thomas Ellis</u>
<u>Maeshyfyrd</u>	<u>320</u>	<u>337</u>	<u>Y</u>	<u>The majority of the ward is included</u>	<u>Y Parch Thomas Ellis Llaingoch</u>
<u>London Road</u>	<u>341</u>	<u>341</u>	<u>Y</u>	<u>The majority of the ward is included</u>	<u>Llanfawr Kingsland</u>
<u>Kingsland</u>	<u>377</u>	<u>418</u>	<u>Y</u>	<u>N</u>	<u>Kingsland Y Parch Thomas Ellis</u>
<u>Porthyfelin (2)</u>	<u>649</u>	<u>692</u>	<u>N</u>	<u>N</u>	<u>Y Parc</u>
<u>Parc a'r Mynydd</u>	<u>1,066</u>	<u>1,101</u>	<u>N</u>	<u>N</u>	<u>Llaingoch</u>
<u>(Trearddur (2))</u>	<u>1,271</u>	<u>1,100</u>	<u>N</u>	<u>N</u>	<u>Llaingoch; Y Parch Thomas Ellis; Kingsland</u>

Although there are no Anglesey wards in the most deprived 10% on the Education Domain of WIMD there are six wards in the most deprived 20%, with five of these in Holyhead.

The period 2014-17 is very critical to maximising the positive impacts to Wales from Holyhead. For the first time in decades, there are now several large private sector investments being considered. These include the Conygar-Stena projects for the Waterfront and Parc Cybi Business Park, Land & Lakes plans for Penrhos, Lateral Power plans for the disused aluminium smelter site, and the Port Masterplan. Also relevant is the proposed new Wylfa Newydd nuclear power station. The town is a key international transport gateway, it has a large non-tidal harbour, many heritage assets, and is surrounded by a very attractive coastal landscape. There are three stages to the Land and Lakes project and it has already received planning

permission. The tourism development stage will be implemented initially. The later stage is anticipated to have the most impact on the population of Holyhead with a projected 1,500 workers and 315 homes. The completion date for this project is difficult to determine at present, as it is dependent on the proposal of Wylfa Newydd.

The County Council and the Holyhead Partnership made a successful bid under the Welsh Government Vibrant and Viable Places Programme and are implementing a programme entitled “Holyhead 2020 Realising Sustainable Community Benefit”. A key proposal for the Holyhead 2020 programme is the rationalising and improvement of education infrastructure and facilities – also linked to releasing sites for new homes. A contribution from the VVP grant has been made available for the new school project, specifically for enabling works. Also relevant is the proposed new Flying Start Centre, expansion of the Community Academy run by Mon Communities First, and the creation of additional job placements and support for workless households.

3.3.2 Education Provision in Holyhead

There are seven primary schools serving Holyhead town and the rural area to the west: Ysgol y Parc; Llaingoch: Llanfawr; Kingsland; Morswyn; Y Parchedig Thomas Ellis and St Mary’s (VA). Another school, Ysgol Santes Gwenfaen serves the villages of Rhoscolyn and Trearddur Bay as well as the rural hinterland at the south of Ynys Cybi. The seven town schools are within 1.5 miles of each other and it is notable that many pupils attend a school in the town that is not their catchment area school.

Holyhead town is served by Holyhead High School, an English medium 11-18 secondary school situated close to the centre of town. The school’s catchment area covers Ynys Cybi and the nearby villages including Valley, Caergeiliog and Rhosneigr. Welsh language provision is at Ysgol Uwchradd Bodedern about seven miles away. Near the Holyhead High School site is the listed red brick building of the former St Cybi’s Secondary School. That school was incorporated with the grammar school into a comprehensive school in 1949, and the building was most recently – until 2006/07 used to accommodate the High School’s sixth form. The building is now dilapidated but its location and its listed status makes it a key education asset near to the centre of town.

Nursery provision is provided by all seven primary schools and play groups are provided by Mudiad Ysgolion Meithrin or Wales Pre-school Playgroups Association at the primary schools. At present the Flying Start programme is provided out of Llanfawr and Thomas Ellis primaries but the Council is currently implementing a project to refurbish and extend an existing building, the Jesse Hughes Centre – used at present by the youth service and houses the Pupil Referral Unit. The proposed new building will continue to be used by the youth service and the PRU, but will also house the staff who provide the Flying Start programme across the eligible wards, a childcare facility and improved facilities for Flying Start parenting groups. This facility is located in the old County school Captain Jesse Hughes Centre, in the Maeshyfyrd Ward and will open in June 2015 and the new centre will provide 48 childcare spaces for 2 - 3 year old children.

3.3.3 Planning future provision for Holyhead

The initial review of primary provision in the SOP indicated that the three schools to the north of Ynys Cybi should be prioritised for reorganisation and a potential new school to address surplus places at the time and to address high deprivation and special needs across a number of wards in a defined part of the town. A further objective of the proposal is to address deteriorating school buildings.

Future plans for Holyhead include a new primary school to replace two existing schools; and the refurbishment of a third. Plans also include refurbishment of buildings at Holyhead High School.

Since the SOP was submitted, pupil numbers have been increasing in Holyhead due to an increase in birth rate, and the strategic challenge is the need to cater, in an appropriate and sustainable way, for the growth in pupil numbers; not simply the removal of surplus places.

There are currently 1,123 primary school places across the seven schools, together with 163 part time nursery places. By September 2014, these places were almost full: with 54 available primary places in the 4-11 age groups in three schools but almost balanced by 50 pupils above capacity in another three schools. Nursery places were also almost full.

The projections for the future are:

Table 2

	places	2015	2016	2017	2018	2019	2020	2028	2035
7 schools in Holyhead	1,123	1,119	1,138	1,192	1,185	1,212	1,215	1,180	1,250

This indicates that there will be a shortage of primary school places in Holyhead for the foreseeable future unless action is taken. Although there are spaces that can be released by redesignation of places at existing schools it will be necessary to provide additional classrooms to cater for the higher birth rate. Currently there are 445 pupils and 70 children in the nurseries of the 3 schools that are part of the scheme. The new area school will provide 525 places to respond to the aforementioned shortage of primary school places.

The strategic priorities for addressing deprivation and special needs and for supporting community links is not as focused as they could be across the seven schools, and this does not demonstrate the best use of current resource. The new school will be specially designed to improve learning facilities for SEN pupils. The defined catchment areas have fallen out of balance with the population and the numbers attending community schools outside their catchment area are so large. This is particularly so for Kingsland School. It is also a feature of all three schools to the north of town with large numbers choosing an alternative catchment school rather than Y Parc and Parchedig Thomas Ellis; and only half the Llaingoch pupils coming from the school's catchment area.

Table 3

School Number	School	% Free School Meals		Places	Surplus		Catchment	
		Jan 2014	Jul 2014		Jan 2014	Sept 2014	(1)	(2)
2144	Y Parc	44	26	177	16 (9%)	58%	42%	
2169	Llanfawr	52	27	233	21 (9%)	82%	27%	
2171	Llaingoch	15	15	177	-	52%	29%	
2176	Kingsland	16	11	146	-13 (-9%)	31%	21%	
2177	Morswyn	19	28	126	-8 (-6%)	wider		
3033	Parch Thomas Ellis	55	32	124	17 (14%)	83%	56%	
3304	St Mary's	25	20	140	-29 (-21%)	wider		
				1,123	4 (0%)			

(1) % pupils in the school living in its catchment area

(2) % of the catchment area pupils attending another catchment school

Free School Meals entitlement is particularly high at Ysgol y Parch Thomas Ellis (55%) and Y Parc (44%) to the north of town and at Ysgol Llanfawr to the south (52%). These schools serve the most deprived wards (Table 3). Special Educational Needs are also high in these schools (32%, 26%, 27% respectively) and at Ysgol Morswyn (28%) compared to 20% across the county. There is a Special Needs Unit at Ysgol Thomas Ellis which caters for Ynys Cybi and North West Anglesey pupils.

Estyn have stated that good schools are well led. In the last Estyn inspections for two of the three schools currently under consideration, matters pertaining to leadership and management were noted as needing to be improved. While those improvements have been made, meeting with Estyn requirements, the opportunity now exists to grow strong leadership capacity, not only in a headteacher, but also by putting in place resources and a staffing structure allowing for a robust leadership at various levels of school organisation to better meet the attainment and wellbeing needs of pupils in this community.

Table 4

School Number	School	Foundation	KS2
2144	Y Parc	75%	88.2%
2169	Llanfawr	75.9%	89.5%
2171	Llaingoch	100%	94.7%
2176	Kingsland	85%	91.3%
2177	Morswyn	83.3%	93.8%
3033	Parch Thomas Ellis	75%	76.9%
3304	St Mary's	84.2%	89.5%

Whilst past school condition surveys have given scores of B to the seven schools in Holyhead, it has to be recognised that the buildings date from the 1950s and 1960s and will be reaching the end of their useful lives. There is evidence of structural deterioration in both Llaingoch and Y Parc and our assessment of the site and condition of both these existing primary schools has indicated that although the condition is adequate for the short term, none of the sites are appropriate for significant expansion.

The Authority have considered the options of refurbishment and remodeling, as explored further in the economic case. Although the refurbishment and remodelled options may be cheaper and fixes existing problems they do introduce constraints, such as the structural layout cannot accommodate the various learning styles/ space required to meet our investment objectives; the inconvenience of the building's location to the community and they don't provide a sustainable solution for the future.

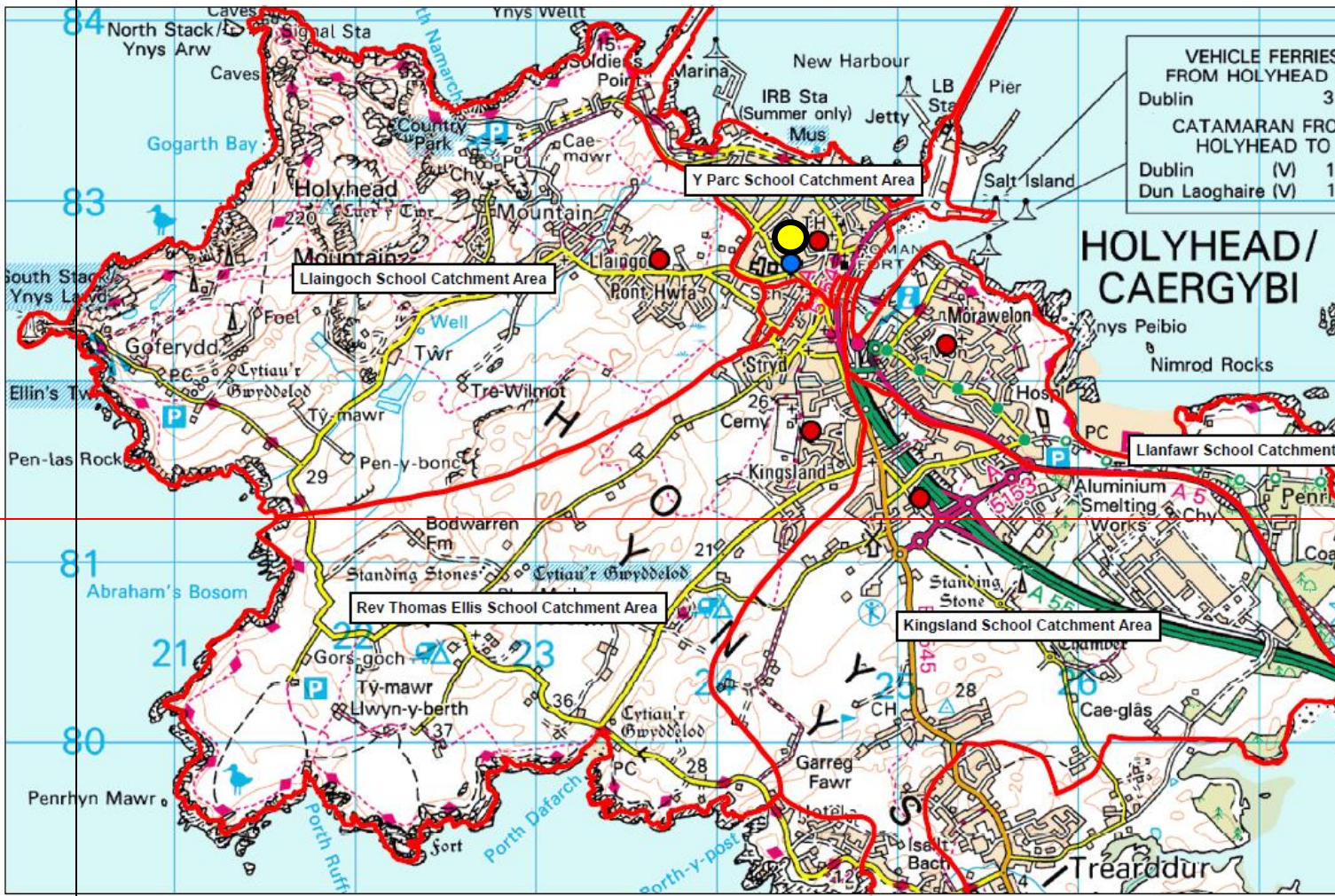
3.3.4 Decisions

The result of an initial review of primary provision in the SOP and further consultation with parents and the community concluded that:

School	Location	Conclusion
Y Parc	North Holyhead	Prioritised for reorganisation and new school built for pupils in the three northern catchment areas
Llaingoch	North Holyhead	Prioritised for reorganisation and new school built for pupils in the three northern catchment areas
Parch Thomas Ellis	North Holyhead	Prioritised for reorganisation and new school built for pupils in the three northern catchment areas
St Marys	North Holyhead	Excluded from the consultation on the basis that the school is already full and is a voluntary aided school. In Band D of reorganisation programme
Morswyn	South Holyhead	Welsh medium primary school and is in the catchment area for Ysgol Uwchradd Bodedern. In Band D of reorganisation programme
Ysgol Kingsland	South Holyhead	Stay as it is because it is fully subscribed and is the most recent of the five other schools (excluding Morswyn and St Mary's) in Holyhead. In Band D of reorganisation programme
Ysgol Llanfawr	East Holyhead	To be considered for future reorganisation and is included in the programme in Band D for amalgamation with another school because it is sufficiently large to accept the pupils of another school and because it was given a condition rating of A by Local Authority surveyors in 2012/13 who were following RICS methodology.

On 3 November 2014 the Executive Committee of the Authority agreed to move forward with the proposed new primary school in Holyhead. The Executive Committee adopted the resolution to merge the three schools (Ysgol Y Parch Thomas Ellis, Ysgol Llaingoch and Ysgol Y Parc) in a new school building on the Cybi site and that the proposed new school would be a Voluntary Controlled Church in Wales school.

The remainder of the Holyhead primary schools will be considered in Band D (to include St Mary's and Morswyn).



VEHICLE FERRIES FROM HOLYHEAD
Dublin 3
CATAMARAN FROM HOLYHEAD TO
Dublin (V) 1
Dun Laoghaire (V) 1



CYNGORAU
YNYS MON
ISLE OF ANGLESEY
COUNTY COUNCIL

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Figure 1: Map of the Holyhead area

3.3.5 The three schools

The optimum configuration of the three remaining schools to the West of the town : Ysgol Y Parc, Ysgol Llaingoch and Ysgol Y Parch Thomas Ellis was consulted upon.

Ysgol Y Parc is situated in the Newry district of Holyhead. It is a school for 177 pupils (4-11yrs) plus 24 nursery places and is the joint 8th largest school in the County.

The school was built in 1968 and it is a flat roofed single storey construction of steel frame with masonry and timber infill panels and timber framed windows in the old infants section. A room has been allocated to the Cylch Meithrin and there are 4 KS1/Foundation Phase rooms. In the junior section there are 3 classrooms, a Nurture Room and the 5th classroom is an IT room.

Ysgol Llaingoch, situated in the Llaingoch area on the outskirts of Holyhead, has capacity for 177 pupils plus 23 nursery places and is joint 8th largest school in the County.

