

## DETAILED BUSINESS CASE FOR CAPITAL PROJECTS

All Project Managers need to complete this Detailed Business Case in order for schemes approved in the Council's Capital Programme to proceed.

**PROJECT TITLE** Shefford Lower School Extensions and Alterations

**LOCATION OF PROJECT** Shefford Lower School

**PROJECT MANAGER** School Organisation and Capital Planning

**START DATE:** 2011

**FINISH DATE:** 2013

### DESCRIPTION OF PROJECT

**Briefly explain what the project is:**

The need for the expansion of Shefford Lower is a result of demographic growth within the school's existing catchment area.

The Council is responsible for the commissioning of new school places, for commissioning early feasibility studies where required and for evaluating options for new provision. The Council must adhere to the legal processes set out in regulation and statutory guidance where the Local Authority is decision maker.

Pupil numbers within the immediate Shefford area have been growing in recent years and are expected to continue to grow as a result of increasing birth rates, recent housing completions and new housing allocations. Currently the school is recognised as a 2FE (300 place) school with an admission number of 60.

In September 2011, 66 pupils were admitted taking the total number on roll in the main school to 328. In order to support the increase in numbers, the Council supported the provision of an additional permanent classroom funded mainly through previous S106 contributions.

This growth in numbers, supported by Area Health Authority pre-school data and extra housing forecasts is expected to continue into the future and it is therefore recommended that the school be permanently extended to provide an enlarged school for 3FE (450 places) with an increased admission number of 90.

This proposal has been developed in consultation with the school's Governing Body who are supportive.

## **BENEFITS AND OUTCOMES**

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

This project will ensure the Council continues to meet its statutory obligations to provide sufficient school places and also meets the legal requirements placed on the Council by the Education and Inspections Act 2006 regarding proposals to expand maintained schools.

The school will be increased to 3 Form Entry 450 Places, with accommodation conforming to but not exceeding the model accommodation schedule for this size of school (as submitted by School Organisation and Capital Planning). This will enable the larger school to offer a broad and balanced curriculum.

It is anticipated that pre-existing issues with external spaces will be resolved during this project.

A formal Post Project Evaluation will be undertaken on completion of the project.

## **OPTIONS**

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

A feasibility study has been carried out on this school in order to be satisfied that the increase in numbers can be accommodated within the existing school site and the costs from the study included in the figures below. Nevertheless, and in order to ensure that the schemes can be ready for September 2013, further more detailed design work has been commissioned to progress to the next Royal Institute of Building Architects (RIBA) work stage of development. This was set out in the report to Executive on 27 March 2012 and approved by the Deputy Director (Childrens Services) following consultation with the Executive Member.

## **IMPLICATIONS OF NOT PROCEEDING**

### **What would be the effect of not doing this scheme?**

Section 14 of the Education Act 1996 places a duty on Councils to secure sufficient and suitable school places to provide for 5 – 16 year old statutory aged children in its area. The Education and Inspections Act 2006 gives Councils a strategic role as commissioners, but not providers, of school places to promote parental choice, diversity, high standards, the fulfilment of every child's educational potential and fair access to educational opportunity.

The proposal to commission new school places and to allocate related capital investment outlined in this report implements the identified need to manage demographic growth in the previously published school organisation plan and mitigates the risk on the Council of failing in its statutory duty to provide sufficient school places.

## **COST BENEFIT ANALYSIS**

### **How and on what timescales will the projected costs be recouped as savings or benefits?**

Consideration has been given to whether the provision of places elsewhere may be feasible. However, this is the only school serving the locality and there is a need to ensure sufficient places at a local school.

## 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.

The commissioning of this project will include risk assessment and management criteria to ensure these are clear to decision makers. Contract and construction risks will be overseen through the project management of the project.

However, in order to ensure that the main accommodation works can commence on site in early 2013 and to avoid the need for further temporary accommodation, an enabling works package has been let for external works to be undertaken during the school 2012 summer holiday period.

See formal Risk Register for the project for details.

## OTHER COMMENTS

N/A

## CAPITAL COST OF PROJECT

List here the gross costs, updated from Outline Business Case using detailed estimates or tender prices

	* Est type - D	2011/12	2012/13	2013/14	2014/15
Land Acquisition					
Building Acquisition					
Construction/ Conversion	2,235,477		660,477	1,575,000	
Professional Fees	313,307	17,494	275,387	20,426	
Vehicles					
Plant & Equipment					
Furniture	162,297			162,297	
IT Hardware					
Software & Licences					
Capital Grant to 3 <sup>rd</sup> Parties					
Credit Arrangement (leases)					
<b>TOTAL COST</b>	<b>2,711,081</b>	17,494	935,864	1,757,723	

\*D = Detailed estimate, T = Tender price.

## SOURCE OF FUNDING

List here the funding sources, updated from Outline Business Case

	2011/12 £000	2012/13 £000	2013/14 £000	2014/15 £000
Specific Government Grant – Basic Need	17,494	935,864	1,362,775	

Developers Contribution – (assumed)			394,948	
Lottery / Heritage				
Other sources (specify)				
<b>EXTERNAL FUNDING</b>	17,494	935,864	1,757,723	
Direct Revenue Financing				
Capital Receipts				
Borrowing *				
<b>CENTRAL BEDS FUNDING</b>				
<b>TOTAL FUNDING</b>	17,494	935,864	1,757,723	

\* 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	2010/11 £000	2011/12 £000	2012/13 £000	2013/14 £000	2014/15 £000
Staffing costs					
Other running costs					
Income / savings					
<b>Net impact to CBC (excl schools)</b>					
Net impact to schools					

## COMMENTARY ON REVENUE IMPACT

The day to day running costs of school provision is met through revenue funding which is made available to each school as part of the dedicated schools grant and is based primarily on the numbers of pupils attending, which will increase accordingly in an expanded school.

## DETAIL SCHEDULE OF WORK

**Outline key works undertaken in the delivery of the scheme.**

Design and construction as per the Scope and Feasibility Study signed off by all parties on 20/01/2012.

**KEY MILESTONES (DATES)**

<i>Feasibility Study</i>	October 2011
<i>Stage D submission</i>	March 2012
<i>Stage E submission</i>	27/06/12
<i>Out to Tender</i>	TBC
<i>Tender Return</i>	TBC
<i>Client approval</i>	TBC
<i>Contractor start on site</i>	TBC
<i>Completion on site</i>	December 2013
<i>Project review</i>	December 2014
<i>End of defects period</i>	December 2014
<i>Project close</i>	December 2014

**CONTACT INFORMATION**

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

Name: Keith Armstead

Ext: 75574

**APPROVAL**

I approve the submission of this Detailed Business Case:

Name and signature as appropriate in line with Constitution

Director: .....

Date: .....

Portfolio holder: .....

Date: .....

Chief Finance Officer: .....

Date: .....

Portfolio holder for Finance People & Governance:

.....

Date: .....