PROJECT REF/NAME	Future Forres Academy
PROJECT SPONSOR	Denise Whitworth
COMPLETED BY	Andy Hall
DATE	12 Aug 2022
Project Category	Strategic

The following is to be completed by High Level Governance Board

Approved By/Date	Group or Officer Name	Date of meeting/decision
Approval (choose from drop down menu)	Choose an item.	
Comments	Any relevant comments from the approving authority should be documented here.	

The purpose of the Strategic Outline Case (SOC) is firstly to establish the case for change and the need for the proposal; and secondly, to provide a suggested way forward for the early approval of management providing an 'initial agreement to proceed' to further develop the business case.

It is important that the 'preferred way forward' within the SOC is not confused with the 'preferred option' which emerges from the Outline Business Case (OBC). The preferred way forward provides management with a recommended direction of travel, following the initial assessment of the long list of option upon completion of the SOC, whereas the preferred option is the recommended Value for Money (VFM) choice, following the detailed appraisal of the short list of options upon completion of the OBC.

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1. Version History

Version	Date	Details
0.1	10 Aug 2022	Initial Draft
0.2	06 September 2022	Final draft for Committee on 14/09/2022

2. Executive Summary

This Strategic Options Case (SOC) provides a breakdown of infrastructure options to consider to address the future delivery of secondary education capacity and capability within the Forres Academy Associate School Group (ASG). Within the options is an early indication of the costs to deliver the options considered.

The need to strategically address our learning estate across all ASGs comes from capacity pressures in growth areas such as Elgin, Forres and Buckie where the predicted housing growth over the next 15 years will result in the need for additional primary and secondary school capacity.

In addition, a number of secondary schools within Moray are assessed as below the required Condition B standard mandated by the Scottish Government. In the case of Forres Academy it has been recently been assessed as overall Condition D - defined as life-expired and/or at serious risk of imminent failure.

There is also a need to consider the changing nature of teaching, drivers for digitally enabled education, low carbon schools, additional support needs and early learning & childcare when considering the future of the learning estate. The future of Forres Academy is a key project within Moray Council's Learning Estate Strategy (LES) and a number of options could be eligible for Scottish Government funding support as part of the Learning Estate Investment Programme (LEIP) Phase 3. This SOC would form a significant element of the Moray LEIP Phase 3 bid should it be approved at Committee for submission to Scottish Government in October 2022.

This SOC builds upon the Project Mandate approved by the Corporate Management Team in January 2022. It also develops the following:

- Determining and confirming value for money;
- Preparing for and contracting the case;
- Confirming affordability and financial requirement; and,
- Planning for successful delivery.

An Outline Business Case will be drafted for approval once a decision on the type of project (refurbishment or rebuild) has been made, and a final determination of project costs has been agreed, together with an agreed project delivery procurement strategy.

3. The Strategic Case

3.1 Introduction

The purpose of this section is to explain how the scope of the proposed options fit within the existing business strategies of the organisation and provides a compelling case for change, in terms of existing and future operational needs.

3.2 Organisational overview

The case has been developed by Moray Council through the Learning Estate Programme with participation from Education, Housing and Property and Planning. The case falls within the Moray Council Learning Estate Strategy and would form a project within the Learning Estate Strategy Delivery Programme. The Project Sponsor will be the Deputy Chief Executive (Education, Communities and Organisational Development) and the Senior Responsible Owner will be the Head of Education Resources and Communities. The Programme Manager (Learning Estate) will provide operational level responsibility for development of the case and will be supported in the future delivery of the agreed project by an appointed Learning Estate Project Manager.

3.3 The Strategic Context

The Moray Council geographical area covers 864 sq. miles (2,238km.sq) and of 32 Local Authorities, Moray is ranked the 8th largest area. With a relatively small population of 95,510 Moray is ranked 26th (7th smallest) area in terms of population. Overall the Scottish Index of Multiple Deprivation (SIMD) for Moray does not show a major problem with deprivation when compared with others, but there is an enduring issue with low wages and under employment and the rural geography presents many challenges which SIMD data does not reflect. Moray current has 8 secondary schools and 46 primary schools.

Currently 25 Primary Schools and 5 Secondary Schools fall below the B standard for condition. In addition, there is a requirement to increase the secondary school capacity in a number of the secondary schools that will require, as a minimum, investment in new build extensions to existing buildings.