Ysgol Llaingoch is a Community School and it was built in 1969 with an infant classroom extension in 2003 and improvements in 2006 to provide a more efficient administration area, a headteacher's room, entrance and staff room. The 6 classrooms, resources room and school hall are in the main building with the nursery class and the reception classroom in a double mobile unit.

Ysgol Y Parchedig Thomas Ellis, situated in the Treseifion area of Holyhead, has capacity for 124 pupils plus 23 nursery places and is the eighteenth largest school in the County.

Ysgol Y Parch Thomas Ellis is a Voluntary Controlled Church in Wales school built in 1954 but the school as an establishment, in 1998, celebrated its 250th anniversary. There are 4 classrooms on the ground floor, one of which is shared by the School Nursery and the Mudiad Meithrin. On the 1st floor, there is a classroom for years 5 and 6, a music room and another room to teach smaller groups.

3.3.6 Shortfalls with the Existing Provision

Section four of this SOC sets out the criteria by which the Authority has appraised its options, one of which is to “do nothing” and stay with the current arrangements. In summary, and with reference to the investment objectives set out below, the current provision does not meet the future needs of the Authority.

3.3.7 Condition of the current buildings:

In its Education Strategy document: “Transforming Education on Anglesey”, the Authority states that “it is committed to ensuring that all school buildings are ‘fit for purpose’, in line with WG standards.

All three school were given a condition grading of B in the 2008/9 surveys conducted by EC Harris. More recent, detailed surveys conducted by the Authority’s surveyors identify areas for significant expenditure, as outlined below:

	Y Parc	Llaingoch	Parchedig Thomas Elis
The main issue concerning the condition of current building¹	The concrete ring beam which supports the walls is in poor condition.	The structural posts of the timber frame are in poor condition as a result of wet rot.	The internal fabric to the rear elevation of the 2 storey block at ground and first floor levels are in a very poor condition.
Condition	B	B	B
Suitability	B	B	B
Sufficiency	D	D	C
Backlog Maintenance	£120k	£154k	£234k
Capacity	177 + 24 Nursery	177 + 23 Nursery	124 +23 Nursery
Surplus Places	16 (9%)	0	17 (14%)

No further investigative work has been conducted recently on the structural condition of the three primary schools. However, Property officers estimate that the cost of repairing these faults would be several hundred thousand pounds for each of the three school and would be in addition to the backlog maintenance figure of £508,000 and this further undermines the longer term viability of the current arrangements. (See Investment Objective 5 for future preventative measures). As these schools are all over 40 years old, the cost of maintaining the fabric of the building is not sustainable for the future.

Sufficiency: Reducing the number of unfilled places in the area to no more than 10%.

The Authority has set out its vision for the future of education in Anglesey in its Education Strategy document: “Transforming Education on Anglesey”. One of its priorities is to reduce the number of surplus places across its schools to a maximum of 10%. This priority is also reflected in Estyn’s requirements.

¹ Condition Surveys undertaken by the Authority’s surveyors

Within the five schools in the consultation exercise for the Holyhead area, there was a 28% over supply of pupils places (2011). This has now reduced to 5% as a result of re-designation of places and a significant increase in pupil numbers. For the three schools considered for closure, the current numbers show a combined oversupply of 7%, with Ysgol Y Parchedig Thomas Ellis having the highest percentage of spare places (14%).

Since 2013 the island's pupil numbers have increased as a result of higher numbers of births since 2008. These higher numbers of births reached a peak in 2012 and are expected to fall away gradually to the end of the decade before reaching the previous (pre 2008) levels in about 2020. These larger numbers are now arriving at primary school and competition for entry into schools, particularly those in Holyhead, has been far higher over the last two years.

Primary schools places are planned according to defined catchment areas with only the designated Welsh medium school, Ysgol Morswyn in Holyhead; and the VA school St Mary's, also in Holyhead, having wider catchment areas. Caergeiliog foundation school, which is within 5 miles of Holyhead attracts pupils from a wide area. It is a feature of Holyhead schools that large numbers of pupils attend schools other than their designated school. Very few pupils from outside the town attend Holyhead schools.

It is not proposed to cater for all this shortfall as it exists for only a short time, and it should be possible to release places in the schools still existing at that time by redesignating some rooms. Rather, it is proposed to plan for the nearest multiple of 0.5 form entry as this allows for efficiencies and best achieves the investment objectives. This brings us to a proposal of a new school for 60 pupils for nursery and 525 for 4-11 pupils, an increase in capacity of 47 places in Holyhead. Given the fluctuations in birthrates in our predictions for 2016 - 2022 this will result in an average of 7% surplus places in the new school and 2% in the remaining four schools until they are reorganised as part of Band D in the reorganisation programme.

The Council recognises the risk of planning for the current and projected pupil numbers against an expectation of reducing birth rates for its area in future; however it is clear that the population of Holyhead has a considerably younger age profile than the rest of the island and that there are housing developments in the pipeline. It is likely that the numbers will be more sustainable than the rest of the island and if Wylfa Newydd or Land and Lakes are confirmed, it is likely to lead to growth over and above projections. The options for mitigation are:

- potential changes to catchment areas, and potential reduction in pupils being educated out of catchment because of the attraction of a new school, as has happened in the recent new school in Llangefni which is full;
- an opportunity to revisit Holyhead in future bands of 21st Century schools programme;

The potential effect on neighbouring schools, in the short to medium term, is that additional capacity is provided in the new school which will cater for the growth in those three schools already oversubscribed. It may attract pupils currently being educated out of catchment on Ynys Cybi and further afield.

The importance of the appropriateness of the building to enable the delivery of a 21 Century school is included in the SOP. The suitability of the building is assessed according to the following criteria: that the school building provides all children with access to suitable

facilities that allow the delivery of a full range of educational experiences – including high quality teaching and learning facilities, suitable play areas, high quality ICT facilities, within a secure environment. The SOP explained how the Authority wishes to improve the standard of teaching in its schools and its vision for the programme. The Authority wishes to provide an education service which is driven by new technologies, new services; new approaches and new ways of working, including business process re-engineering that will enable the successful implementation of strategies for school improvement and better educational outcomes. The current schools were built for different styles of teaching and although two of the buildings have been extended, the overall layouts of the three schools do not improve school management.

Currently, there is a higher proportion (27%) of children with special needs within the three schools compared to the Anglesey average of (20%). The design of the existing schools does not allow for any smaller spaces where pupils can withdraw to for more individual support or smaller group work. There is a Nurture Room at Ysgol Y Parc where pupils can withdraw but this is a single space.

The cost of maintaining the existing provision is detailed below: Anglesey spends more per primary school pupil than most other local authorities in Wales (third highest and £577 more than Wales average for gross schools budget 2014-15; second highest and £643 more than the Wales average for delegated schools budget). Expenditure on Special Needs per pupil is the highest in Wales with delegated primary school budgets being £189 per pupil higher than average in 2014-15.

Some of the Holyhead schools are relatively low cost as might be expected for larger schools, but both Ysgol y Parchedig Thomas Ellis and Ysgol y Parc have higher than average costs. This is partly because of high running costs for their buildings. However the main reason for the high cost is the additional cost of the SEN Unit at Ysgol y Parchedig Thomas Ellis and the cost of integrating pupils with Special Educational Needs.

Using delegated direct budgets, before grants, to ensure a comparative basis; and based on pupil numbers in the 2014-15 budget, the current running costs are:

School	Total £k	Weighted pupil numbers	£ per pupil	<i>£ per pupil including SLAs SEN integration and Foundation</i>
Ysgol y Parc	485	157.8	3,074	4,728
Ysgol Llaingoch	541	184.2	2,938	4,002
Ysgol y Parchedig Thomas Ellis	434	118.2	3,671	5,813
Combined	1,460	460.2	3,173	4,716
New school – formula based budget	1,348	460.2	2,930	
Saving	112		243	

Using projected pupil numbers for 2.5 form entry:

School	Total £k	Weighted pupil numbers	£ per pupil
Ysgol y Parc	584	197.8	2,954
Ysgol Llaingoch	584	200.8	2,907
Ysgol y Parchedig Thomas Ellis	520	150.4	3,456
Combined	1,688	549	3,074
New school – formula based budget	1,577	549	2,873
Saving	111		201

This suggests that a single school could be achieved for £112k less running costs than the current three schools – saving £200 to £240 per pupil. As the local schools funding formula isn't designed for schools of this size, it is likely that further savings can be obtained by modelling the proposed staffing costs directly and recognising potential savings of co-location.

3.4 Key areas for consideration

The SOP acknowledges that a number of key principles will be required for further consideration. Aligning with the SOP - The SOC/OBC identified key areas for consideration, detailed below, and supported further through the investment objectives.

3.4.1 Leadership

Educational research shows that effective schools are well led. It is known that our successful schools have strong leadership at all levels including governors. There are however, some schools where the teaching commitment of headteachers limits the amount of time and energy they can dedicate to strategic improvement at their school. This is not sustainable.

The challenges associated with leading and managing a school have increased substantially during recent years and the expectations are continuing to increase. The leadership expectations on Headteachers in ensuring teaching and learning is of the highest quality, evaluating and raising standards, developing robust self-evaluation procedures and ensuring the continuous professional development of staff, are substantial. We believe that schools need to be restructured so that they are large enough for each school or federation of schools to have one substantive non-teaching headteacher. This would give the headteacher the necessary time to undertake the key leadership role within the school or federation.

The proposed new school is an opportunity to appoint a high performing and driven Headteacher (it is recommended that the post is advertised nationally). It is also an opportunity to develop a management structure with increased capacity, due to the level of responsibility and joint strategic planning. This arrangement is not available at the three current schools.

Anglesey officers and councillors recently visited a primary school in Rhyl, of a comparable size to the proposed new school in Holyhead [Ysgol Llywelyn's capacity is 530 + 90 nursery]. The staffing structure proposed for the new school takes into account the lessons learned from this visit.

The Headteachers from two of the existing school do not currently have a 100% non-contact time. The proposed new school would be a large primary school and it is not envisaged that the headteacher will teach a class of pupils and thus will have 100% non-contact time. This will enable the headteacher to concentrate on raising standards within the school.

3.4.2 Attainment

The need to raise standards in both primary and secondary schools has been noted as a priority in the Estyn inspection in 2012.

The following information is used by the Authority to inform the evaluation of standards.

- End of key stage indicators - namely % of pupils who attain the expected level and a higher level for that key stage.
- Outcomes of Estyn inspections.
- Attendance figures at individual school level.

Schools and the Council are working effectively in partnership to improve outcomes. In order to continue to progress, we need to:

- Ensure all school leaders have high expectations and a clear focus on improving teaching, learning, and attainment.
- Ensure that all resources available to schools are focused on improving outcomes for children and young people in a context of annual budget pressures.
- Implement an agreed consistent approach to the collection, analysis and use of information i.e. knowing where every child is in terms of their learning.
- Use consistent and effective tracking systems so that support and intervention is effective (knowing the progress of every child);
- Continuing commitment to the professional development of school staff.

The Estyn inspection on the Authority in 2012 noted that the number of schools in follow up categories was too high i.e. the number of schools where there is room for improvement is higher than the national norm. This is despite the hard work of school leaders, governors and staff. It is further evidence that the current school organisation is not fit for purpose and needs to be modernised. The aforementioned management structure proposed for the new school will also contribute significantly towards improving educational outcomes.

The new school's close proximity to the Secondary school is an opportunity to create a synergy and coherence between the two schools. It can contribute towards the overall strategy of raising standards through joint curriculum development work; support the primary to secondary transition.

3.4.3 Deprivation

It could be argued that 35% of pupils from the three schools live in relative poverty, using the percentage of children receiving free school meals (FSM) as an indicator. FSM figures on an individual school basis is as follows: Parc 44%; Llaingoch 15% and Parchedig Thomas Elis 55%. The educational performance of these children compared with those who come from more prosperous backgrounds provides clear evidence of the effect of poverty on educational achievement, and is a major issue for the Welsh Government (Joseph Rowntree Foundation).

The new school will have a strategic plan in place that shows how they will use the resources available to them to reduce the poverty gap in student achievement; the school will offer a leadership structure that enables this to be achieved. The leadership team can also regularly monitor and evaluate the impact the plan is having on student outcomes.

There is currently a SEN resource unit at Ysgol Parchedig Thomas Elis and the other two schools make internal arrangements. This in itself may not be making the best use of current available resource. The new school is also an opportunity to provide a skill set that meets the specific needs of pupils. To support the specialist knowledge and skill set, it is recognised that sufficient space is required to deliver the provision - the provision of SEN spaces throughout the school will enable pupils to be withdrawn from some lessons, whilst still benefitting from the facilities and teaching in the school. At family and community level, the main Welsh Government policies that seek to reduce poverty and its effects have been the pre-school programme Flying Start, the families programme Families First (previously Cymorth) and the community-based programme Communities First (Egan, 2012b). The layout of the new school will provide the space to work with different groups and an opportunity for outside agencies to use the schools for specific sessions.

The proposed new school will continue to use the Pupil Deprivation Grant to reduce the impact of poverty on educational achievement. It will also attempt to maximize the effect of family- and community-focused interventions.

3.4.4 Community

Research suggests that schools with additional provision such as breakfast clubs, after-school clubs, child-minding provision, summer and weekend activities achieve higher standards and secure parental and community engagement. In addition, schools are expected to be a resource for the local community in order to promote community activities that include parents, members of the community and local groups. This type of activity is important in relation to developing the link between schools and the local community.

Guidelines published in 2003 encouraged schools and local authorities to increase the community use of schools. The guidelines included the following definition of an area school. – an area school provides a range of services and activities often beyond the school day, to help satisfy the needs of pupils, their families and the wider community.”

The proposed new school will provide the opportunity to pursue the community focused agenda. Opportunities will be available for the community to utilise assets effectively. The layout of the new school will also ensure that the community will have access to resources, with spaces like the school hall located to the front of the buildings and areas will be zoned. The Authority will capitalise on specialist expertise and equipment to enable the community to address the challenges they face and reduce the barriers to learning. The location of the proposed new school has been consulted upon. The Authority acknowledges the importance of locating the school, of a viable size, in the best location to serve the community. The proposed site is in the centre of Holyhead and is opposite the secondary school. The Authority will also continue to work with both the secondary and new primary school to ensure community use so that there is a “learning campus” with the facilities of both schools available from community use. It will also ensure, where wider use by the community is considered, that appropriate policies and guidelines are in place as regards health and safety and child protection procedures.

As most of the pupils at the three schools live in Holyhead, this will not greatly increase the travelling times and distance for pupils and community users of Ysgol Y Parchedig Thomas Ellis, Ysgol Llaingoch ac Ysgol Y Parc as most of the pupils will be able to walk to the new school.

As regards to community facilities, the proposed new primary school would provide the same type of facilities as those used by current groups i.e. parents and members of the community. The facilities will be improved on what is currently available. Of the groups who use the facilities in the three schools at present, no conflict is predicted where common facilities are used in future. This is mainly because the use by the groups is low enough to allow serving everyone.

3.4.5 Improved energy efficiency and sustainability:

Display Energy Certificates (DEC) provide an energy rating of the building from A to G, where A is very efficient and G is the least efficient and are based on the actual amount of metered energy used by the building over the last 12 months. The three schools concerned have a DEC rating of D. The new area school will deliver significant improvements in energy efficiency and sustainability. The Authority will specify a BREEAM Excellent requirement for the new primary school with a Grade A rating with respect to energy efficiency on the Display Energy Certificate. The Authority will specify that the modernisation of the existing Cybi building will also incorporate BREEAM principles.

3.5 Investment Objectives

The Authority wishes to provide learning environments for all of its children and young people aged from 3 to 19 that will enable the successful implementation of strategies for school improvement and better educational outcomes. It also wishes to achieve greater economy through better use of its resources, to improve the efficiency and cost-effectiveness of the education estate and public service provision.

