

BUSINESS CASE FOR CAPITAL PROJECTS

All Project Managers need to complete this business case template for review by the relevant Strategic Boards (e.g. CAMG/ LTB). No work can commence until the project receives the approval from the appropriate decision making group.

PROJECT TITLE Specialist Provision for Autistic Spectrum Disorder (ASD) at Holmemead Middle School

LOCATION OF PROJECT Holmemead Middle School

PROJECT MANAGER: Keith Armstead

START DATE: 01.08.10

FINISH DATE: Feb 2011

DESCRIPTION OF PROJECT

Briefly explain what the project is: To ensure that there is adequate provision at the school to enable the creation of a new 8 place ASD (Autistic Spectrum Disorder) unit as approved by Executive in December 2009. The re-provisioning of the Library and ICT Suite in a new build attached to the Sports Hall, will enable the alteration of the existing spaces to become the ASD Provision and ancillary areas. It includes an extension and alterations to the car park to allow a pick up and drop off area for the pupils attending the provision.

JUSTIFICATION FOR PROPOSAL

Explain how this scheme will support the Council / Services priorities: This scheme supports the Council Priority for Educating, protecting and providing opportunities for children and young people. This scheme forms part of the SEN and Inclusion Strategy which is an integral part of the overall Strategy for Transforming Learning in Central Bedfordshire. At its meeting on 15 September 2009, Executive considered a report on 'Transforming Learning in Central Bedfordshire' which identified the need for an ASD provision at a Middle School in the East of Central Bedfordshire and agreed to the publication of Statutory Notices. The Statutory Notice to open this provision in September 2010 and an allocation of capital from the Council's 2010/2011 Capital Programme were approved by the Executive on 08 December 2009. This capital project is required in 10/11 to ensure that the provision can be opened in September 2010. There are already children identified to attend from this date.

OPTIONS

Explain what other options were considered, and why the chosen option is preferred: This is an additional provision for the school and requires capital development. A range of alternative options for location of the provision at the school have been considered and feasibility Studies carried out. The option set out in the attached papers is the most cost efficient option and ensures that the provision is made at the heart of the school, an approach that has been identified as leading to the best outcomes for children requiring such provision.

POLICY LED SCORING

Please refer to the guidance notes which follow

		Score Given	(Out of maximum)
A	Council Priorities	6	8
B	Statutory Requirements/ Asset Management Plan	6	8
C	On-going Revenue Impact (Must be quantified further)	2	4
D	Funding for Capital Scheme	0	4
	TOTAL	14	24

Is this an 'Invest to Save' bid	yes	Yes / No
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CAPITAL COST OF PROJECT

List here the gross costs

	* Est typ e	2008/09 £000	2009/10 £000	2010/11 £000	2011/12 £000	2012/13 £000
Land Acquisition						
Building Acquisition						
Construction/ Conversion	s			500		
Professional Fees	s		50			
Vehicles						
Plant & Equipment						
Furniture						
IT Hardware						
Software & Licences						
Capital Grant to 3 rd Parties						
Credit Arrangement (leases)						
TOTAL COST			50	500		

* S = Spot estimate, D = Detailed estimate, T = Tender price.

SOURCE OF FUNDING

List here the funding sources

	2008/09 £000	2009/10 £000	2010/11 £000	2011/12 £000	2012/13 £000
Specific Government Grant (Specify)					
Developers Contribution					
Lottery / Heritage					
Other sources (specify)					
EXTERNAL FUNDING					
Direct Revenue Financing					
Capital Receipts					
Borrowing *					
CENTRAL BEDS FUNDING		50	500		
TOTAL FUNDING		50	500		

* Borrowing will be the balance of funding required to fund the project

** In the case of non-cash contributions (e.g. land donation), please show a cash equivalent figure (estimate) in the funding table. Also gross up the capital costs table against the appropriate line (i.e. as if the donation had to be purchased) and provide a brief note in 'Other Comments'.