The current repairs and maintenance backlog, which needs to be addressed to bring all school buildings to a B/B standard for condition and suitability, was estimated to cost over £110 million to clear (based on 2013/14 condition surveys and average inflationary pressure). The Council financial forecasts (10 year Capital Plan) currently identifies £258 million to be spent over the next ten years to address the current backlog, and includes an allowance of £172million to provide for capacity growth through new builds and major refurbishment projects in Forres, Buckie and Elgin. Unless Moray are to see condition and suitability further decline across the Moray learning estate, the backlog of repairs and maintenance and providing for new school capacity needs to remain resourced within the capital plan.

The Scottish Government has announced a Phase 3 of Learning Estate Investment Programme (LEIP) funding that will become available from the end of 2022 that can assist in addressing the above financial challenge.

The LEIP funding seeks to ensure a minimum B/B standard is maintained over a 25 year period for any school project and looks to take a more strategic approach to the Learning Estate, working with partners to provide greater community use and facilities at these sites.

The strategic drivers for this investment and associated strategies, programmes and plans are contained in the principles of *Scotland's Learning Estate Strategy: Connecting People, Places and Learning".* "

- Learning environments should support and facilitate excellent joined up learning and teaching to meet the needs of all learners;
- Learning environments should support the wellbeing of all learners, meet varying needs to support inclusion and support transitions for all learners;
- The learning estate should be well-managed and maintained, making the best of existing resources, maximising occupancy and representing and delivering best value;
- The condition and suitability of learning environments should support and enhance their function;
- Learning environments should serve the wider community and where appropriate be integrated with the delivery of other public services in line with the place principle;
- Learning environments should be greener, more sustainable, allow safe and accessible routes and be digitally enabled;
- Outdoor learning and the use of outdoor learning environments should be maximised;
- Good consultation about learning environments, direct engagement with learners and communities about their needs and experiences, and an involvement in decision making processes should lead to better outcomes for all;
- Collaboration across the learning estate, and collaboration with partners in localities, should support maximising its full potential; and,
- Investment in Moray's learning estate should contribute towards improving learning outcomes and support sustainable and inclusive economic growth.

The proposed Moray projects should also build on the ambition of the Local Outcome Improvement Plan to build a better future for our children and young people in Moray. They should also support our education strategies:

- For Morays Children - Education Vision and Strategy 2018 -2021;
- Getting it Right for Every Child;
- Curriculum of Excellence;
- Moray Raising Attainment Strategy 2019; and,
- Our Moray Standard- Learning and Teaching

3.4 Business Strategy and Aims

The proposed options build on the ambition in the Local Outcome Improvement Plan to build a better future for our children and young people in Moray.

The approach reflects those of the Corporate Plan

- Equalities – providing opportunities for everyone to be their best.
- Empowering – producing better results by collaborating and working to engage and involve people (partners, businesses and communities).
- Environment – look after the world we live in to protect it for the future.
- Enterprising – consider new approaches to the way we do our business to increase our income and make services more sustainable for the future.

Local Development Plan 2020

The Moray Local Development Plan 2020 sets out how much and where growth is proposed for land uses, including housing. The Growth Strategy for 2020-2030 focusses new development in the primary growth centres of Elgin, Buckie and Forres.

Learning Estate Strategy – 2020

The Developing a Strategic Approach to the Moray Learning Estate document was recommended to full Council by the Children and Young People Services Committee in March 2020 and approved in November 2020. The document outlined a new approach to managing our learning estate that will enable the authority to invest strategically to provide new capacity in growth areas and to bring schools up to a standard of condition and suitability that enhances the learning environment (B for condition and B for suitability across all elements). The strategy recommends an Associated Schools Group (ASG) based approach to engagement and decision making, with high level options developed that take account of population growth, and the condition and suitability of all schools within the ASG, with more detailed options appraisals taking place with input from all stakeholders. The strategy also highlights the need to prioritise particular areas, with Elgin, Buckie and Forres mentioned as areas of initial focus due to the requirement to develop new capacity over the next 10 years.

3.5 Investment Objectives

The strategic investment objectives for this project are as follows:

1. Provide educational benefit – with educational pathways, achievement and improvement, and opportunities for life-long learning.
   - Spaces that support non-traditional learner pathways.
   - Supporting employability skills and the transition to further and higher education and the world of work.
   - Human scale design appropriate to the user.
   - Meeting the core principles of the curriculum.

- Delivering a learning journey that supports transition.
- Maximum class sizes of 25 for P1 and composite classes, 30 for P2 and P3 and 33 for P4 to P7.
- Providing environments that support the highest quality teaching and learning and strengthen leadership in education.

2. Deliver a sustainable learning estate
   - Move all schools to a minimum B/B standard for suitability and condition.
   - Achieve A/A standard for suitability and condition for new build and major refurbishment projects.