The Holyhead area was identified for priority investment because it is an area of multiple deprivation, in need of investment. It is the island’s largest town and has a significant impact

upon the economy of Anglesey as a whole. It is an exciting and challenging time for Holyhead with the Holyhead 2020 programme; the proposed investment of Land and Lakes; and the potential effect of Wylfa Newydd.

That Holyhead is one of the LEA's priorities for improved education provision is also clear: five of the town's wards feature in the 20% most deprived in Wales for the education domain of WIMD. Attainment levels have been lower than expected. Several of the town's schools have had poor Estyn inspection reports and the regulators have had doubts whether there was sufficient leadership capacity to turn things around. High eligibility for free school meals and high levels of special education needs are a particular challenge; but they bring additional funding which can provide significant opportunities to improve attainment.

The Authority wishes to improve in the lifelong education and skills of its community and also invest in the future through programmes such as Flying Start and Communities First and provide school facilities which can be used by the community throughout the year for learning and leisure.

Six Investment Objectives have been developed by the Project Team consistent with the SOP, as follows:

Investment Objective 1

That the school is a 21st Century standard school whereby the school building provides all children with access to suitable facilities that allow the delivery of a full range of educational experiences – including high quality teaching and learning facilities, suitable play areas, high quality ICT facilities within a secure environment.

Investment Objective 2

Facilitating better educational outcomes. The new area school is an opportunity to provide a skill set that meets the specific educational needs of pupils. To support the specialist knowledge and skill set, it is recognised that sufficient space is required to deliver the provision.

Investment Objective 3

Increasing the leadership and management capacity by creating a management team which will contribute to the development of leadership skills within and across the school.

Investment Objective 4

Ensuring adequate and sustainable primary school places in the area to cater for increasing pupil numbers and with unfilled places projected to be no more than 10 %. This will result in reduced cost per pupil.

Investment Objective 5

To replace or refurbish ageing buildings and to reduce backlog maintenance costs

Investment Objective 6

Improved energy efficiency and sustainability.

The table below sets out how far the current arrangements achieve each investment objective, why changes are required, and how outcomes will be measured.

Table 5

<p>Investment Objective 1</p>	<p>That the school is a 21st Century standard school whereby the school building provides all children with access to suitable facilities that allow the delivery of a full range of educational experiences – including high quality teaching and learning facilities, suitable play areas, high quality ICT facilities within a secure environment.</p>
<p>Existing Arrangements</p>	<p>The current schools have not been built to take account of 21st century learning and don't provide a learning environment that offers appropriate ICT infrastructure and resources; flexible learning spaces; breakout areas, the foundation stage linking nursery and reception age children; and the needs of the key stage 2 pupils in the curriculum. One of the schools currently has its nursery and reception classes taught in a mobile.</p>
<p>Business Need</p>	<p>The school needs flexible facilities to create an attractive learning environment that motivates young people to become effective learners and achieve life skills. The facilities should enable effective delivery of the curriculum, including maximising the use of ICT as a learning tool The school will be designed to BB99 standards.</p>

<p>Investment Objective 2</p>	<p>Facilitating better educational outcomes. The new area school is an opportunity to provide a skill set that meets the specific educational needs of pupils. To support the specialist knowledge and skill set, it is recognised that sufficient space is required to deliver the provision.</p>
<p>Existing Arrangements</p>	<p>There is currently a SEN resource unit at Ysgol Parchedig Thomas Elis and the other two schools make some internal arrangements, but can also make use of the Unit at Parchedig Thomas Elis. This in itself may not be making the best use of current available resource.</p> <p>All three schools provide some service for the community, for example extra-curricular activities, various activities out of school hours and all three provide an after school club called Kidz Inc. However, none of the three existing school have designated space for community use, and due to the lack of space they cannot be perceived as 'hubs' of the community.</p> <p>The Local Authority supports schools that develops community links to provide opportunities to enrich experiences for everyone. The Local Authority is responsible for ensuring that appropriate educational provision is accessible to all pupils. A new area school for Holyhead is an opportunity to sensitively consider the needs of the area and the services required to contribute to the delivery of a first class, community focussed school.</p> <p>Two of the schools included in this project, namely Parc and Parchedig Thomas Elis are eligible for the Flying Start provision.</p>

Business Need	<p>The new area school is an opportunity to provide a skill set that meets the specific educational needs of pupils. To support the specialist knowledge and skill set, it is recognised that sufficient space is required to deliver the provision. Indeed the provision of SEN spaces throughout the school will enable pupils to be withdrawn from some lessons, whilst still benefitting from the facilities and teaching in the school. Dedicated SEN teaching facilities e.g. one to one, nurture groups, small group tuition areas will enable pupils to maximise their learning. The new school will ensure points of access to SEN facilities and the school will be designed to meet the needs of disabled pupils according to the Equality Act 2010.</p> <p>The new area school will also provide the space to work with different groups and an opportunity for outside agencies to use the schools for specific sessions i.e. Communities First to offer collaborative initiative intended to tackle the disadvantages, and to capture expertise in order to address the challenges faced by some pupils and reduce the barriers to learning.</p> <p>The Local Authority conducted a consultation exercise on the concept of a new school in Holyhead and will continue to engage with the community to ensure that the school is of the right size, in the right location and offering first class teaching and learning experiences.</p>
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Investment Objective 3	An improved management structure, designed to meet current needs and to deliver better outcomes.
Existing Arrangements	The Headteachers' non-contact time at the three schools are as follows: Parch Thomas Ellis – 70%; Parc – 50%; Llaingoch – 100% .
Business Need	There is a need to harmonise headteachers' non-contact time in the primary sector on Anglesey. The management structure will also be strengthened by the appointment of a deputy headteacher. The deputy will play a major role in the management of the school, especially in the absence of the headteacher, and will also have responsibility for specific areas of school management. A new school can be expected to reach at least good or an excellent standard under the Leadership element of the new Estyn Framework. It will lead to better use of resource – linking into the Authority's Efficiency Strategy and Corporate Plan.

Investment Objective 4	Ensuring adequate and sustainable primary school places in the area to cater for increasing pupil numbers and with unfilled places projected to be no more than 10%. This will result in reduced cost per pupil.
Existing arrangements	<p>There is currently an over provision of school places in the three schools of 33 or 7% but this is reducing rapidly as pupil numbers increase, and the current schools are projected to be oversubscribed by 2017.</p> <p>There are outstanding maintenance costs of £508,000.</p> <p>The combined average cost per pupil is £4,716 which is slightly less than the average for Anglesey and about 12% higher than the average for Wales, and is a</p>

	<p>high cost for urban schools. The higher cost is partly because of the running cost of buildings and the level of special needs provision at two of the three schools and because of SEN unit at Ysgol Parch Thomas Ellis which provides SEN facilities on a part time basis for eligible pupils from Holyhead and North West Anglesey. There are currently fourteen pupils at the unit. The Council is moving away from this type of facility.</p>
Business need	<p>To plan for future primary school places in Holyhead which are sufficient to supply places for the expected increase in school population but will ensure that it meets Estyn's requirement that the authority plans its surplus places to no more than 10% across its primary and secondary schools.</p> <p>To reduce running costs by optimising class sizes and pupil teacher ratio. To design more efficient and appropriate provision for SEN pupils. If possible to make savings by co-locating with the secondary school and using the high school's facilities and facilities management (e.g. site manager; catering contract; playing fields.)</p> <p>The school(s) will be located in an area which is accessible for the catchment areas of the existing schools and will be within the travel distance of the homes of all pupils in the combined catchment area.</p>

Investment Objective 5	To replace or refurbish ageing buildings and to reduce backlog maintenance costs
Existing arrangements	<p>Four of the five primary school buildings were built in the 1950s and 60s and although their current condition is relatively good, their life expectancy is not sufficient to enable them to be developed into new provision without expending considerable sums on refurbishment.</p> <p>The three schools selected have backlog maintenance of £508k (Parc: £120k, Llaingoch: £154k and Thomas Elis £234k).</p> <p>As a comparison others schools in Holyhead have the following backlog maintenance Kingsland is £64k and Llanfawr £79k.</p> <p>The Cybi building is now dilapidated but its location and its listed status make it a key education asset near to the centre of town, and contributes towards the regeneration of the town.</p>
Business need	<p>New or upgraded buildings with little or no backlog maintenance costs.</p> <p>A sustainable future for the listed Cybi building.</p>

Investment Objective 6	Improved energy efficiency and Sustainability
Existing arrangements	<p>All of the three existing schools are, on average, 50 years old, although extensions were made to one of the three schools. The buildings have poor energy efficiency (all have a grade D for Display Energy Certificate) and fall short of current energy performance targets required of new buildings.</p>
Business need	<p>A building which is designed to be energy efficient. New lighting and heating will be installed to ensure passive management and supplemented by the use of low/zero carbon technologies. BREEAM Excellent standard will be required (as set out above). Renewable energy sources will be utilised.</p>

3.6 Qualitative benefits

This section describes the main outcomes and benefits associated with the implementation of the potential scope in relation to business needs.

Satisfying the potential scope for this investment will deliver the following high-level strategic and operational benefits by investment objectives, as follows:

Table 6: Outcomes and Benefits

Investment Objective 1	
21st Century Standards - the school is a 21 st Century standard school whereby the school building provides all children with access to suitable facilities that allow the delivery of a full range of educational experiences – including high quality teaching and learning facilities, suitable play areas, high quality ICT facilities within a secure environment.	
Measures	Targets
<ul style="list-style-type: none"> ▪ Improving suitability of accommodation 	<ul style="list-style-type: none"> ▪ Accommodation meets 21st Century standards
<ul style="list-style-type: none"> ▪ Educational Improvements Foundation Phase 	<ul style="list-style-type: none"> ▪ Increase the % of pupils achieving the expected level on Anglesey - 84.6 (2014) ▪ % of pupils achieving the expected level on an all Wales basis 83.8 (2014)
<ul style="list-style-type: none"> ▪ Educational Improvements Key Stage 2 	<ul style="list-style-type: none"> ▪ Increase the % of pupils achieving expected level on Anglesey - 87.8 (2014) ▪ % of pupils achieving the expected level on an All Wales basis - 86.1 (2014)
<ul style="list-style-type: none"> ▪ High Quality Learning Facilities 	<ul style="list-style-type: none"> ▪ Post occupancy evaluation – increase in user satisfaction
<ul style="list-style-type: none"> ▪ Suitable Play Areas 	<ul style="list-style-type: none"> ▪ Meet the 21ST Century Schools requirements for play areas
<ul style="list-style-type: none"> ▪ ICT 	<ul style="list-style-type: none"> ▪ Enhanced ICT provision, which meets demand and is fit for purpose.

Investment Objective 2	
Facilitating better educational outcomes for the disadvantaged groups in Holyhead through cohesive provision. The development of a 21 st Century school will bring significant educational benefits to an area in much need of regeneration and renewal.	
Measures	Targets
<ul style="list-style-type: none"> ▪ Closing the gap in performance and between FSM and non-FSM pupils 	<ul style="list-style-type: none"> ▪ FP performance / FSM position - reduce the difference to 15% points ▪ Improvement in reading and

	literacy tests
<ul style="list-style-type: none"> Closing the gap in performance and between FSM and non-FSM pupils 	<ul style="list-style-type: none"> KS2 performance / FSM position - reduce the difference to 15% points
<ul style="list-style-type: none"> Increased links with community services 	<ul style="list-style-type: none"> Demonstrate the links with associated services such as Communities First, Flying Start, Secondary School

Investment Objective 3

Increasing the leadership and management capacity - by creating a management team which will contribute to the development of leadership skills within and across the school.

Measures	Targets
<ul style="list-style-type: none"> The establishment of a Senior Leadership Team for the school composed of Headteacher, Deputy and senior teachers to drive standards up 	<ul style="list-style-type: none"> Efficient allocation of teachers to ensure that the Head teacher to have 100% non-contact time for and at least 50% non-contact time for the Deputy.
<ul style="list-style-type: none"> Good quality leadership and strategic management 	<ul style="list-style-type: none"> Meeting the requirements of the Estyn framework
<ul style="list-style-type: none"> Attendance Rates (current combined attendance rates were 93.2% for 2012/13) 	<ul style="list-style-type: none"> Attendance rate to be above 93.5% Attendance of pupils eligible for FSM

Investment Objective 4

Ensuring adequate and sustainable primary school places in the area to cater for increasing pupil numbers and with unfilled places projected to be no more than 10 %. This will result in reduced cost per pupil.

Measure	Target
<ul style="list-style-type: none"> Better matching of demand and supply of pupil places 	<ul style="list-style-type: none"> Sufficient places across the seven schools in Holyhead with no more than 10% surplus places in the new school. Suitable supply of places
<ul style="list-style-type: none"> Reduction in cost per pupil 	<ul style="list-style-type: none"> It is expected that the combined cost per pupil will be reduced from £4,716
<ul style="list-style-type: none"> Co-location – shared resources 	<ul style="list-style-type: none"> Opportunities identified and pursued from co- location. Targets to be determined, as the opportunities associated with co - location are currently being explored.

Investment Objective 5 – To replace or refurbish ageing buildings and to reduce backlog maintenance costs. Decommission buildings from 1950/60s approaching end of useful life.

<ul style="list-style-type: none"> ▪ Reduced maintenance backlog ▪ 	<ul style="list-style-type: none"> ▪ Avoiding backlog maintenance of £508k
<ul style="list-style-type: none"> ▪ Improving condition of buildings 	<ul style="list-style-type: none"> ▪ Raise condition of retained school buildings to Condition Category B and new build to Condition Category A
<ul style="list-style-type: none"> ▪ Bringing disused school buildings back into use 	<ul style="list-style-type: none"> ▪ Bringing a disused school building on a brownfield site i.e. the Cybi building back into use. This will contribute to the overall regeneration strategy for the town.

Investment Objective 6 - Improved energy efficiency and sustainability.

Measure	Target
<ul style="list-style-type: none"> ▪ BREEAM rating 	<ul style="list-style-type: none"> ▪ School buildings to be BREEAM Excellent
<ul style="list-style-type: none"> ▪ DEC rating 	<ul style="list-style-type: none"> ▪ DEC rating of A achieved
<ul style="list-style-type: none"> ▪ Targets regarding recycling 	<ul style="list-style-type: none"> ▪ At least 15% of the total value of the materials used should derive from recycled/reused materials
<ul style="list-style-type: none"> ▪ CO₂ emissions 	<ul style="list-style-type: none"> ▪ Reduce CO₂ emissions from total emissions from an average of 515kg CO₂ per pupil to <400kg CO₂ per pupil.

3.7 Main risks

The main business and service risks associated with the potential scope for this project are shown below, together with their counter measures.

Table 7: main risks and counter measures

Main Risk	Counter Measures
Project risks	Undertake a high profile community consultation and engagement processes to secure strong support from key stakeholders. This should ensure they are kept informed and any issues raised can be captured and dealt with where appropriate.

Financial risks	Engage in continual dialogue with Welsh Government and Local Members. Acceptance of proposals at corporate level: project details to be included in the Medium Term Financial Plan and allocation through the IoACC Capital Allocations process Seek realistic estimates of potential capital receipts. Undertake regular reviews of the market and projections. Develop compelling Business Cases
Planning, building and land risks	Approach planning officers for advise at key stages Use of Contractor Framework for procurement – to ensure sufficient numbers of bidders. A survey of the building has been conducted and a contingency cost of £370,000 has been included in the overall project cost. Anglesey Council has conducted asbestos surveys of all buildings and has an asbestos register. There is a minimal amount of asbestos in the Cybi building.
Community	Regularly monitor the progress towards delivering the expected benefits, as realized in the Benefits Delivery Plan.
Service	The design will be sized and scoped so as to provide sufficient suitable accommodation to respond to predicted demand. Early and continued regular communication with staff directly and via school committees, governors and forums will be undertaken so they are fully aware of the changes ahead. The Authority will ensure that the headteacher to be appointed for the new school will know what is proposed for the school building and will consult with the existing headteachers and staff over the design specification for the new school.