REVENUE IMPACT OF PROJECT

List here the incremental year-on-year impact on the revenue budget

TYPE OF EXPENDITURE	2008/09 £000	2009/10 £000	2010/11 £000	2011/12 £000	2012/13 £000
Staffing costs					
Other running costs					
Income / savings					
Net impact to BCC (excl schools)					
Net impact to schools					

KEY MILESTONES (DATES)

Feasibility Study:		* Other 1:	
Business Case/ Appraisal:	Jan 2010	Other 2:	
Detailed Design:	Spring 2010	Other 3:	
Tenders Sent:	Summer 2010	Other 4:	
Contract Approved:	July 2010	Other 5:	
Project Start:	August 2010	Other 6:	
Project Complete:	Feb 2011	Other 7:	
Final Retention Payment:	Feb 2012	Other 8:	

* Please add other key milestones where appropriate

IMPLICATIONS OF BID REJECTION

What would be the effect of not doing this scheme if the funding does not become available? As the notices have been approved by the Executive, there is a statutory legal duty to implement the proposals in full or to publish further proposals to be relieved of the duty to implement the previously approved proposals, or to seek modifications of the proposals. The school would not be able to make this provision without the capital development, which could lead to increased costs of children travelling to access provision or going out of county at significantly increased cost. The Consultation received positive feedback and there were no responses to the Notices.

EVALUATION CRITERIA

List the criteria against which this scheme will be evaluated upon completion. E.g. how will the success of the project be measured?

- demand for specialist ASD places is met
- the needs of vulnerable children are met within their own locality
- pupils make demonstrable progress
- travel distances and costs for children requiring ASD provision is reduced

RISKS

List the likely risks of the scheme and an indication of the probability and impact of each risk.

Risks could include reputational, financial, political, or delivery risks.

- Financially there is a HIGH PROB/HIGH IMPACT risk of having to pay for expensive out County places if this provision be not established in time.
- Planning consent being refused is a LOW PROB/HIGH IMPACT risk
- Failure to implement the proposals is a HIGH PROB/HIGH IMPACT risk of causing damage to the Council's reputation and complaints form parents whose children require this provision

OTHER COMMENTS

CONTACT INFORMATION

Please give the name of officer who should be contacted for further information on this capital bid.

Name: Keith Armstead

APPROVAL

I approve the submission of this bid:

Director:

Date:

POLICY LED BUDGETING FOR CAPITAL SCHEMES

There is a scoring system that aims to quantify the benefits of the scheme in relation to other proposed schemes, so that all capital bids can be prioritised.

The method of scoring:

Every capital bid needs to follow this scoring process, with a summary of the results being included within the Business Case template.

A - Council Priorities	
Indicate how the proposed scheme meets with the Council priorities.	
Very Low – no real impact	0
Low – some impact	2
Medium – a noticeable contribution	4
High – a significant	6
Very High – a major contribution	8

B – Statutory Requirement/ Asset Management Plan	
Indicate how the proposed scheme contributes to Statutory Requirements (e.g. health and safety), or the priorities set out in the Corporate / Education Asset Management Plans.	
Very Low – no real impact	0
Low – some impact	2
Medium – a noticeable contribution	4
High – a significant	6
Very High – a major contribution	8

C - On-going Revenue Impact	
Indicate how the scheme will impact on the revenue budget once the scheme is completed.	
Annual revenue costs increase by >6% of the gross cost of capital scheme	0
Annual revenue costs increase by >2% of the gross cost of capital scheme	1
Minor impact (changes <2% of the gross cost of capital scheme)	2
Annual revenue savings of >2% of the gross cost of capital scheme	3
Annual revenue savings of >6% of the gross cost of capital scheme	4

D - Funding for Capital Scheme	
Indicate how the scheme will be funded.	
0 to 20% of the gross cost of capital scheme met externally	0
21 to 40% of the gross cost of capital scheme met externally	1
41 to 60% of the gross cost of capital scheme met externally	2
61 to 80% of the gross cost of capital scheme met externally	3
81 to 100% of the gross cost of capital scheme met externally	4

Maximum possible score = 24

Invest to Save Bids

Schemes that make significant savings and meet the 'Invest to Save' test are likely to be included, subject to scrutiny and risks of scheme.

A scheme is likely to be an 'Invest to Save' scheme where:

- 1) For long term schemes (25+ years)
 - Where the net revenue savings exceed the costs of borrowing – currently 8.5%.
- 2) For other schemes (<25 years)
 - Where the net revenue savings exceed the net costs of the scheme – adjusted for cost of borrowing (using Net Present Value (NPV) – currently 3.5%).