3. Adaptable and flexible learning facilities
   - Spaces that can be flexible to meet curriculum change and community need.
   - Flexibility to suit different learner pathways.
   - Supported by a strong and resilient digital infrastructure.

4. Provide capacity for pupil forecasts up to 2035.

5. Support digitally enabled learning
   - Infrastructure supports 1.1Gbps.
   - Infrastructure that supports equity of access to digital / Wi-Fi.
   - A seamless and integrated digital environment across partners and services
   - Supporting the effective use of technology for education and community.
   - Good digital access which supports inclusive economic growth.
   - Infrastructure to support a possible role as a central hub for school clusters.

6. Delivery of environmental and energy efficiency
   - Achieve as a minimum LEIP Stage 3 in-use energy target.
   - Meet local Net Zero targets by 2030.

7. Support inclusive economic growth
   - Achieve as a minimum the LEIP funding target for jobs supported during construction.
   - Creating hubs that support best value service delivery.
   - Flexible community space that supports new ways of working.
   - Spaces that support collaborative working with partners.

3.6 The Case for Change

Moray's Local Outcome Improvement Plan (LOIP) has a partnership vision of raising aspirations and our priorities include:

- Growing a diverse and sustainable economy
- Building a better future for our children and young people in Moray.

In terms of outcomes this translates to Moray being:

- A place where children and young people thrive;
- A place where they have a voice, have opportunities to learn and get around;
- A place where they have a home, feel secure, healthy and nurtured; and,
- A place where they are able to reach their full potential.

There is evidence that attainment and post-school destinations vary across Moray communities and in some areas are below average. Any investment in the learning estate must help to achieve these ambitions along with those in the Corporate Plan, which link directly to the outcomes for our children and young people.

Investment in the learning estate should seek opportunities to create community hubs with multifunctional facilities that deliver high quality education and support the aspirations of the wider community.

Leadership in Education is a key aspect of raising attainment and addressing variances in outcomes across Moray. Whilst looking at the learning estate and where recruitment of senior leaders is a challenge, consideration of innovative opportunities such as 3-18 community campus models, as well as sustaining the current traditional secondary school with a community use approach, are considered within this SOC

Delivering these local and national priorities sit at the heart of the 3-18 learning campus model for Forres ASG. The model has been developed through a series of workshops with council officers and partners, drawing on national and local priorities and work completed to test the options for school organisation for the Forres ASG. While the aspirations and principles of the learning model are consistent, the approach to how they are delivered is flexible to accommodate the character, geography and needs of different locations.

The Moray learning campus model addresses the ten guiding principles in the National Strategy set out above. In addition there are opportunities to further enhance the quality of the learning estate as follows.

a.   Placemaking

Investment in the learning estate offers the opportunity for a place based approach to improve local outcomes, co-ordinating and integrating local services to support communities and progress the public sector reform agenda. The Place Principle (adopted by the Scottish Government in March 2019) promotes a shared understanding of place and the need to take a more joined up collaborative approach to services and assets within a place to achieve better outcomes. The lens of place supports a more coherent approach across portfolios to ensure strategies and policies are aligned and helps us consider the impact of policies, interventions and investments as a whole. For capital budgets this means identifying and prioritising the right projects to achieve the goals of the Place Principle and other government objectives. The Place Principle is an enabler which helps us, our partners and

local communities unlock the National Performance Framework and make it applicable to where and how we live and work.

b.   Education Design Principles
New and refurbished learning estate facilities should ensure that the design is focused on the following design principles:

- Futureproofed – to allow for different curriculum approaches; pedagogical styles, age ranges (including younger children should the policy change), digital innovation, and formal and informal learning and social activities;
- Flexible – providing a range of spaces that work together to ensure maximum flexibility of use to support a wide range of learning and social activities;
- Suitable – creating high quality learning environments with well-planned acoustics, digital infrastructure, ventilation, heating and natural light that enhance the learning activities within them;
- Collaborative – with spaces that encourage pupils, staff and community to get the best from working together, enabled by high quality digital infrastructure for all users;
- Welcoming – spaces that create a sense of ownership and identity, and provide a high quality learning and social experience for a wide range of users;
- Connected – so that inside and outside spaces work together to support learning; a campus school acts as a hub for other schools in the cluster, and there are strong connections between the campus and other places of learning and skills in the community;
- Inclusive – actively celebrating education within the community by facilitating a broad range of opportunities including vocational skills development, family learning, intergenerational learning, and lifelong learning for all;
- Innovative – ensuring skills based learning activities drive the space requirements so they are not constrained by 'the way we've always done things';
- Embedded – supported by a change management process that challenges, prototypes, tests, builds ownership and creates understanding;
- Inspiring – fun, creative spaces that get the best from all users;
- Accessible – ensuring a wide range of needs can be supported now and in the future;
- Safe – prioritising security and safeguarding, but with as few 'barriers' to use as possible;
- Strengthening pathways – supporting the learner journey including through transitions and beyond to further and higher education and the world of work; and,
- Sustainable – both in terms of environmental and financial sustainability, and linking to other resources within the community to add additional value to the investment;