3.8 The Proposed Solution: A New Primary School for Holyhead

The proposal is for a 525 place area Primary School with 60 place nursery provision to be built on the site of Ysgol Cybi, incorporating and refurbishing the existing listed building, together with a 2,680m² extension. The project is to be funded 50% by Welsh Government through the C21st Century Schools programme and 50% by the Council with contributions from the VVP funded Holyhead 2020 programme.

The current Ysgol y Parc, Ysgol Llaingoch and Ysgol Thomas Ellis are to be closed and a new school Voluntary Control of the Church in Wales formed. The intention is that the school adopts the Welsh Medium (WM) or Transformational status. The final decision will be made by the Governing body of the new school, in cooperation with the Local Authority.

The vision is for cohesive provision of facilities to address deprivation and special needs, cooperating with Flying Start; accommodating voluntary sector play group provision and offering afterschool child care. The intention is that the school should have a formal leadership team including assistant head teachers and a special needs and inclusion co-ordinator to take forward a challenging inclusion, improvement and attainment agenda in this deprived area.

The new school will use the sports facilities of the nearby High School and it is intended that the schools will cooperate on a range of facilities, including learning opportunities and facilities management.

Once closed, the existing sites will be sold to release much needed development land as part of the VVP funded Holyhead 2020 programme and to provide capital receipts to help fund the new school.

This is the first step in the C21st Schools programme for the town which is planned to review another three primary schools in the town and to upgrade the High School buildings. It is complemented by the development of a new Flying Start centre serving all the most deprived wards in the town.

3.9 Constraints

The project is subject to the following constraints:

- complying with the C21st Schools Programme funding conditions;
- level of overall funding available in terms of revenue and capital;
- the Cybi building is Grade II listed and is in need of refurbishment, as further detailed in paragraph 4.6 below.

3.10 Dependencies

The project is not dependent on any of the other elements of the Schools Modernisation Programme but is subject to the following dependencies that will be carefully monitored and managed throughout the lifespan of the scheme and through the Authority's programme management arrangements.

- Welsh Government authorisation, funding and support;
- successful consultation programme concluded, maintaining parent and stakeholder support for this project;
- achieving statutory permissions, e.g. planning permission.

4. THE ECONOMIC CASE

4.1 Agreed Project Parameters

Holyhead schools were an early priority for the Authority in its deliberations around the Schools Modernisation Strategy and the SOP, for regeneration purposes, and for educational reasons as well as financial reasons. In defining the scope of the first C21st Schools project for the town, we were looking for a significant project that would serve as a trailblazer for the town and start to address school standards, pupil places and building condition.

The conclusion of the Strategy process was that;

- the group of three schools to the north of Holyhead Town should be addressed first on the grounds that there were more surplus places at higher cost, that there were issues of standards and inclusion to be addressed urgently and there was a potential site available;
- the three schools to the south of town, including the designated Welsh Medium School should be addressed in a later stage in the programme as the building condition is better and as it is considered that additional information about the potential developments in Holyhead will become available soon;
- the High School should be addressed at a later stage in the programme;
- that a straight through school should not be considered at this stage because of the challenges faced by the secondary school and individual primary schools but that co-location and shared facilities would be considered to be an added benefit to support standards and to facilitate transition from primary to secondary sector;
- that the Catholic provision should not form part of this phase as it served a far wider catchment area and that the school is currently over-subscribed;
- the investment in the Flying Start facility should continue independently on the basis that it should be centrally placed so as to be accessible to all the deprived wards and that both the site and funding were in place.

The preferred option of a new area primary school for the north of Holyhead was incorporated in the SOP and the Holyhead 2020 programme. Plans for a new primary school on the Cybi Site are now well advanced and contractors have been appointed for the design phase (see timetable at paragraph 5.9).

4.2 Critical Success Factors (CSF)

The Critical Success Factors (“CSFs”) for this project were developed by the project team reflecting the priorities and CSFs in the SOP. These are:

- **Acceptability:** Attractive to the school community and other stakeholders;
- **Deliverability:** Can be delivered within the specified time period of the capital plan and schedule for the School Modernisation Strategy and the 21st Century Schools Programme. Issues such as site availability are included in this criteria;

- **Supply of places:** Matches supply of places to expected demand in a cost effective way;
- **Accessibility:** Within walking distance for the majority of pupils;
- **Affordability:** Fit with capital planning and funding availability and with projected revenue funding;
- **Strategic Fit:** Consistent with aims of Holyhead 2020 and the Schools Modernisation Strategy including inclusion, standards and compliance with school organisation/ capacity policies.

These CSFs have been used alongside the Investment Objectives for the project to evaluate the long list of possible options.

4.3 The Long Listed Options

Following the analysis of pupil numbers and in light of the investment objectives and CSF, the Authority concluded that 525 places with 60 nursery places best fits the future requirements for primary school places in the area. (see para 3.8). There needs to be a change, and the Authority had a number of decisions to make, relating to:

- rationalisation and investment decisions to ascertain which schools should remain or whether there is the need for a new area school;
- new build or refurbishment options, as to what form the building should take;
- site selection option of where the school should be located.

The options available to the Authority can be classified as:

- **Do Nothing:** Continuing with the current level of repairs, number of school places and buildings.
- **Minimum Scope:** Increase provision of places by re-designating space in existing schools and mobile classrooms. Minimal refurbishment would be done at all three continuing schools.
- **Intermediate Scope:** Closure of one school and the extension and refurbishment of another existing school to accept the pupils of the closed school and projected growth, minimal refurbishment at the remaining school;
- **Maximum Scope:** Closure of the three schools and transferring the pupils to a new primary school within the combined catchment area, according to the vision in the SOP.

The table below provides a summary of the extent to which each option satisfies the Authority's Investment Objectives and Critical Success Factors as previously described:

Initial Options Appraisal – Investment Objectives and Critical Success Factors

	Do Nothing	Minimum	Inter-mediate	Maximum
Investment Objectives				
1. Achieving C21 Schools Standard	No	No	Partial	Yes
2. Facilitating better educational outcomes	No	No	Partial	Yes
3. Increasing leadership and management capacity.	No	No	Partial	Yes
4. Ensuring adequate and sustainable places	No	Partial	Yes	Yes
5. Replace or refurbish ageing buildings	No	Partial	Partial	Yes
6. Improved energy efficiency and sustainability	No	Partial	Partial	Yes
Critical Success Factors				
1. Acceptability	No	No	Yes	Yes
2. Deliverability	Yes	Yes	Yes	Yes
3. Accessibility	Yes	Yes	Yes	Yes
4. Supply of Places	No	Partial	Yes	Yes
5. Affordability	No	Yes	Yes	Yes
6. Strategic Fit	No	No	Partial	Yes

Option	Findings
1.0 Scope	
1.1 Do Nothing	Discounted because it does not address the issue of increased pupil numbers, nor any of the investment objectives and does not provide a sustainable solution for the future.
1.2 Minimum – repair three schools; increase space provision by redesignating space in existing schools and mobile classrooms	Possible but it does not address the majority of the investment objectives and does not provide a sustainable solution for the future.
1.3 Intermediate – close one school and refurbish and extend another; repair the third	Possible because it addresses some of the investment objectives and CSFs but is unlikely to provide a sustainable solution for the future
1.4 Intermediate – close two schools and refurbish and extend the third	Discounted because although it addresses many of the investment objectives and CSFs there are constraints on the availability of the

	sites (a separate site appraisal has been prepared)
1.5 Maximum – close three schools and new build and refurbishment on Cybi Site	Preferred because it addresses all the investment objectives and CSFs and because this site is available and in the Authority's ownership
1.6 Maximum – close three schools and new build on alternative site	Discounted because whilst it would address all the investment objectives and CSFs, there are constraints on availability of suitable sites (a separate site appraisal has been prepared)
2.0 Service solution	
2.1 Traditional Build	Preferred because it provides an asset with a life expectancy of fifty years or more with fewer uncertainties than the competing solutions. Offers more flexibility within the procurement framework with design layouts and specification of materials and finishes.
2.2 Modular Build	Possible because the Authority is committed to using the North Wales Schools and Public Buildings Contractor Framework for the delivery of the new school projects. The Authority has entered into a Framework Agreement with 5 other Local Authorities in North Wales. The Framework is used to deliver projects funded through the 21 st Century Schools Programme. None of the contractors currently on the Framework are specialist Modular Build Contractors. Using this type of system would therefore require an alternative Procurement route and the withdrawal of the project from the Framework Programme. This system would only be suitable for the new build element.
3.0 Service Delivery	
3.1 Design and Build	Preferred because due to current workloads and commitment to the design of the North-West Anglesey new school, there is no capacity to undertake this project as an in-house designed project. The Authority also wishes to test this route on a larger project. By choosing the Design & Build Procurement route, the Authority is open to a traditional or a standardised build design solution for this project. Two of the tendering contractors have specialist standardised design systems which would work for the new build element

	of the project. The tenders will be assessed on design, programming, quality and price and process will give the Authority an opportunity to compare all the benefits for the different build options and to select the best value solution.
3.2 In House Design	Discounted because although this this has the advantage of a less complicated procurement and is well understood by the Authority and prospective bidder and it may also offer the opportunity for small and medium enterprises to bid. However there is no capacity internally to technically design the school for this project.
4.0 Implementation	
4.1 Big Bang	Preferred – for the preferred scope of a new school on a new site, there are no benefits to phasing the project.
4.2 Phased	Possible as would be necessary for options 1.1 to 1.3. Not relevant for the preferred option.
5.0 Funding	
5.1 Private Funding	Discounted because in 2013, the Authority reviewed the option of entering into a joint venture arrangement to assist with the management of its assets. It concluded that this was not an option which it wished to pursue because of the complexity and cost of setting up a strategic partnership and the possible delay in the programme from doing so. The Authority concluded that there was likely to be more market interest if the contract for this school was let separately.
5.2 Public Funding	Preferred because it will allow completion of the project according to the timetable. Funding is agreed in principle by 50% grant from the C21st programme and 50% from the Authority.

4.4 Site Evaluation

In order to narrow down the long-list of options in the light of constraints on the availability of appropriate sites, and to ensure a robust challenge to the Cybi Site, a Site Evaluation was prepared.

A total of 8 available sites were identified by the Council's Property Officers for the proposed new school and these were within the catchment area of the three current primary schools. These are:

1. Existing site of Ysgol Llaingoch with additional land for a new school
2. Park site (on corner of South Stack Road with New Park Road) with car park on phase 2 land
3. Site allocated for housing development with car park on phase 2 housing land
4. Park site (on corner of South Stack Road with New Park Road) with car park on phase 3 land
5. Millbank;
6. Cybi site;

7. Current site of Ysgol Y Parc
8. Current site of Ysgol Parchedig Thomas Ellis

The last two options have been eliminated as it is immediately apparent that the sites are not large enough to accommodate a school for the projected number of pupils, and no available land within close proximity for this purpose.

In order to aid the selection of the most suitable site, each of the remaining 6 sites were assessed against 9 criteria:

1. Planning Issues
2. Site Acquisition
3. Site Location
4. Site Suitability
5. Disruption
6. Proximity to other services and amenities
7. Proximity to the Secondary – to take advantage of shared resources e.g. playing fields, canteen, school hall, transport
8. Utility services
9. Contributing to the protection of the historical landscape – does the site make use of listed and /or other historical buildings.

The results of the site evaluation exercise is summarised below:

Site Evaluation Results

No.	Site	Score (out of 90)
1.	Existing site of Ysgol Llaingoch with additional land for a new school	51.5
2.	Park site (on corner of South Stack Road with New Park Road) with car park on phase 2 land	56.5
3.	Site allocated for housing development with car park on phase 2 housing land	55.5
4.	Park site (on corner of South Stack Road with New Park Road) with car park on phase 3 land	56.5
5.	Millbank	50.0
6.	Cybi site	67.5

The main risks/issues associated with each specific site is summarised below:

- Site 1: Located on the outskirts of the town, and would be an unpopular choice amongst stakeholders. It would also lead to an increase in traffic in a residential area.
- Sites 2&4: Categorised as a public open space, and could result in a village green application
- Site 3: The significant cost (in the region of £1m) of site acquisition
- Site 5: Access to this site would be difficult and this means that planning permission would be unlikely. Potential flood risk is also associated with this site.

The site evaluation exercise concluded that Option 6 i.e. the Cybi site is the preferred option.

The selection of the Cybi Block site has the benefit of the new Primary School being located opposite to the Holyhead Secondary School Site. The site is in full Council ownership, so there will be no land purchase requirements. The site is sufficient to accommodate the proposed new primary school, but some of the staff and parent parking will be located on the opposite Millbank Sports Field Site. The existing Millbank Sports Field Complex, which comprises of the Secondary School playing fields and all-weather games area can also be shared by the new Primary School pupils.

The Cybi Building² dates back to approximately 1904 and is an Edwardian county school, its original function that of a segregated primary school. It was incorporated into the new Comprehensive School in 1954 and in later years its function changed to that of a Sixth Form building. The Sixth Form building was closed in approximately 2008 and the building has remained empty since that period. During that time the building has been the subject of metal/material theft, and vandalism, and so has fallen into significant disrepair and damage.

The Cybi building and its boundary walls were listed Grade II in 2009; the building as “a good example of an Edwardian county school, with a clearly articulated plan, and good architectural detail” and the walls for “group value as an integral part of the design of the school”.

This project will allow the return of a primary school to this historical building / site. Early consultation has taken place with CADW Officers, who have confirmed the extent of the Listed Building to be retained and which elements of the existing building can be demolished. Three original halls within the original school will require restoring to their original form and specification, which will provide excellent multi-function hall spaces within the new school development. The total existing Floor Area of Cybi Block is approx. 1,820m². The area to be demolished is 640m², and the area to be retained – 1,180m².

The refurbishment of the Cybi Building is estimated at £1,355 per m². As a cost comparison, the Authority has also looked at how the construction costs would be affected if the Listed Building could be demolished – therefore resulting in a complete new build school. Based on a standardised design solution, the school building cost itself would be in the region of £5.8m. In comparison to the proposed example of £4.7 new build and £1.6m refurbishment – indicating that the part demolition and new build is £500k more expensive than a complete new build on the same site.

The Cybi site scored particularly high on the criterion referring to ‘contributing to the protection of the historical landscape’. It is well known that historic buildings provide a foundation for the regeneration of towns and cities. Regenerating buildings can reinforce a sense of community, make an important contribution to the local economy and act as a catalyst for wider improvements to the wider area. The authority has incorporated in the Holyhead Regeneration Strategy a clear role for the historic building of the Cybi site (option 6) and to promote regeneration rather than preserving the building.

