

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 Schools Access Initiative (SAI)

LOCATION OF PROJECT- Various schools across the Council

PROJECT MANAGER; Keith Armstead

START DATE: 2010/11

FINISH DATE: ongoing

DESCRIPTION OF PROJECT

Briefly explain what the project is:

There is a rolling programme to enable the Council to meet its Statutory obligations. There is a statutory duty on the Council to have an agreed Accessibility Strategy to enable local pupils to attend (local) schools. There is often a requirement under this obligation for capital investment to improve the accessibility of accommodation at schools to enable this to happen. The funding, which is currently required on a recurring basis, would be used across schools within the Authority to ensure that the Council's obligations can be met.

JUSTIFICATION FOR PROPOSAL

Explain how this scheme will support the Council / Services priorities:

Under the various Education Acts, the Council is required to produce a schools accessibility strategy including priorities for capital investment to ensure that its obligations, which in other areas of the Council's responsibility would be found under the Disability Discrimination Act, can be met.

Use of the available funding would be prioritised as set out in an approved Accessibility strategy which has recently being consulted upon. There is also a synergy between this approach and the emerging strategy for transforming learning across all schools with the need for schools to be fully inclusive. This also prevents the possibility of pupils needing to be accommodated elsewhere, either at great expense for a placement or incurring significant transport costs. The level of funding required is currently separately identified in the DCSF allocation of supported borrowing.

OPTIONS

Explain what other options were considered, and why the chosen option is preferred:

Necessary adjustments will be dependent upon the needs of the individual pupils due to enter or transfer schools. Previously, consideration had been given to the provision of "area schools" which could be adapted to enable pupils with a disability to be accommodated, but this has been ruled out as inappropriate in order to promote greater community cohesion and to ensure that pupils can attend their local school.

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	8	8
C	On-going Revenue Impact	2	4
D	Funding for Capital Scheme (not supported borrowing)	0	4
	TOTAL	16	24

Is this an 'Invest to Save' bid	No	Yes / No
---------------------------------	----	----------

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			579	579	579
Professional Fees						
Vehicles						
Plant & Equipment						
Furniture						
IT Hardware						
Software & Licences						
Capital Grant to 3 rd Parties						
Credit Arrangement (leases)						
TOTAL COST				579	579	579

* 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 *			579	579	579
CENTRAL BEDS FUNDING			579	579	579
TOTAL FUNDING			579	579	579

* 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			TBA	TBA	TBA

KEY MILESTONES (DATES)

Feasibility Study:	N/A	* Other 1:	
Business Case/ Appraisal:	N/A	Other 2:	
Detailed Design:	N/A	Other 3:	
Tenders Sent:	N/A	Other 4:	
Contract Approved:	N/A	Other 5:	
Project Start:	N/A	Other 6:	
Project Complete:	N/A	Other 7:	
Final Retention Payment:	N/A	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?

Without the funding, the Council may fail in its obligations to make reasonable adjustments to ensure that pupils can access appropriate provision. It could therefore be challenged through the Courts for failing to make such adjustments. Similarly, parents may appeal to tribunal against the council and the Council could be compelled to make adjustments irrespective of its budgetary position.

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?

The main objective of the funding is to ensure that no pupil is denied a place at their local school as a consequence of a disability. This will be the primary success measure.

The actual allocation of funding in any given year is subject to an application process, with decisions made by a Panel, including Heads of Service for School Organisation and Capital Planning, Head of Service Special Education Needs and Inclusion and a Special School Headteacher representative, as set out in previous reports to the Schools Forum.

It is proposed that the Head of Service School Organisation & Capital Planning be given delegated authority to approve these applications on behalf of the Director of Children, Families and Learning.

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.

Reputation – the Council would be subject to severe criticism and potentially court/tribunal action if it fails to make appropriate adjustments. Lack of an appropriate budget would put this as a high risk.

Delivery – this is always subject to the early identification of individual needs, some of which are subject to admissions decisions. This is being mitigated by close liaison with admissions and SEN but cannot be ruled out as a potential for delay.

Financial- there is always a risk that, as a demand led need, the budget will be either inadequate. Through the early identification of need this should be mitigated to a low risk.

OTHER COMMENTS

Lack of funding in this area will place the Council at severe risk of legal action. Similarly, it would impact upon the Council's aspirations in terms of Community Cohesion and its aims for Learning Transformation with schools taking responsibility for their community of pupils 0/3-19.

For 2009/10, an allocation was made of £579k, but for cashflow reasons this was capped at £300 in terms of expenditure.

CONTACT INFORMATION

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

Name: K.L 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%).