c.   Construction Quality

In recent years there have been some examples of poor quality construction in the learning estate. The heavily publicised incident at Oxgangs Primary School in Edinburgh placed a focus on the quality of the built environment. It is essential that any new investment in the learning estate is of the highest quality in terms of both design and construction. We will work with our partners including Scottish Building Standards and across the construction industry to support a focus on improvement. The recommendations from the Independent Inquiry into the Construction of Edinburgh Schools (Cole Report), the Scottish Parliament Education and Skills Committee's Report on School Infrastructure and the Construction Procurement Review should be incorporated into any planned investment.

d.   Low Carbon

The Scottish Government has an ambitious climate change policy target for all buildings in Scotland to be near zero carbon by 2050. Reaching this target will require a change in attitude towards energy, particularly in relation to new buildings. Increasing energy efficiency in building performance must be amongst the core objectives of all new infrastructure projects for these ambitious targets to be achieved. Achievement of these core objectives needs strategic level support and should be incorporated into any planned investment.

e.   Digital

New forms of service delivery, and new and agile forms of learning enabled by digital technology allow integration of learning experiences and the creation of new and diverse skills. The use of digital as part of the planning of the future estate, and future strategies for learning and community use should be incorporated into any planned investment. There are a number of drivers for developing our digital ambitions including increasing digital content, along with a desire for developing opportunities for remote learning and helping to widen access to learners in rural areas. Children and young people have to be exposed to a high standard of digital technology to prepare them for work.

3.7   Existing arrangements

The current mainstream capacity of Forres Academy is calculated as 1121 with a school roll for 2022/23 session expected to be 860 (77% of capacity). Of this 99% of pupils are expected to be from within catchment. A total of 40 pupils were assessed as requiring additional support within an enhanced provision (2021/22 census - ASN marker report).

The policy of 'make do and mend' maintenance, adopted from 2017 to ease overall financial pressures, and underinvestment in previous years, has left the Moray Learning Estate below an acceptable standard for maintenance impacting on the suitability and condition of the majority of schools. Forres Academy has perhaps fared worse than most.

Forres Academy has recently been assessed as D condition and C suitability – a decrease from the previous assessment less than 10 years ago and despite some

significant 'make do and mend investment' over the last 5 years. A breakdown of the condition assessment is set out in Table 1.

CONDITION SUMMARY MATRIX	
Good – A	Performing well and operating efficiently
Satisfactory – B	Performing adequately but showing minor deterioration
Poor – C	Showing major defects and/or not operating adequately
Bad –D	Life expired and/or serious risk of imminent failure

Elements													
Roof	Floors & Stairs	Ceilings	External Walls, Windows &	Internal Walls and Doors	Sanitary Services	Mechanical	Electrical	Decoration	Fixed Internal Facilities	External areas	Outdoor Sports Facilities	OVERALL SCORE	CATEGORY
D	D	D	D	D	D	B	C	C	C	C	C	39.75	D

Table 1: Condition Assessment (2021) - Forres Academy

3.8 Business needs – current and future

The need to strategically address the Learning Estate comes from capacity pressures in growth areas such as Forres where the predicted housing growth over the next 15 years will potentially result in the need for additional secondary and primary school capacity.

The Forres Associated Schools Group is expected to experience growth in secondary school capacity as a consequence of planned residential development to the South and the East of the town up to 2035. The school roll is expected to increase to a maximum of 997 (89% of capacity) towards the end of the decade. However, it is anticipated that the mainstream capacity will likely need to be reassessed in the near to medium term as a consequence of the desire for wider curriculum choice and additional space requirements to support an increase in pupils with Additional Support Needs (ASN).

Although a B/B condition/suitability could be achieved with significant refurbishment of Forres Academy, the long term value for money opportunities offered by new build, shared hub facilities and a potential campus solution (which would deliver a sustainable A/A school that meets LEIP project key requirements) should be considered within the option appraisals.

There is also a need to consider the changing nature of teaching and drivers for digitally enabled education and low carbon school buildings, additional support needs and early learning and childcare when considering investment in the future of the learning estate.