4.5 Options Appraisal

The site analysis enables the short-list to be restated as:

Option	Summary Description	Option Type
1	Do Minimum - repair three schools; increase space provision by re-designating space in existing schools and mobile classrooms	Comparator
2	Intermediate – close one school and refurbish and extend another; repair the third	Less Ambitious
3	Maximum - close three schools and new build and refurbishment on Cybi Site	Preferred

The table below provides a summary of the main advantages and disadvantages for each of the above options:

4.5.1 Options Appraisal – Advantages and Disadvantages

Option	Advantages	Disadvantages
<p>Do Minimum (repair three schools; increase space provision by re-designating space in existing schools and mobile classrooms)</p>	<ul style="list-style-type: none"> • There would be an improvement against some of the programme and project objectives through addressing the issue of increased demand for places. 	<ul style="list-style-type: none"> • The objectives of suitability, sufficiency and sustainability of buildings would not be met. • The three existing school buildings are old and future lifecycle and maintenance spend is likely to be higher than for a new build school: future maintenance spend for a new school is likely to be low over the next ten years.
<p>Intermediate (close one school and refurbish and extend another; repair the third)</p>	<ul style="list-style-type: none"> • Most of the improvement objectives in relation to pupil numbers, class sizes and unit costs are met in part and most of the CSFs are met. • The quality, sufficiency, suitability and condition of the buildings is likely to be improved but not as much as the new build; It would reduce Backlog maintenance at Thomas Elis of £234k 	<ul style="list-style-type: none"> • The objectives in relation to the sufficiency, suitability and condition of buildings are not met in full; • The extended school would not be the exemplar development for the Schools Modernisation Strategy as envisaged; • Requires compromise in design and does not achieve suitability requirements in terms of teaching space, ancillary areas; • Leads to layout constraints that are likely to cause operational inefficiency; • Whilst refurbishment offers a lower construction cost, it entails significantly higher operating and lifecycle costs; • Entails greater residual maintenance requirements resulting in more disruption in the future; • There would be a transitional period when children would need to be temporarily accommodated elsewhere as the extension and refurbishment work continues;

Option	Advantages	Disadvantages
		<ul style="list-style-type: none"> • Does not meet the same sustainability standards in terms of energy efficiency and environmental impact as a new build solution.
<p>Maximum (new school)</p>	<ul style="list-style-type: none"> • The Authority will be able to meet its aspiration to provide a 21st century school with facilities to deliver the curriculum and to engage with the local community; • Lead to improved standards at the Foundation Phase and Key Stage 2 • It would avoid backlog maintenance of £508k and, in due course, release a projected £1.4m in capital receipts; • It would bring back into use a listed historic building; • Spending per pupil would reduce by about £201 per head, generating savings of £110k pa; • Improved ICT provision; • Result in the headteacher and deputy having 50 - 100% non-contact time. • A new school would provide places for future growth in the catchment area; • A school of this size would employ more teachers and could ensure specialisms in many areas; • Inclusive provision across the north of the town • Manage surplus places, achieving the target of no more than 10%; • On-going maintenance costs will be lower than the other options; • More classrooms so fewer pupils will be taught in mixed year groups; • Provide SEN spaces within the building which link to the year group classrooms • Improved energy efficiency 	<ul style="list-style-type: none"> • Significant capital costs – build cost is higher than the other options; • Reorganisation can have a disruptive effect on staff and pupils; • Possible staffing implications; • Possible further distance travelled to the new school; • Possible effect on community facilities; • Deliverability less certain, due to the need to secure a site and fulfil statutory processes such as planning permission.

The table below provides a financial appraisal of each option, based on a 60 year assessment period:

4.5.2 Options Appraisal – Financial Appraisal

Option	Undiscounted (£k)	Net Present Cost (Value) (£k)
Minimum		
Capital	1,388	1,341
Revenue		
Total costs	1,388	1,341
Cash releasing benefits		
Net costs / (savings)	1,388	1,341
Non- cash releasing benefits		
Minimum Option: Total	1,388	1,341

	Undiscounted (£)	Net Present Cost (Value) (£)
Intermediate		
Capital	1,795	1,739
Revenue		
Total costs	1,795	1,739
Cash releasing benefits	(6,045)	(2,724)
Net costs / (savings)	(4,249)	(985)
Non- cash releasing benefits		
Intermediate Option: Total	(4,249)	(985)

	Undiscounted (£)	Net Present Cost (Value) (£)
Maximum		
Capital	8,410	8,024
Revenue		

Option	Undiscounted (£k)	Net Present Cost (Value) (£k)
Total costs	8,410	8,024
Cash releasing benefits	(7,824)	(3,912)
Net costs / (savings)	587	4,113
Non- cash releasing benefits		
Maximum Option: Total	587	4,113

The do-nothing option was not costed, as this is not considered a realistic option, given the need to supply additional places in the near future.

4.6 Qualitative benefits

This section describes the main outcomes and benefits associated with the implementation of the potential scope in relation to business needs.

Satisfying the potential scope for this investment will deliver the following high-level strategic and operational benefits. By investment objectives these are as follows:

Table 8: Outcomes and Benefits

Investment Objective 1	
21st Century Standards - the school is a 21 st Century standard school whereby the school building provides all children with access to suitable facilities that allow the delivery of a full range of educational experiences – including high quality teaching and learning facilities, suitable play areas, high quality ICT facilities within a secure environment.	
Measures	Targets
<ul style="list-style-type: none"> ▪ Improving suitability of accommodation 	<ul style="list-style-type: none"> ▪ Increase the % of pupils achieving the expected level on Anglesey - 84.6 (2014) ▪ % of pupils achieving the expected level on an all Wales basis 83.8 (2014)
<ul style="list-style-type: none"> ▪ Educational Improvements Foundation Phase 	<ul style="list-style-type: none"> ▪ Increase the % of pupils achieving expected level on Anglesey - 87.8 (2014) ▪ % of pupils achieving the expected level on an All Wales basis - 86.1 (2014)
<ul style="list-style-type: none"> ▪ Educational Improvements Key Stage 	<ul style="list-style-type: none"> ▪ Increase the % of pupils achieving the

2	<p>expected level on Anglesey - 84.6 (2014)</p> <ul style="list-style-type: none"> ▪ % of pupils achieving the expected level on an all Wales basis 83.8 (2014)
<ul style="list-style-type: none"> ▪ High Quality Learning Facilities 	<ul style="list-style-type: none"> ▪ Post occupancy evaluation – increase in user satisfaction
<ul style="list-style-type: none"> ▪ Suitable Play Areas 	<ul style="list-style-type: none"> ▪ Meet the 21ST Century Schools requirements for play areas
<ul style="list-style-type: none"> ▪ ICT 	<ul style="list-style-type: none"> ▪ Enhanced ICT provision, which meets demand and is fit for purpose.
<p>Investment Objective 2 Facilitating better educational outcomes for the disadvantaged groups in Holyhead through cohesive provision. The development of a 21st Century school will bring significant educational benefits to an area in much need of regeneration and renewal.</p>	
Measures	Targets
<ul style="list-style-type: none"> ▪ Closing the gap in performance and between FSM and non-FSM pupils 	<ul style="list-style-type: none"> ▪ FP performance / FSM position - reduce the difference to 15% points ▪ Improvement in reading and literacy tests
<ul style="list-style-type: none"> ▪ Closing the gap in performance and between FSM and non-FSM pupils 	<ul style="list-style-type: none"> ▪ KS2 performance / FSM position - reduce the difference to 15% points
<ul style="list-style-type: none"> ▪ Increased links with community services 	<ul style="list-style-type: none"> ▪ Demonstrate the links with associated services such as Communities First, Flying Start, Secondary School
<p>Investment Objective 3 Increasing the leadership and management capacity - by creating a management team which will contribute to the development of leadership skills within and across the school.</p>	
Measures	Targets
<ul style="list-style-type: none"> ▪ The establishment of a Senior Leadership Team for the school composed of Headteacher, Deputy and senior teachers 	<ul style="list-style-type: none"> ▪ Efficient allocation of teacher time. The Head teacher to have 100% non-contact time for and at least 50% non-contact time for the Deputy.
<ul style="list-style-type: none"> ▪ Good quality leadership and strategic management 	<ul style="list-style-type: none"> ▪ Meeting the requirements of the Estyn framework
<ul style="list-style-type: none"> ▪ Attendance Rates (current combined attendance rates were 93.2% for 2012/13) 	<ul style="list-style-type: none"> ▪ Attendance rate to be above 93.5% ▪ Attendance of pupils eligible for FSM
<p>Investment Objective 4 Ensuring adequate and sustainable primary school places in the area to cater for increasing pupil numbers and with unfilled places projected to be no more than 10 %. This will result in reduced cost per pupil.</p>	

Measure	Target
<ul style="list-style-type: none"> ▪ Better matching of demand and supply of pupil places 	<ul style="list-style-type: none"> ▪ Sufficient places across the seven schools in Holyhead with no more than 10% surplus places in the new school. ▪ Suitable supply of places
<ul style="list-style-type: none"> ▪ Reduction in cost per pupil 	<ul style="list-style-type: none"> ▪ It is expected that the combined cost per pupil will be reduced from
<ul style="list-style-type: none"> ▪ Co-location – shared resources 	<ul style="list-style-type: none"> ▪ Opportunities identified and pursued from co-location. (Targets to be agreed upon as the opportunities associated with co-location are currently being explored).
Investment Objective 5 – To replace or refurbish ageing buildings and to reduce backlog maintenance costs. Decommission buildings from 1950/60s approaching end of useful life.	
<ul style="list-style-type: none"> ▪ Reduced maintenance backlog ▪ 	<ul style="list-style-type: none"> ▪ Avoiding backlog maintenance of £508k
<ul style="list-style-type: none"> ▪ Improving condition of buildings 	<ul style="list-style-type: none"> ▪ Raise condition of retained school buildings to Condition Category B and new build to Condition Category A
<ul style="list-style-type: none"> ▪ Bringing disused school buildings back into use 	<ul style="list-style-type: none"> ▪ Bringing a disused school building i.e. the Cybi building back into use. Contributing to the overall regeneration strategy for the town.
Investment Objective 6 - Improved energy efficiency and sustainability.	
Measure	Target
<ul style="list-style-type: none"> ▪ BREEAM rating 	<ul style="list-style-type: none"> ▪ School buildings to be BREEAM Excellent
<ul style="list-style-type: none"> ▪ DEC rating 	<ul style="list-style-type: none"> ▪ DEC rating of A achieved
<ul style="list-style-type: none"> ▪ Targets regarding recycling 	<ul style="list-style-type: none"> ▪ At least 15% of the total value of the materials used should derive from recycled/reused materials
<ul style="list-style-type: none"> ▪ CO₂ emissions 	<ul style="list-style-type: none"> ▪ Reduce CO₂ emissions from total emissions from an average of 515kg CO₂ per pupil to <400kg CO₂ per pupil.

4.7 Qualitative benefits appraisal

A workshop was held at the Lifelong Learning department on 13th October to evaluate the qualitative benefits associated with each option.

4.7.1 Methodology

The appraisal of the qualitative benefits associated with each option was undertaken by:

- identifying the benefits criteria relating to each of the investment objectives
- weighting the relative importance (in %s) of each benefit criterion in relation to each investment objective
- scoring each of the short-listed options against the benefit criteria on a scale of 0 to 9
- deriving a weighted benefits score for each option.

4.7.2 Qualitative benefits criteria

The benefits criteria were weighted as follows for each investment objective:

Table 9: Benefits criteria weighting

Qualitative Benefits	Weight
1. Contributing to raising educational attainment	40
2. Improving condition – raise retained school buildings to Condition Category B and any new build to Condition Category A	20
3. Improving suitability – appropriateness of accommodation to enable delivery of 21 st Century standards	20
4. Co-location with the Secondary School – opportunities and accessibility to share resources	5
5. To match the demand and supply of pupils places	15
Total	100

4.7.3 Qualitative benefits scoring

Benefits scores were allocated on a range of 0-10 and agreed by members of the School Modernisation Project team.

4.7.4 Analysis of key results

The results of the benefits appraisal are show in the following table.

Table 10:

Benefits Criteria and weighting	Option 1 Do Nothing		Option 2 Minimum: Repair three schools; increase space provision by redesignating space in existing schools and mobile classrooms		Option 3 Intermediate: Close one school and refurbish and extend another; repair the third		Option 4 Maximum: Closure of three schools and a new build	
	R	W	R	W	R	W	R	W
Benefit Criteria 1	0	0	2	80	3	120	9	360
Benefit Criteria 2	0	0	2	40	2	40	9	180
Benefit Criteria 3	0	0	1	20	3	60	9	180
Benefit Criteria 4	0	0	0	0	0	0	8	40
Benefit Criteria 5	0	0	2	30	2	30	8	120
Total	0	0	7	170	10	250	43	880
	4		3		2		1	

4.8 Risk appraisal

A workshop was held at the Lifelong Learning department on 17th October 2014 to evaluate the risks associated with each option. These risks were reviewed, updated and validated through the circulation of the document to the project team.

4.8.1 Methodology

Risk appraisal has been undertaken and involved the following distinct elements

- Identifying all the possible business and service risks associated with each option
- Assessing the impact and probability for each option
- Calculating a risk score

The range of scales used to quantify risk was as follows:

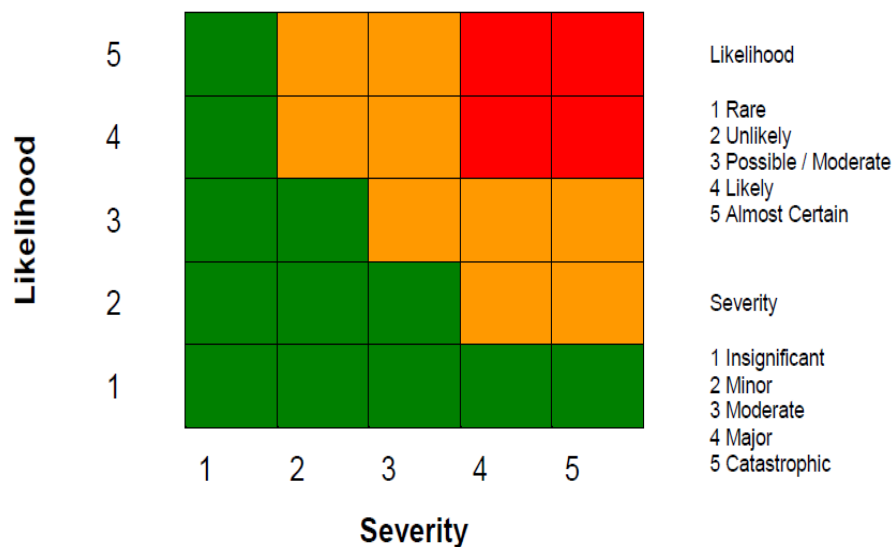


Table 11: Summary of the risk appraisal results

Risk category	Option 1– Do nothing	Option 2 (Minimum) – repair three schools; increase space provision by re-designating space in existing schools and mobile classrooms	Option 3 (Intermediate) – close one school and refurbish and extend another; repair the third	Option4 (Maximum) – Maximum - close three schools and new build and refurbishment on Cybi Site	Option4 (Maximum) – Residual Risk as outlined in the risk register
Project Risks	6	18	27	65	47
Financial Risks	6	33	37	52	33
Planning, Building and Land Risks	8	24	35	94	52

Community Risks	1	1	16	9	9
Service Risks	13	13	13	18	18
TOTAL	34	89	128	238	159
RANK	1	2	3	4	

4.8.2 Conclusion

Option 1 – Do nothing

This option ranks lowest in terms of qualitative risk.

In project terms this option does not present any significant risks. Project risks are associated with the change introduced. Option 1 doesn't introduce change, and therefore expectedly scores low.

In financial terms this option does not present any significant risks. This risk category refers mainly to approval of business cases and securing funding. This option doesn't involve the development of a business case, nor is it associated with additional funding.

In planning, building and land risks this option does not pose any significant risk. This risk category refers mainly to construction risks. Option 1 involves no construction work.

In community terms – this option scores low as it will not interfere with current community arrangements.

In Service terms it is recognised under this option does not pose any significant risks. Mainly because there is no need to appoint a new headteacher, and that the demand for places could be matched in the short term. However this option is not sustainable for the future.

Option 2 - (Minimum)

This option ranks second lowest in terms of qualitative risk

In project terms it does not present any unusual or significant risks. However this option does not respond to key stakeholder' aspirations.

In financial terms this option does not present any significant risks. This option does not respond to stakeholder aspirations nor does it meet all of the project's objectives.

In service terms such an approach does not pose any significant risks.

Option 3 (Intermediate)

This option ranks the second highest in terms of qualitative risk

In project terms it does not present any significant risks. However this option does not respond to key stakeholders' aspirations.

In financial terms this option does not present any significant risks. This option does not respond to stakeholder aspirations, nor does it meet all of the project's objectives.

In service terms such an approach does not pose any significant risks.

Option 4 – Maximum. Closing 3 schools and a new build.

This option ranks the highest.

In project terms it ranks the highest in terms of the following risks – lack of project support and resources. This option would require the most input in terms of support and resources. However this option will respond to key stakeholders' aspirations and meets all of the project's objectives.

In financial terms this option does not present any significant risks.

In planning, building and land risks this option scores the highest - It is to be expected as this option involves significant capital costs (the build cost is higher than the other options). However it does not present any unusual or significant risks. In community terms this option does not pose any significant risks.

In service terms this option does not pose any significant risks. However this option has the highest risk in this category because it will require a new Headteacher and is the most radical, in terms of meeting demand for places.

It can be confirmed that the preferred option is the riskiest; however it does yield the strongest gains and meets stakeholders' aspirations. The Countermeasures have been developed for the preferred option and people responsible for managing risks have been identified in the form of a risk register (included in table 10 in the form of residual risk).

4.9 Main risks

The main business and service risks associated with the potential scope for this project are shown below, together with their counter measures.

Table 12: main risks and counter measures associated with the project

Main Risk	Counter Measures
<p>Project risks</p> <ul style="list-style-type: none"> • Lack of public support • Lack of political support • Lack of officer resource 	<p>Undertake a high profile community consultation and engagement processes to secure strong support from key stakeholders. This should ensure they are kept informed and any issues raised can be captured and dealt with where appropriate.</p>
<p>Financial risks</p> <ul style="list-style-type: none"> • WG does not approve the business case • Match funding stream fails to materialize • Underestimated project budget 	<p>Engage in continual dialogue with Welsh Government and Local Members.</p> <p>Acceptance of proposals at corporate level: project details to be included in the Medium Term Financial Plan and allocation through the IoACC Capital Allocations process.</p> <p>Seek realistic estimates of potential capital receipts.</p> <p>Undertake regular reviews of the market and projections.</p> <p>Develop compelling Business Cases.</p>
<p>Planning, building and land risks</p> <ul style="list-style-type: none"> • Failure to attract sufficient number of private sector bidders • Construction time delays and time over runs • Planning refused • New sites fail to be negotiated from the short listed sites • Unforeseen site conditions • Design does not meet specification • Variations requested by Council effects project • Developing on site occupying Local Authority owned building at risk 	<p>Approach planning officers for advise at key stages</p> <p>Use of Contractor Framework for procurement – to ensure sufficient numbers of bidders.</p>

<p>Community</p> <ul style="list-style-type: none"> Community activities cease due to change of location and accessibility issues 	<p>Regularly monitor the progress towards delivering the expected benefits, as realized in the Benefits Delivery Plan.</p>
<p>Service</p> <ul style="list-style-type: none"> Failure to recruit a suitable headteacher Insufficient provision to accommodate / respond to predicted demand. 	<p>The design will be sized and scoped so as to provide sufficient suitable accommodation to respond to predicted demand.</p> <p>Early and continued regular communication with staff directly and via school committees, governors and forums will be undertaken so they are fully aware of the changes ahead . The Authority will ensure that the headteacher to be appointed for the new school will know what is proposed for the school building and will consult with the existing headteachers and staff over the design specification for the new school.</p>

4.10 The preferred option

The results of investment appraisal are as follows:

Table 13: summary of overall results

Evaluation Results	Option 1	Option 2	Option 3	Option 4
Economic appraisals	£508k	£1,340	(985)	£4,113
Benefits appraisal	0	170	250	880
Risk appraisal	34	89	128	238(Residual 159)
Overall ranking	2	3	1	4

Based on the overall option appraisal conducted, the Authority's preferred solution is for a new build school for 525 pupils with a 60 place nursery. This will cater for the growth in pupil numbers and ensure that surplus places remain at 10% or less, as the three current schools in the Holyhead catchment area are scheduled to close.

This option is preferred because it would realise the investment objectives and critical success factors. It is also the pragmatic solution as it uses a central location and is mindful of the impact on the community. The main benefits to stakeholders / users is the provision of a much improved, flexible and fit-for-purpose teaching and learning environment, appropriate for the delivery of a modern curriculum, in area in much need of regeneration and renewal.

4.11 Sensitivity analysis

The method used was:

- a) 'switching values'

4.11.1 Results of switching values

Table 13 shows the values (in %) at which the preferred option would change in the overall ranking of options.

Table 14: changes (%) required to equate with the preferred option

Change in Costs (%)	Option 1	Option 2	Option 3
Capital costs	N/A	0	-64%
Current costs	N/A	0	
Total costs	N/A	0	-64%
Cash releasing benefits	N/A	0	131%
Non releasing cash benefits	N/A	0	N/A
NPV/C	N/A	0	

4.11.2 Key observations

A change / variation in capital cost is most likely to change the best outcome from a financial perspective. A 64% change in capital costs would be required to change the preferred option if everything else was to remain consistent. A 131% change in cash releasing benefits would be required to change the preferred outcome if everything else was to remain consistent.

4.11.3 Results of scenario planning

The table below summarises the results associated with increasing uncertain costs by 20% and reducing uncertain benefits by 20%.

Table 14: Summary of results from scenario planning

	Option 4 – benchmark (Maximum)	Option 3 – (Intermediate)
Sensitivity analysis on benefits	5,715	(637)
Sensitivity analysis on costs	3,858	(1,065)
New order in ranking	2	1

4.11.4 Key observations

These are: If Capital costs for both options is 20% higher than anticipated, the preferred option from a financial perspective remains the same, and in fact, becomes even more favourable. If Capital Receipts for both options is 20% higher than anticipated, the preferred option from a financial perspective remains the same, however the margin has reduced slightly.

4.12 Preferred option

The preferred option remains as option 4 (maximum - the Closure of the three schools and transferring the pupils to a new primary school within the combined catchment area). The Authority has considered the options of refurbishment and remodelling, as explored further in the economic case. Although the intermediate option may be cheaper and addresses existing problems, they do introduce constraints, such as the structural layout cannot accommodate the various learning styles/ space required to meet our investment objectives; the inconvenience of the building's location to the community and they don't provide a sustainable solution for the future.

5. THE COMMERCIAL CASE

5.1 Procuring Band A

As detailed in the SOP, in addition to this project, the following schools have been prioritised as Band A:

- New Build Primary School North West Anglesey (140 places + nursery), with the closure of 3 existing schools;
- Remodelled Primary School South East (210 places + nursery);
- Remodelled Primary School South West 1 (150 places + nursery),
- Remodelled Primary School South West 2 (230 places + nursery),

The Authority has been considering what options it has in procuring Band A of the Schools Modernisation Programme; these options are:

- To let a single contract for all the five schools in the band;
- To let two contracts – possibly one for the new build schools and one for the remodelled schools;
- To let separate contracts for each school;
- A combination of the above.

It is important that the Authority procures a “quick win” in order to show to parents and other stakeholders that the 21st century schools planned for the island will be a significant improvement on the school buildings which are to be closed. Furthermore, the Authority wishes to demonstrate that there is a private sector market for building schools on the island and to show to potential bidders that Anglesey can deliver and that consequently the future contracts proposed are desirable. The Authority wishes to demonstrate the programme will be successful, and believes that by procuring this school as a single procurement, the Authority will be able to demonstrate that the school rationalisation programme is well managed.

The Authority is progressing with its plan for a new build school in North West Anglesey (Llannau) and, as the Holyhead school is proceeding on a similar timescale, it considered a joint procurement. The North West Anglesey (Llannau) school is being designed by the in-house Architectural Team however, a Design & Build approach is being adopted for the Holyhead School as there is insufficient capacity to design both schools internally. The Authority approached the market and from its market soundings it has concluded that on the basis of two single, separate new build school procurements will attract more interest from the private sector and from small and medium enterprises on the island.

The Authority will use the North Wales Schools and Public Buildings Contractor Framework to cut down procurement time and costs. The Authority has considered grouping this project with another school project with a neighbouring Authority. The Framework Contractors were consulted on this collaborative proposal to tender two projects together and were approached, through the Framework Manager, to submit their views on possible benefits. The feedback received indicated that the benefits that can be associated to this process would be no greater than those that would be taken from full collaboration through the framework if the schemes were tendered individually. There was also some concern from one contractor who was bidding for contracts within Lot 1 (£4.322m > £7.5m) of the Framework that combining these

two schemes under one tender would mean that only Contractors within Lot 2 (£7.5m > £15m) could tender and would result in them losing one opportunity to bid. The proposals were discussed at the Framework Strategic Board and the Framework Operational Board. Based on the feedback received, it was decided not to group the two projects.

A mini-tendering process through the Framework was the preferred option and the tenders were advertised in late September and a preferred bidder has been appointed.

5.2 Procurement Options for the New Primary School for Holyhead

We believe that the procurement of the single contract will be straightforward and is a method which the Authority is used to using. It has attracted small to medium enterprises because the project is not complex. We will realise community benefits through this procurement (see 5.6). The Authority will use the local Framework to let the contract.

The Authority's In-House Architectural Design Team has delivered hugely successful new build school projects in recent years. Due to current workloads and commitment to the design of the North-West Anglesey new school, a decision has been taken to procure this scheme as a Design & Build Project. The Architectural Design Team will have full involvement in the tendering process, project management and administration.

By choosing the Design & Build Procurement route, the Authority is open to a traditional or a standardised design solution for this project. Two of the tendering contractors have specialist standardised design systems which would work for the new build element of the project. The tenders are assessed on design, programming, quality and price and process will give the Authority an opportunity to compare all the benefits for the different build options and to select the best value solution.

5.3 The Specification for the Build

The Authority's architects have put together a draft specification for the building. It is proposed that the school design shall include:

- Sixteen standard classrooms @ 60m² each;
- Two Reception classrooms @ min 60 m² each;
- One nursery classroom @ min 70 m².

It is proposed that the Nursery and two Reception Classrooms will be housed in the Grade II Listed Building. There are three classroom spaces available within the building – each being 100 m² which exceeds the minimum requirements and can accommodate useful storage space. Locating the Nursery and Foundation elements within this building will allow shared use of the refurbished multi-use hall areas – each being approx. 100 m². CADW has specified that these 3 halls in the Cybi block will have to be reinstated, as much as possible, to their original condition.

Cybi Block Listed Building to be refurbished in accordance with CADW requirements and examples of works to be carried out as follows:

- Prepare and repointing of listed boundary wall and gate piers, with new stone ball finials to piers and new entrance gates and railings to match on top of existing walls.
- Cleaning of all external walls and repointing of brickwork as necessary.
- Cleaning and refurbishment of existing cast iron and rainwater goods and the /replacement of upvc sections with cast iron to match originals.

- Repair / replacement of existing windows with new double glazed safety glazed units to CADW approval.
- Removal of all roof finishes, replace any defective timbers and re-lay new felt and battens and re-use existing slates.
- New solid concrete insulated floors throughout.
- Re-plastering of internal walls throughout.

A new modern two storey building will be constructed to the rear of the Listed Building and will house the 16 no. new classrooms required. The new building is to be of modern construction and finishes and will be in complete contrast to the traditional finishes of the listed building. The new building will be constructed to meet BREEAM Excellent standards and will be linked to the Listed Building with a modern lightweight link corridor.

The areas and space usage within the new building will include the following:

- 18 Classrooms @ 60 m² each;
- A main hall @ 180 m² (for lunch provision and for use as a gymnasium);
- A resources room @ 60 m²;
- A flexible open learning zone @ 70 m²;
- A flexible specialist zone @ 60 m²;
- A small group room @30 m²;
- 8 quiet rooms off classrooms
- 1 nurture group room
- 3 SEN small group rooms
- 3 small group rooms

In addition, the following non-teaching areas are assumed:

- Kitchen with stores, staff office and toilet; server area; hall storage;
- Reception Office (and photocopier); headteacher office; interview/parent room;
- Medical /[SEN] /Hygiene room;
- Staff/community room (The Authority also wishes to site the community facilities such as the community room, WCs and the school hall towards the front of the building to prevent access to the classrooms.)
- Visitor/staff toilets.

External areas will include – off-site playing fields shared with the Secondary school, MUGA Games area, hard play areas, soft play areas and a habitat area. Play areas for the nursery children will be segregated.

The School Buildings and external areas will be designed to comply with the areas, requirements and standards as set out in :

21st Century School requirements and guidance

- Building Regulations 2000 for England and Wales and Approved Documents
- Building Bulletin 93 Acoustic Design of Schools – design guide, DFES, 2001
- Building Bulletin 99 Briefing Framework for Primary School Projects
- BB100 Designing and Managing Against the Risk of Fire in Schools
- Building Bulletin 87 Environment

- Building Bulletin 90 Lighting
- Building Bulletin 91 Access for Disabled People to School Buildings Management & Design Guide, DFES, 1999
- Building Bulletin 94 Inclusive School Design, DFES, 2001
- Building Bulletin 101 Ventilation
- Building Bulletin 102 Designing for Pupils with Special Educational Needs, DFES, 2005
- BREEAM Excellent requirements for the new build element
- CADW requirements for the Listed Building element

5.4 Contract Strategy

The North Wales Schools and Public Buildings Contractor Framework (“NWSPBCF”) was used for the procurement process. The Framework was used to appoint contractors for major construction works over £4.35m. The NWSPBCF is a list of pre-qualified contractors that all North Wales Authorities or any regional Public Sector Body can utilise without having to go through an OJEU process, resulting in significant cost and time savings. The framework is a collaborative project funded by Welsh Government Department for Education and Skills (21st Century Schools Programme) and is led by Denbighshire and Flintshire County Councils on behalf of the 6 North Wales authorities.

Alongside the regional framework, the principles adopted through the Framework will be applied to projects valued below the OJEU threshold across the region. This will ensure consistency, drive delivery of the community benefits, develop continuous improvement and set new benchmarks for best practice.

The framework is now operational and will be in place for four years (with a break clause to review after 2 years).

The Authority has considered grouping this project with another school project with a neighbouring Authority. The Framework Contractors were consulted on this collaborative proposal to tender two projects together and were approached, through the Framework Manager, to submit their views on possible benefits. The feedback received indicated that the benefits that can be associated to this process would be no greater than those that would be taken from full collaboration through the framework if the schemes were tendered individually. There was also some concern from one contractor who was bidding for contracts within Lot 1 (£4.322m > £7.5m) of the Framework that combining these two schemes under one tender would mean that only Contractors within Lot 2 (£7.5m > £15m) could tender and would result in them losing one opportunity to bid. The proposals were discussed at the Framework Strategic Board and the Framework Operational Board. Based on the feedback received, it was decided not to group the two projects.

The Authority has selected a Design & Build Procurement route, and will consider a traditional or a standardised design solution for this project. Two of the tendering contractors have specialist standardised design systems which would work for the new build element of the project. The tenders will be assessed on design, programming, quality and price and process

will give the Authority an opportunity to compare all the benefits for the different build options and to select the best value solution.

Having decided upon a preferred procurement strategy, the project has been registered on the North Wales Construction Framework, where five of the Contractors within Lot 2 declared an interest in the project. A Framework briefing meeting took place with the contractors giving details of the site, history, brief, programme and budget. Tenders were invited in October. Unfortunately two of the contractors withdrew, but three tenders were returned on the 14th November and Wynne Construction is the preferred bidder. Initial Survey Works have already been carried out – Listed Building Condition Survey, Site Topographical Survey, Ground Investigations, Ecology Survey and Traffic Assessment. These documents were issued as part of the Tendering Package to the contractors. Early consultation has also taken place with the Planning Department, Highways Department, CADW as well as Community Benefits Môn and Job Centre Plus with regard to Community Benefits.

On recent successful projects, early contractor involvement has been key to project delivery. By using a Two Stage tendering process on this project, it allows the Authority to work with the selected contractor through the detailed design process to look in detail at the buildability and the programming of the project.