3.9 Potential scope and service requirements

The options within these ranges are considered within the Economic Case.

	Minimum	Intermediate	Maximum
Potential business scope	Invest in school estate to achieve B suitability and B condition	Meet Secondary Capacity Requirements of Forres ASG, Refurbish School across all elements, address Digital and Low Carbon aspects, balance community and educational needs in rationalising the estate	Deliver Digital and Low Carbon (e.g. PassivHaus) within new design and balance community and educational needs. Provide New modern Campus models.
Key service requirements	Meet capacity and B/B standard and suitability	Addresses condition, suitability, unsustainable schools, community needs, digital and low carbon	Potential transformation of Learning provision
LEIP key requirements	Achieve LEIP funding target for jobs supported during construction Digital infrastructure supports 1.1 Gbps Condition A or B for 25 years Achieve LEIP in-use energy target of 67 kWh/ sqm/ annum for core hours of 2,000/annum and core facilities Designs to be developed in line with BB101 2018/ CIBSE TMS2.		

Table 2: Potential scope and service requirements

3.10 Main Benefits Criteria

Satisfying the potential scope for this investment will deliver the following high-level strategic and operational benefits. These are set out in Table 3.

Class Of Objective	Main Benefits	Benefits Criteria	Stakeholders Affected
Strategic (wider social and Business related)	Improved Educational Outcomes Equality of opportunity	Increase Attainment Increase Subject Choice across the learning estate	Scottish Government Community Planning Partnership Moray Residents Community Councils
Operational (organisational and management related)	Value for money Sustainable financial plan	Investment in strategic interventions to deliver objectives Efficient use of resources Building and maintenance costs understood and planned	Scottish Government Moray Council Northern Alliance Community Planning Partnership Scottish Futures Trust Moray Residents Community Councils

Table 3: Main Benefits Criteria

3.11 Strategic risks

The main business and service risks associated with the potential scope for this project are set out in Table 4.

Risk categories	Description
Business risks	Lack of staffing resource to progress Competing demands for resources. Lack of engagement with the community. Miscommunication on strategic approach Unable to attract Scottish Government funding support

Risk categories	Description
Service risks	Dependencies with other projects and maintenance programme
	Construction risks – supplier availability, site availability, delays, overspends.
	Project complexity.
	Financial impact on Council
	Maintenance /refurbishment estimates
External environmental risks	Impact on economy either accelerated growth or recession
	Public objections (e.g. planning, education act consultation).

Table 4: Strategic risks

3.12 Constraints and dependencies

The project is subject to the following constraints:
- Compliance with procurement strategies;
- The scope of the project as defined in the economic case delivers the required benefits;
- The proposed primary site for a new build option is Common Good and would require a court order and agreement of the community to procure.
- The project can be completed within the timescale required to allow the benefits to accrue;
- The project needs to be delivered within the budget identified following extensive financial evaluation during the Outline and Full Business Case stages;
- Risks are managed to minimise the impact on timescales, costs and quality;
- Resources are available to enable the project to be delivered on time and to the right quality;
- Competing priorities within partner organisations and the Council; and,
- Provided the project is approved for LEIP Stage 3 support funding compliance with LEIP Process, Metrics, terms and conditions.

The project is subject to the following dependencies that will be carefully monitored and managed throughout the project life-cycle:

- The project is dependent on ongoing political support for the approach to the Learning Estate;

- Alignment with national policy on the Learning Estate;

- Sufficient financial backing through implementation to ongoing delivery, including the release of funding dependent on development of a full business case;

- Successful engagement with communities and the public on proposals for each school; and

- The project has sufficient external authorisations to proceed, e.g. planning / licensing permissions, land rights.

4. The Economic Case

4.1 Introduction

This is the technical core of the business case and is a fundamental requirement to demonstrate value for money.

Having determined the strategic context for the project and established a robust case for change, this stage of the planning process focuses on the main choices (or options) available for delivering the required services, with a view to formulating a preferred way forward for the subsequent approval of management.

Importantly, it should be noted that an early indication of the possible or preferred way forward could avoid considerable unnecessary work being undertaken at the Outline Business Case stage.