5.5 Evaluation of Bidders

Bidders have already been evaluated on their experience and suitability during the Framework Tendering and Interview process. As part of the mini tendering competition, they will now be evaluated in accordance with the following project and site / location specific criteria:

- **Conceptual Design Proposals for the scheme** – Contractors will submit a Conceptual Scheme Design to include the Architectural Building Design, external works, landscaping, building massing, outline specification of construction materials, conceptual building services design, structural principles, brief description of each Engineering System included and a narrative explaining the energy saving features of the design.
- **Project Procurement and Programming** - Defining the specific benefits which each contractor engaged as design and build contractor can bring to the new build Holyhead Primary School project. In particular, identifying those specific measures to be implemented to ensure a close collaborative working environment is established between Client, Design and Delivery Teams to ensure the most cost effective design solutions are adopted. Contractors will also be evaluated on their expertise in resolving any buildability issues which may add value to the procurement process and will also be required to demonstrate how their input into value engineering of the design will result in beneficial outcomes for this project in terms of future maintenance implications especially in the area of life cycle cost planning. Contractors will also be requested to submit an outline programme – identifying key programme delivery dates.

- **Contractor Delivery Team** - The names, job roles, relevant qualifications and experience of the people (both site and office based) allocated from within each organisation to work specifically on the Holyhead New Build School project.
- **Community Benefits** - CORE (Targeted Recruitment and Training) - On this particular site and project what will each contractor do to maximise the Targeted Recruitment and Training opportunities
- **Price** –Each tendering contractor has submitted a tender price based on the design and construction costs of the proposals detailed within their conceptual design and included full design team costs, preliminaries and elemental construction costs and percentage additions for overheads and profit..

5.6 Community Benefits

The flow chart overleaf describes the process the Authority will follow in relation to Community Benefits. The process is the best practice recognised by Value Wales and implements the Sustainable Procurement Policy.

The Authority is committed to maximize the value of every pound the Local Authority spends, and this can be realized through the use of community benefits. Community Benefits is the “goodwill’ contribution donated voluntarily by a developer for the benefit of the community. It is the Authority’s intention to seek funding and or in kind contribution from developers towards local community initiative(s) in the project area, and this in turn can promote social, economic and environmental wellbeing.

The Authority will incorporate community benefits into the Procurement exercises, in the form of a social clause included in the contract (community benefit clauses to be included as core part of the contract). To allow Anglesey to meet the priorities set out regarding Community Benefits it is a **requirement (core)** that the contractor delivering the New Holyhead School will:

- Provide 78 weeks Apprenticeships/ work experience/ training and/or employment for disadvantaged groups (long term unemployed, NEETS, disabled, economically inactive) for every £1m spent.
- Produce a Community Benefits Plan and Targeted Recruitment and Training method statement.

In meeting these requirements for the Holyhead Area, the Tender Documentation has focused on the tackling Poverty Agenda and the Lift Programme (tackling workless households) as key priorities for the Authority. The Lift Programme is only in 9 Community First cluster areas across Wales, Anglesey being one of them, which supports workless households into work and to find the right opportunities. Contractors are encouraged to work with the following enterprises to deliver the requirements:

- Communities First
- Business Wales
- CITB

- Jobcentre Plus
- Techniquet Glyndwr
- Wales Co-operative Centre

Other priority areas (**non-core**) to be considered include:

5.6.1 Wider employment benefits

In addition to the mandatory requirement above there is a drive to ensure that contractors ensure:

- retention of existing workforce and providing measurable improvements and up skilling in workforce.

5.6.2 Maximising supply chain opportunities for SMEs

Opening up opportunities for SME's to form part of the supply chain is key to driving economic development in the Holyhead region, therefore it is expected that a contractor would:

- Advertise subcontracting opportunities on Sell2Wales
- Ensure fair payment to contractors through adoption of the Fair Payment Charter.
- Using Business Wales to hold 'Meet the Buyer' events.

5.6.3 Education, Community and Environmental Benefits

The driver for the Framework Contractors is delivering excellent educational building therefore it is expected that the successful Contractor will contribute to this agenda in Holyhead and also secure other positive outcomes that would benefit the local community and environment by:

- Providing input into curriculum development through supporting learning in key topic area - Numeracy and Literacy
- Ensure contribution to education by running workshops on key area of skills such as sustainability, design, environmental and social considerations
- Work with local schools and colleges and universities – work experience/ mentoring/ careers fairs/ site safety etc.
- Contribution to community and environmental regeneration or engagement schemes that are of benefit to the local and wider community, for example through providing labour to develop key projects.
- Reduce and monitor waste to landfill, use and source recycled material for projects, aim to minimise travel and reduce water usage on site.

It is recognised that Community Benefits can be an array of opportunities and in order to maximise opportunities for the new area school in Holyhead project and to ensure a holistic approach the project team will link with other WG priorities and strategies designed to tackle worklessness and unemployment such as the LIFT Programme and workless households and the Tackling Poverty agenda. Partnership engagement will also be an integral part of the Community Benefits process in order to involve all interested parties in a process impacting on

their community, and opportunity to maximize the value of LA spending and regeneration investment (a potential VVP contribution).

The Authority will use the North Wales Construction Framework to legally manage Community Benefits. All community benefits activities will also be included in the overall project plan and monitored accordingly by the Education Transformation Board.

Figure 1 North Wales Framework Community Benefits Process.

North Wales Framework Community Benefits Process

- **Targeted Recruitment and Training**—78 weeks of apprenticeships/work experience/ training and/or employment for disadvantaged groups, long term unemployed, NEETS, disabled, economically inactive for every £1m spent
- **Supply Chain Initiatives**
 - Open opportunities to bid for SME's - advertise Tier 1 on sell2wales
 - Organise meet the buyer events
 - Promote equality and diversity through supply chain
 - Embed the use of the Fair Payment Charter (principles from National Construction Procurement Strategy)
- **Promotion of Social Enterprise & Supported Business**
- **Contribution to Education**
 - Education-Work placements
 - Volunteering at school/college open days and events
 - School Visits
 - Support for Curriculum topics- Numeracy and Literacy
- **Community Initiatives (environmental)**
 - Site visits
 - Community Days
 - Wider Community Initiatives

PRIORITY SETTING MEETING— PROJECT TEAM
 Procurement, regeneration, Communities First, Client (educationalist), Research/policy team, Design, consultants, Employment (Job Centre Plus), Planning, Training officers

AGREED CLIENT PROJECT SPECIFIC PRIORITIES :
TR&T— Which target groups do you want/need to target as part of the 78 weeks target? Add into Mini competition question....with a particular emphasis on xxx target groups
Other Community Benefits—agreed priorities and fill in on CB Programme Template (see template)
AGREED P/Q Weighting—CB Element

- COMPLETE MINI COMPETITION TEMPLATE**
- Complete TR&T Target Groups— in Q3 in template
 - Complete Other Community Benefits priorities— add into the Client priority section of the COMMUNITY BENEFIT PROGRAMME
 - Ensure in the project description you give some socio economic data and/or issues that the school or LA is trying to achieve in the area, this sets the context for why we are asking the contractor to focus on particular priorities (i.e. a focus on NEETS (Not in Education and Training) due to high 16-24 unemployment figures or high social deprivation in the areas (due to communities first status etc)
 - Sign post the contractors to particular contacts to support the delivery against priorities (Job Centre Plus etc)

ISSUE MINI COMPETITION

- TR&T —EVALUATE**
- Q3— How the contractor will achieve the 78 week target with the priority groups you have identified

- COMMUNITY BENEFITS PROGRAMME— CANNOT EVALUATE**
- Community Benefits Programme— Programme of wider Community Benefits

- AWARD STAGE-**
- Appoint successful contractor
 - Client and Contractor meeting to complete Employment and Skills Plan— set targets NCSA -CITB
 - CB Programme form condition of contract
 - Ensure CB Measurement tool is completed every 12 months or at the end of the project which ever is first
 - Client support contractor to deliver against priorities and targets

Project specific Community Benefits

5.7 Proposed Key Contractual Terms

The Authority will let a Fixed Cost contract for this project, using the JCT standard form. The JCT standard form proposed, incorporates the following key contractual clauses:

- **Price:** The contractor bears the price risk, as it contracts to provide a building for a fixed price.
- **Payment:** Likely to be on a milestone basis.
- **Delay:** : the Authority will specify a contractual construction period and the date by which time the school will need to be completed, open and ready for pupils to attend; the construction period will be discussed and agreed with the preferred bidder prior to appointment
- **Subcontractors:** the Contractor will be responsible for managing any subcontractors which they employ;
- **Furniture, Fittings and Equipment:** All fixed furniture, fittings and equipment will be included within the main contract.

5.8 Personnel Implications (including TUPE)

This is a straightforward build contract, with no transfer of facilities management services, therefore whilst staff will be affected by the closure of the three schools, any costs arising and TUPE implications will be addressed by the Authority outside of this financial case.

5.9 Procurement Timetable

Subject to agreement of the SOC, it is projected that the procurement will progress in accordance with the following timetable:

Task	Date
Compete formal consultation on school closures	27 July 2014
Ground Investigation Survey	July 2014
Ecology Survey	July 2014
Traffic Impact Assessment	August 2014
Issue statutory notices for school closures	September 2014
Tender documents completed	October 2014
Tender invitation	07 Oct – 14 Nov 2014
Tender Evaluation	17 Nov – 26 Nov 2014
Contractor Stage 1 Appointment	01 Dec 2014
Contractor Design Team Detailed Design	01 Dec – 01 May 2015
Submit OBC to Cabinet	December 2014
Approval of SOC by WG	January / February 2015
Consult with staff, governors and parents on design of new school	January - February 2015
Planning Application Submitted	Feb 2015
Planning Application Determined	May 2015
Contractor Stage 2 Appointment	04 May – 15 May 2015
Contractor Mobilisation	18 May – 29 May 2015
Commencement on Site	01 June 2015

Construction Period	14 Months
Construction Completion	26 August 2016
Commissioning	23 July – 26 Aug 2016
Formal closure of the 3 schools	July 2016
New School Opening	5 th September 2016

6.0 THE FINANCIAL CASE

6.1 Introduction

The purpose of this section is to set out the indicative financial implications of the preferred way forward, as set out in the economic case, on the basis as set out in the commercial case. Further detailed analysis of the financial case including affordability will be set out within the Final Business Case stage.

6.2 Estimated Cost of the Preferred Option

The Authority estimates the cost of the school to be £8,410k. This is based upon the preferred site (Cybi site). This site consists of the development of a Grade II listed building along with a new part of the school to the rear. The cost estimate comprises:

New Build Area School Cost Estimate	
Preliminary Studies – Site Investigation (Topo Survey, Ecology Survey, Condition Survey, Traffic Assessment etc)	£33,000
Construction Costs	
Listed Building Refurbishment (including demolition)	£1,634,000
New 2-storey Extension (2,680m ² x £1,750)	£4,690,000
Staff/Parent Parking	£750,000
Glazed link between old building and new	£125,000
Sprinkler Installation	£200,000
Contingency @ 5% of Construction costs	£370,000
Total Construction Costs – Building only	£7,802,000
Professional Fees	
Fees @ 3.4% of construction costs - internal and specialist	£263,000
Contractor Pre-Construction Fees	£175,000
Total Professional Fees	£438,000
Other Costs	
Fixtures and Fittings	£70,000
ICT Equipment	£100,000

Total Other Costs	£170,000
Total Project Cost	£8,410,000

The construction cost is £1,892 per m² or £12,690 per pupil

The cost of the school has reduced by £2.630m (24%) from the sum estimated in the Authority's SOP of £11.040m. This stems from further discussion with the Welsh Government, downscoping of size requirements and more detailed analysis of costs. It also benefits from location near the High School.

Funding from the Viable and Vibrant Places Programme (VVP) of £452,000 will potentially be available over 3 years. An allocation also needs to be retained for the submission of planning applications for the other 3 school sites when they become vacant at £16,000 per site. Therefore a VVP contribution of £500k could be available towards the scheme. From this - the spend requirement for 2014/15 may be used on possible additional, survey works, highway improvements and fees.

6.3 Impact on the Authority's Income and Expenditure Account

Although the construction period is 12-18 months, the anticipated payment stream for the project is over 4 financial years as follows:

Summary Financial Appraisal

£k	2014/5	2015/6	2016/7	2017/8	Total
	£k	£k	£k	£k	£k
Preferred Option:					
Capital Cost	348	4,689	3,265	108	8,410
Revenue Cost Implications			-64	-110	-174
Total	348	4,689	3,201	-2	8236
Funded by:					
Existing Budgets			-64	-110	-174
Additional Funding	348	4,689	3,265	108	8,410
Total	348	4,689	3,201	-2	8,236

Note: The capital cost incurred in 2017/8 represents the assumed final payment after the expiry of the defects liability period.

6.4 Impact on the Authority's Balance Sheet

The proposed capital expenditure will be shown on the Authority's balance sheet. It is expected that the three existing school buildings and sites currently valued at approximately £1,462,000 will be removed from the balance sheet as the schools are closed and the sites disposed of.

6.5 Overall Affordability

The intention is that this capital cost is funded 50% through the WG 21st Century Schools programme, and 50% through the Council's capital resources.

It is estimated that the WG's capital contribution will be phased as follows:

- 2014/5 £nil
- 2015/6 £3,009k
- 2016/7 £1,138k
- 2017/8 £58k

The Authority's funding requirement of £4.205m is currently expected to be funded by means of:

- £2.805m unsupported borrowing (additional borrowing which does not attract government grant);
- £1.4m in capital receipts from the sale of surplus sites.
- The Authority will also fund the one off costs of closing the existing schools and the transitional costs involved in opening the new school. This is estimated at £250k.

The expected revenue savings from this project are estimated at £110k, made up of:

- approximately £110k pa. based on the current schools funding formula;

The school's funding arrangements and related budgets will be reviewed to ensure that the maintenance and servicing requirements are taken into account.

There are no additional transport costs.

7. THE MANAGEMENT CASE

7.1 Introduction

The new area primary school in the Holyhead is the second project in Band A of the Authority's School Modernisation Programme.

The project is part of the initial band of projects included in Band A of the Welsh Government 21 Century Schools Programme, currently planned for delivery in 2014 – 2019/20.

7.2 Programme Governance

The Authority has an overall project management and governance system in place for the School Modernisation Programme that is sufficiently robust to ensure that progress is made; adequate and appropriate resources are engaged; key stakeholders are informed and involved as appropriate, and that decisions can be made in a timely manner. The arrangements reflect and recognise the scale of the spending commitment involved, the complexity of the consultation and the breadth of issues raised in the course of delivering this project. This is set out in Figure 2 overleaf. The governance arrangements are currently being reviewed in the light of the recommendations from the recent Gateway Review (see section 7.10) and will be simplified over the next few months.