4.2 Critical Success Factors (CSFs)

The following Critical Success Factors have been identified to form part of the option appraisal process:

CSF1	Strategic Fit (Vision / Government Policy)	How well the option provides holistic fit and synergy with other key elements of national, regional and local strategies
CSF2	Potential VFM	How well the option maximises the return on the required spend (benefits optimisation) in terms of economy, efficiency and effectiveness from both the perspective of the organisation and wider society and minimises associated risks.
CSF3	Potential Achievability	How well the option is likely to be delivered in view of the complexity of the option, and the experience, capability and capacity of the partners involved.
CSF4	Supply side capacity	How well the option matches the ability of the service providers to deliver the required level of services and business functionality, and appeals to the supply-side.
CSF5	Potential Affordability	How well the option meets the likely availability of funding and matches other funding constraints,

		including the capital and revenue consequences associated with the proposed investment.
CSF6	Alignment with LEIP Phase 3 CSFs	To be developed in accordance with Scottish Futures Trust Guidance during project phase (RIBA Stage 1) (*will be developed within Outline Business Case if successful LEIP Phase 3 bid*)

Table 5: Critical Success Factors (CSFs)

4.3 The Long-listed Options

The purpose of the long list is to identify as wide a range of options as possible that meet the spending objectives, potential scope, and benefits criteria identified in the SOC. It also involves carrying out a detailed SWOT analysis (strengths, weaknesses, opportunities and threats) on all the options identified.

Clearly the successful bid for support from LEIP Phase 3 funding would provide significant favourable weighting in favour of the Intermediate and Maximum options but at this stage cannot be guaranteed.

These options were generated by bringing together the needs of Education, Planning and Property to develop options that met the investment objectives and CSFs at each stage. The long list of options that were considered was as follows:

The long list of options considered is set out in Table 6.

Category of Choice	Brief Description
Scoping Options	
1.1 Do nothing	No change to the current Learning Estate
1.2 Minimum scope	Meet secondary capacity requirements of Forres ASG with Minimum Refurbishment that addresses the requirement for minimum B standard condition.
1.3 Intermediate scope A	Meet the secondary capacity requirements of Forres ASG with Major Refurbishment that meets the LEIP requirements for Low Carbon and Digital aspects, balances community and educational needs.
1.4 Intermediate scope B	Meet the secondary capacity requirements of Forres ASG with Major Refurbishment with Extension that meets the LEIP requirements for Low Carbon and Digital aspects, balances community and educational needs.
1.5 Maximum scope A	Meet secondary capacity requirements of Forres ASG with a New Build Secondary School & Community Hub that addresses Digital and Low Carbon aspects, balances community and educational needs

1.6 Maximum scope B	Meet future secondary and future primary capacity requirements of Forres ASG with a New Build 3-18 Community Campus that addresses Digital and Low Carbon aspects, balances community and educational needs in rationalising the estate.
Service solution options	Option 1: Do nothing Option 2: Minimum Refurbishment of existing building Option 3: Minimum Refurbishment of existing building with new extension Option 4: Major Refurbishment of existing building with option for new extension Option 5: New build
Service delivery options	Option 1: Do nothing Option 2: In house design and delivery Option 3: Outsource design and delivery Option 4: Mix of in house and outsource design and delivery. Outsourced services if in house not available and VFM.
Implementation options	Option 1: Do nothing Option 2: Minimum refurbishment and extension by 2028 Option 3: Major Refurbishment and Extension (LEIP Stage 3) by Dec 2027 Option 4: New build (LEIP Stage 3) by Dec 2027 Option 5: Option 3: Major Refurbishment and Extension (Non-LEIP) by 2029 Option 6: New build (Non-LEIP) by 2029
Funding options	Option 1: Do nothing Option 2: Reserves Option 3: Capital Borrowing Option 4: Capital Borrowing plus Scottish Government Option 5: Private Sector

Table 6: Long list – summary of inclusions, exclusions and possible options

4.4   **Scoping options**

In accordance with the Treasury Green Book and Capital Investment Manual, the do nothing option has been considered as a benchmark for potential VFM.

An infinite number of options and permutations are possible; however, within the broad scope outlined in the SOC, only those in Table 6 have been considered in detail.

4.5   Short-listed Options

The summary of the assessment of the scoping options are set out in Table 7. The detail of the 'preferred' and 'possible' options are in the Economic Case at Appendix 1.

Summary assessment of scoping options

Reference to:	Option 1.1	Option 1.2	Option 1.3	Option 1.4	Option 1.5	Option 1.6
Description of Option:	Do Nothing	Minimum	Intermediate A	Intermediate B	Maximum A	Maximum B
Objective 1	x	x	?	✓	✓	✓
Objective 2	x	✓	✓	✓	✓	✓
Objective 3	x	x	✓	✓	✓	✓
Objective 4	x	x	✓	✓	✓	✓
Objective 5	x	x	✓	✓	✓	✓
Objective 6	x	x	✓	✓	✓	✓
CSF'S						
Business need	x	x	✓	✓	✓	✓
Strategic Fit	x	x	✓	✓	✓	✓
Benefits Optimisation	x	x	✓	✓	✓	✓
Potential Achievability	x	x	✓	✓	✓	✓
Supply side capacity	x	✓	✓	✓	✓	✓
Potential Affordability	✓	✓	✓	✓	✓	?
Summary	Discounted	Discounted	Possible	Possible	Possible	Possible

Table 7: Summary assessment of scoping options

The 'preferred' and 'possible' options will be carried forward into the short list for further appraisal and evaluation. On the basis of this analysis, the recommended short list for further appraisal within the OBC is as follows:

- **Option 1.3** - Meet the secondary capacity requirements of Forres ASG with Major Refurbishment that meets the LEIP requirements for Low Carbon and Digital aspects, balances community and educational needs.

- **Option 1.4** - Meet the secondary capacity requirements of Forres ASG with Major Refurbishment with Extension that meets the LEIP requirements for Low Carbon and Digital aspects, balances community and educational needs.

- **Option 1.5 -** Meet secondary capacity requirements of Forres ASG with a New Build Secondary School & Community Hub that addresses Digital and Low Carbon aspects, balances community and educational needs.

- **Option 1.6 -** Meet future secondary and future primary capacity requirements of Forres ASG with a New Build 3-18 Community Campus that addresses Digital and Low Carbon aspects, balances community and educational needs in rationalising the estate.

The indicative costs based on current market conditions and those at expected project completion (2028) are set out in able 8 below.

5. Commercial Case

5.1 Introduction

The purpose of the Commercial Case is to demonstrate that the "option" will result in a viable procurement and well-structured Deal.

5.2 Required Services

The 'preferred' option will require a number of project services (including design, project management, contract management, supply chain management, change management, quality management) across the following project phases:

- Concept development/LEIP Phase 3 bid (Closing date 30 Oct 2022)
- Preparation and Brief (Royal Institute of British Architects (RIBA) Stage 1)
- Pre-Construction Design Phase (RIBA Stage 2-4)
- Mobilisation and Construction Phase (RIBA Stage 5)
- Handover and Close Out (RIBA Stage 6)
- Operational Phase (RIBA Stage 7)

The procurement strategy for RIBA Stage 1-6 is still to be fully determined. Property and Housing (Design), Finance (Procurement) and Education Resources and Communities (Learning Estate) will work together to develop a corporate

procurement strategy to support the project and ensure value for money is robustly demonstrated in the future Outline and Full Business Cases.

The procurement strategy will consider proposed charging mechanisms (e.g. 'fixed price', 'payment of delivery of agreed outputs',' incentive'); proposed standard contract type and key contractual issues.

6. The Financial Case

More detailed financial analysis will be carried out in the Outline Business Case. The range for the assessed possible options indicates a required capital spend of between £60.5M - £69,600 (with Option 1.4 – Major Refurbishment with Extension expected to be of greater value) on current market rates which based on current market uncertainty and inflationary forecasts would be in the range of £79.2M - £91.1M at earliest project completion of end 2027.

The project has to sit alongside other similar requirements across the Moray Learning Estate and will account for a significant proportion of the Councils Capital spend. Scottish government funding and support, in the form of the Learning Estate Investment Programme Stage 3 commitment is considered be essential given the scale and scope of the overall project.

The overall levels of spend are higher than currently forecast in the Capital Plan and therefore may impact on the revenue budget of the Council requiring improved budget settlements and increased savings/cuts to accommodate this priority.

		OPTIONS	Base Cost 2022	Inflation Allowance to Financial Close 2026	Local Authority Funding Ratios			GIFA m2
					40%	45%	50%	
Option 1.2	MINIMUM	Minimum Refurbishment to B/B Standard	£ 24,702,000	£ 31,000,000	N/A	N/A	N/A	14324 (as existing)
Option 1.3	INTERMEDIATE	Meet the secondary capacity requirements of Forres ASG with Major Refurbishment that meets the LEIP requirements for Low Carbon and Digital aspects, balances community and educational needs.	£ 69,600,000	£ 91,100,000	£ 36,400,000	£ 41,000,000	£ 45,600,000	14325 (as existing)
Option 1.4	INTERMEDIATE	Meet the secondary capacity requirements of Forres ASG with Major Refurbishment with Extension that meets the LEIP requirements for Low Carbon and Digital aspects, balances community and educational needs.	TBC	TBC	TBC	TBC	TBC	15,148 (assumed)
Option 1.5	MAXIMUM	Meet secondary capacity requirements of Forres ASG with a New Build Secondary School & Community Hub that addresses Digital and Low Carbon aspects, balances community and educational needs	£ 60,500,000	£ 79,200,000	£ 35,600,000	£ 40,000,000	£ 44,500,000	15,148
Option 1.6	MAXIMUM	Meet future secondary and future primary capacity requirements of Forres ASG with a New Build 3-18 Community Campus that addresses Digital and Low Carbon aspects, balances community and educational needs in rationalising the estate.	£ 66,900,000	£ 87,400,000	£ 35,000,000	£ 39,300,000	£ 43,700,000	16,350