Membership of the Education Transformation Board is set out below:

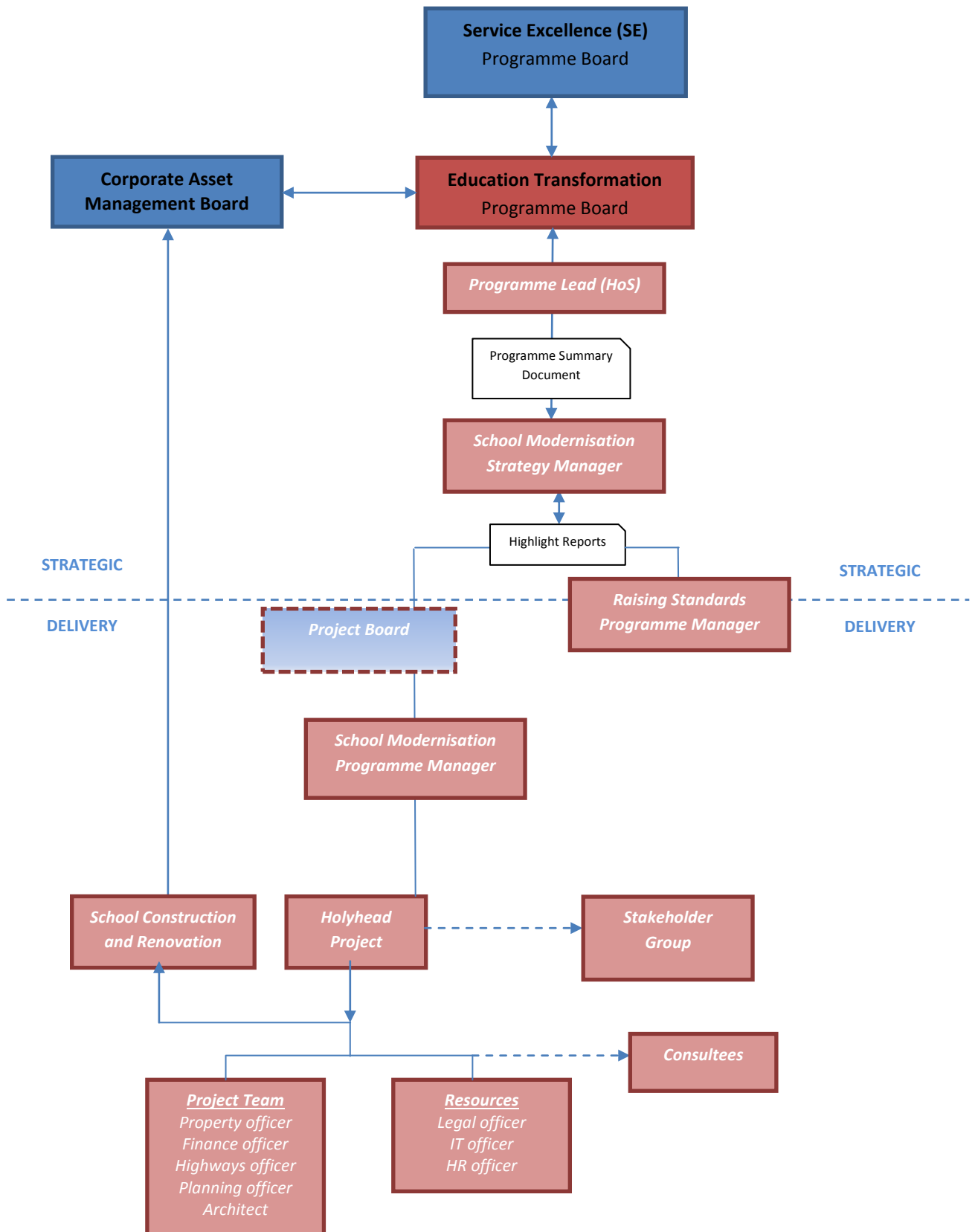
Education Transformation Programme Board

Role	Member
Senior Responsible Owner	Corporate Director of Lifelong Learning
Senior Supplier	Head of Service, Environment & Technical
Senior User	Head of Service, Education
Board Member	Deputy Chief Executive
Board Member	Executive Member (Portfolio Holder)
Board Member	Scrutiny Member
Board Member	Section 151 Officer
Board Member	Head of Service(s), Children's Services

In addition, the following are invited to attend Board meetings:

- School Modernisation Strategy Manager
- Corporate Programme and Business Planning Manager
- School Modernisation Programme Manager
- Chair of Primary and Secondary Schools Strategic Group
- External Representatives: Llais Ni (Youth Council) Development Officer
- Welsh Government representative

Figure 2: Programme Governance



The Transformation Programme Boards (the Education Transformation Board reports into the Service Excellence Board) are the drivers of change and improvement within the Authority and are responsible for ensuring the delivery of the Transformation Plan, incorporating the Council's corporate plan and organisational change agenda.

The Transformation Programme Boards provide oversight, direction and make recommendations to the Senior Leadership Team (SLT) and the Executive Group on funding change programmes and projects. This will give confidence that anticipated benefits to the Council and communities on Anglesey are being realised and ensure that activities are delivered in accordance with Anglesey's corporate objectives and transformation culture themes.

7.3 Project Management

The project is managed as part of Band A, to which the Authority has applied PRINCE 2 methodology. The School Modernisation Strategy Manager and the School Modernisation Programme Manager are qualified PRINCE2 practitioners. An internal project team has been assembled based upon their range of skills and knowledge and their project management experience. A Programme Manager was appointed in March 2014 from within the Authority. The core members of the internal project team comprise of the following:

Core Project Team

Title	Skills	Project Role
Senior Responsible Officer Gwynne Jones Corporate Director of Lifelong Learning	LA officer with experience of dealing with standards and school improvement and school modernisation	Provides sponsorship and leadership of the project and is ultimately responsible for the successful delivery of the programme. The SRO reports to the project boards on the project
Strategic Programme Manager Emrys Bebb	PRINCE 2 Practitioner (re-registered January 2014) with 15 years' experience of project management in the private and public sectors.	Responsible for the overall co-ordination of the programme, ensuring that the projects are delivered effectively and on time throughout the various stages. Provides strategic input and direction and key project management areas that are integral to the success of the project.
Project Manager Nonn Hughes	MA in Change Management and a trained PRINCE 2 practitioner. Currently on a 3 year secondment to the Corporate Transformation Team.	Responsible for the day to running of the phases of the project and lead and co-ordinate to make sure that their project is delivered to time and budget. Works closely with the Programme Lead to and reports on

Title	Skills	Project Role
		progress and issues including consultation. Specific responsibilities include producing project plan, communications plan, risk register and all other relevant documentations. The project manager will lead on clarifications and evaluations of the project.
Architectural Services Manager Gareth Thomas	Chartered RIBA Architect with 18 years' experience working on Education Projects for the Authority and 11 years' experience working in the private sector.	Leads on design and construction issues.
Planning Development Manager Dewi Francis Jones	25 years' experience as a professional coordinator within the Authority. MSc Environmental Planning and Diploma in Change Management. Full membership Royal Institute Town Planning.	Leads on planning issues
Valuation Officer T Dylan Edwards	BSc (Hons) MRICS First Class Honours degree in Real Estate Management Chartered Surveyor specialising in Commercial Property Main responsibilities include dealing with land and matters concerning property valuation, land ownership, purchasing, disposal and tenancy arrangements.	Leads on site acquisition
Chief Networking Engineer Huw Percy	B.Eng(Hons), C.Eng., C.Env., MICE. Chartered Civil and Environment Engineer Responsible for: - Traffic, Parking, Road Safety, developmental management, Public Footpaths, Anglesey Coastal Path, Highways improvements	Advises on highways and traffic issues.
Finance Manager Paula Gledhill	L.L.B degree and fully qualified chartered accountant (ACA-ICAEW). 9 years accountancy experience, 4 years in private practice working in business advisory and assurance services and 5 years working in local government finance function covering a range of areas including	Supervising, guiding and providing direction to Senior Education Accountant. Providing cover in absence. Checking figures Produced.

Title	Skills	Project Role
	internal audit, capital, treasury and financial planning and modelling.	
Senior Education Accountant Arwyn Hughes	CIPFA Student member with 6 years' experience working in Local Authority Finance.	Provide and review information regarding potential revenue costs and savings associated with the project.

In addition to the core team, the project has access to the following specialist external resource:

Additional Specialist External Resource

Specialist External Resource	Project Role
Quantity Surveyor (Mechanical and Electrical)	Manage all aspects of the contractual and financial side of the construction
Construction Design and Management Coordinator	Advise on construction Health and Safety matters
Structural Engineer	Responsible for building structures and substructures
Civil Engineer	Advises on highway and construction issues
Fire Consultant	Advise on all fire safety matters
Acoustic Consultant	Advises on acoustic design and building performance.
Traffic Impact Assessor	Responsible for identifying all transport issues and propose measures to deal with the issues
BREEAM Assessor	Offer BREEAM related advice, and rate the environmental sustainability of the construction.
Ecologist	Advise on all ecological issues

The Authority has decided to resource the project using in-house resources to ensure that its staff retain expertise and knowledge to write the future SOCs. It has used Local Partnerships to help produce the SOP and this SOC. Local Partnerships have provided external challenge to the Authority and will support the Authority throughout the project development and delivery process, and will assist in drafting the specifications for external advisers and in interviewing candidates if required by the Authority.

The Authority will seek to complement its Design Team through collaboration with the other five North Wales authorities. If there is no surplus capacity within the authorities, external consultants will be appointed from the North Wales Procurement Partnership Consultants' Framework. The Authority would be looking to outsource Structural Design, Building Services Design, CDMC Consultants, Quantity Surveying Services, BREEAM Assessors and Landscape Architects. Other specialist consultants would be appointed as and when required.

7.4 Outline Project Plan

The Authority appreciates the complexity of the programme and has broken down the key tasks within Band A as follows:

- **Planning stage:** the Authority has had its SOP approved and has submitted its SOC for the first project. The Authority intends to produce additional SOC/OBCs for the other four schools in Band A and then the Full Business Cases (FBC) for the projects in Band A.
- **Set up, consultation/ preparation stage:** The statutory or formal consultation period for the closure of the three schools began on 31 March 2014 and ran to 19th May 2014. The Authority has put together its internal project team, is working on its procurement documents and will continue the informal and formal consultation pursuant to the Band A projects. The process of designing the brief will be developed in partnerships with key stakeholders including teachers, governors and pupils.
- **Procurement stage:** the Authority has considered whether to group all Band A projects in one tranche or whether to consider each project separately. As set out in Section four of this OBC, the Authority believes that approaching the market on the basis of a single, new build school will attract interest from the private sector including from small and medium enterprises on the island. However, it is also progressing with its plan for a new build school in North West Anglesey and both are proceeding on a similar timescale, therefore it is considering whether running a single procurement for the two schools is feasible.
- **Construction phase:** once this phase is reached, the project will be delivered by the School Construction and Renovation team and will continue to be project managed and monitored by the School Modernisation Team..

The outline project plan for the Holyhead area primary school is set out below:

Outline Project Plan

RAG STATUS KEY: Red - Overdue; Amber - On Track; Green - Completed

Task	Date
Compete formal consultation on school closures	27 July 2014
Ground Investigation Survey	July 2014
Ecology Survey	July 2014
Traffic Impact Assessment	August 2014
Submit OBC to the Executive Committee	December 2014
Issue statutory notices for school closures	January 2015
Approval of SOC by WG	January / February 2015
Consult with staff, governors and parents on design of new school	January - February 2015
Detailed design	December 2014 – May 2015
Soft market testing	November 2014
Tender invitation	October – November 2014
Planning application submitted	February 2015
Planning determined	May 2015

Task	Date
Appointment of contractor - Stage 1	01 December 2014
Appointment of contractor - Stage 2	04 May – 15 May 2015
Construction period	14 months
Formal closure of the 3 schools	July 2016
New school opens	September 2016

7.5 Planning

The Contractor will develop its design in discussion with planners and will arrange consultation events on the design for parents, pupils and local residents as part of the process. The Authority intends to apply for full planning permission in February 2015.

7.6 Risk Register

The project team have compiled a risk register for the programme. The register will be managed, monitored and controlled by the Strategic Programme Manager with individual risks assigned a 'risk owner' who will be the person best able to manage the risk. The Education Transformation Board will review the most significant risks via a highlight report at its meetings. The Programme Manager is responsible for tracking and monitoring the changes in the risks. Risk management is an ongoing activity at project team level and a standing item on future programme boards.

The risks have been broken down into a series of categories such as project risks, financial, planning, building and land, community and service risks. The register uses a traffic light or RAG (red, amber, green) system and multiplies the likelihood of a risk by its impact both on a 1-5 scale giving a maximum red risk score of 25. The format follows OGC best practice guidance.

The current risk register is available as a separate document.

7.7 The Management of Issues

An issue is an event that has happened which was not planned and requires management action. It could be a problem, query or concern affecting all or part of the programme in some way, or a risk that has been realised. All issues raised, from whatever source, will be logged on the issue log which is part of the project manager's management tools. The issues will be raised at project team level and where they cannot be resolved, will be referred to the Education Transformation Board for resolution.

7.8 Stakeholder Support

7.8.1 Support for the Schools Modernisation Strategy

The Schools Modernisation Strategy has the support of the Council, whose Executive approved the SOP on 13 Jan 2014:

Council Minutes:

Submitted - The report of the Director of Lifelong Learning seeking Executive approval regarding the underlying principles of the School Modernisation Strategy and the associated Strategic Outline Programme.

Resolved:

To adopt the underlying principles of the Modernisation Strategy;

To approve the submission of the SOP to Welsh Government;

To authorise the Portfolio Leader for Lifelong Learning to develop a communication strategy to be implemented on approval of the SOP by Welsh Government.

The SOP was approved by the Welsh Government on 31st January 2014.

7.8.2 Support for the New Primary School for Holyhead

In January 2012, the Authority's Board of Commissioners gave officers of the Education Service permission to visit primary schools in Holyhead to consult on options for the primary school educational provision in the area. Consequently, officers of the Lifelong Learning Department held consultation meetings with staff, governors and parents in May and June 2012 and a 6 week consultation period followed and came to an end on July 14, 2012. A report was compiled by officers and presented to the Authority's Education and Leisure Scrutiny Committee at its meeting on October 26, 2012 recommending a new area school. At that meeting, the Education and Leisure Scrutiny Committee resolved:

Resolved:

- ***To recommend Option 10 (merger of 3 schools i.e. Ysgol y Parc, Ysgol Llaingoch and Ysgol Parch. Thomas Ellis in a new school) to the Executive as the Committee's preferred option for formal consultation subject to affordability and to traffic management and road safety issues being satisfactorily addressed.***

- ***To recommend that that new primary school in Holyhead be located on the Cybi site.***

At its meeting on December 10, 2012, the Authority's Executive Committee resolved:

- ***To recommend Option 10 (merger of 3 schools i.e. Ysgol y Parc, Ysgol Llaingoch and Ysgol Parch. Thomas Ellis in a new school) as the Executive's preferred option for formal consultation;***
- ***That the new primary school in Holyhead be located on the Cybi site;***
- ***That prior to going out to consultation, a report be brought back to Executive members as regards the following matters:-***
 - ***land ownership at the three sites,***
 - ***affordability,***
 - ***traffic management***
 - ***road safety,***
 - ***status of the new school and issues***

- *surrounding the preservation order at the former Cybi school site at Holyhead;*

Subsequently, at its meeting on May 19, 2014, the Authority's Executive Committee resolved:

To authorise Officers from the Lifelong Learning Department to move forward to the formal consultation process.

The Council's Executive has given approval in principle to the required level of funding and the County Council, will be asked to confirm the unsupported borrowing at its meeting on 12th January 2015.

7.9 Statutory Consultation

Further to this resolution, the statutory or formal consultation period for the closure of the three schools began on 16 June 2014 and ran to 27th July 2014. This incorporated consultation with pupils, parents, governors, staff, local community and any other interested groups. The Executive Committee approved the formation of a new primary school on 3rd November 2014.

The Authority has consulted with the three headteachers of Ysgol Llaingoch, Parch. Thomas Ellis and Y Parc schools which are due to close. The Authority will ensure that the headteacher to be appointed for the new school will know what is proposed for the school building and will consult with the existing headteachers and staff over the design specification for the new school. Part of the work with the three headteachers has been to keep their governors briefed on the progress of proposals to consult on the closures and on the specification for the new school building. The authority will create a shadow board of governors which will take decisions relating to the new school.

A copy of the Statutory Consultation Document is available as a separate document.

7.10 Gateway Review

A Gateway Review (gate 0), of the Authority's 21st Century Schools Programme was undertaken between 7th – 9th April 2014. The review rated the programme as amber however, the reviewers commented that:

“If this Gateway Review was assessing solely the probability of achieving two school builds, it would likely return a Delivery Confidence of AMBER/GREEN. In the broader sense of achieving the Programme stated outcomes of school modernisation and improvement in education standards, it is assessed currently as AMBER.”

Several Action Points were raised in that Gateway Review and completed in 2 months. An Assurance of Action Plan (A.A.P.) review was held on June 24, 2014 and the review team's assessment was:-

“In the opinion of the AAP Review Team, the Delivery Confidence has improved from Amber to Amber/Green. This assessment is based on the progress made against the original OGC Gateway Review recommendations.”

Signed: 

Date: 10 December 2014

Gwynne Jones - Senior Responsible Owner