Table 8: Indicative Cost Models - Options

7. The Management Case

7.1 Introduction

This section addresses the 'achievability' of the Future Forres Academy project. Its purpose is to build on the project mandate by setting out in more detail the actions that will be required to ensure the successful delivery of the project in accordance with best practice.

7.2 Programme Management Arrangements

The Case is an integral part of the Moray Council Learning Estate Strategy Delivery Programme, which comprises a portfolio of projects for the delivery of the Moray Council Learning Strategy.

7.3 Project Management Arrangements

The project will be managed in accordance with good Project Management methodology – this will incorporate Prince 2, Association of Project Management and Treasury Green Book best practise.

The project will be managed via a Future Forres Academy Project Board who will report to the Learning Estate Programme Board that will in turn report to Education, Children and Leisure Services Committee and Full Council.

7.3.1 Project Governance and Reporting structure

The proposed project governance and reporting structure is set out below:
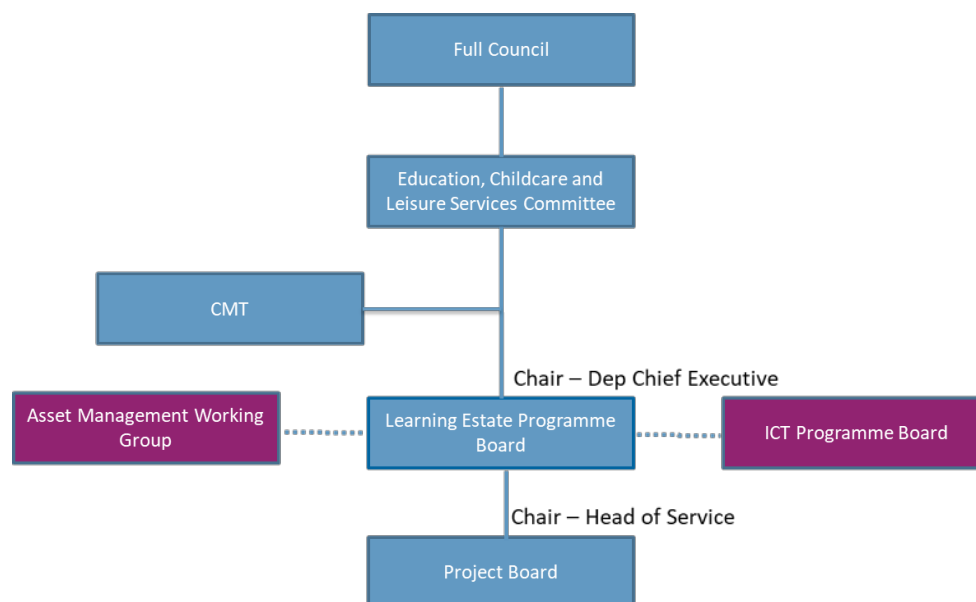
7.3.2 **Project Roles and Responsibilities**

The Project Sponsor for the Future Forres Academy project will be Deputy Chief Executive (Education, Communities and Organisational Development) – Denise Whitworth.

The Senior Responsible Owner for the project will be Head of Education Resources and Communities – Joanna Shirriffs

The Programme Manager (Learning Estate) - Andy Hall - will provide operational level oversight of project delivery and will be supported by a Learning Estate Project Manager.

A full Project RACI matrix will be developed for the Outline Business Case.

7.3.3 **Project Plan**

A high level indicative project plan is set out below. The project completion date of Dec 2027 is based on current LEIP Phase 3 requirements.

		2022				2023				2024				2025				2026				2027				2028				2029			
Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4

Design to Tender

- Outline Business Case
- Full Business Case
- LEIP Bid Prep
- Planning and Consultation
- SFT/SG Approval
- Design Brief
- Design Phase
- Procurement

Construction

- Construction
- School Decant (Refurbishment Option)
- Post Occupancy Report

Acceptance & Handover

- H/O
- Warranty/Post Occupency Evaluation
- Op Readiness

Appendices

Appendix 1: Economic Case