

## 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** Extension to Greenleas Lower School as a new Annex site

**LOCATION OF PROJECT** Pratts Quarry, Kestrel Way, Leighton Buzzard

**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 additional lower school places is a result of demographic growth within the southern part of Leighton Buzzard.

Prior to the commencement of the development, it was envisaged that new lower school provision would be required and a Unilateral "S106" agreement was approved alongside the new residential development proposals which provided a new lower school site and financial contributions towards the costs of new lower school provision.

Lower school pupil numbers generated from within the new developments in Southern Leighton Buzzard have now reached a stage whereby they can no longer be accommodated within spare capacity at other Leighton Linslade lower schools. Set against a total of 548 overall places for admissions across the area at 4+ a total of 538 pupils were admitted in September 2011 resulting in most schools being at or above capacity. Area Health Authority figures support the continuation of this trend over the coming years with further added pressure resulting from the new developments which are either underway or have yet to commence.

As set out in detail in the report to Executive on 27 March 2012, three local popular and successful lower schools expressed an interest in expanding to also encompass the new site at Pratts Quarry. Following an evaluation of detailed submissions made by each school, the Council's Executive approved the commencement of consultation to expand Greenleas Lower School to provide a further 300 lower school places as a new Annex to the existing main school site.

In order to accommodate the increase in numbers for September 2012, temporary arrangements have been made to increase the capacity at the existing Greenleas site ahead of the construction of the new buildings on the new site. This has been funded from the Council's temporary classroom programme.

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 4 Form Entry 600 Place lower school, across two sites with an admission number of 60 on each site, 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 across both school sites.

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:**

As set out above, the Council's Executive considered proposals by three schools to manage and govern the "new school". However, and in advance of a decision on the Statutory proposals relating to new provision, a feasibility study has been carried out on this site in order to be satisfied that the increase in numbers can be accommodated on the site and the costs from the study are included in the figures below. 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 stage of design 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, there is a need to ensure sufficient places at a local school and to meet the expectations previously set out that there would be local lower school provision to serve the new development(s). This should also lead to a reduction in traffic across the wider area as parents will be able to access places which are within easy reach of their homes.

As expressed through the consultation on the proposals, there is also a local desire and need to establish new pre-school/nursery provision within the locality in order to support parents and wider educational objectives in terms of access to good quality early years education provision, similar to that which is currently offered at the existing Greenleas Lower school. Through collaborative working with the appointed contractors, it is possible to incorporate such provision within the main build, although this would add £78k to the overall build cost which compares favourably with the likely cost of stand alone provision at a later date. Additional funding for the overall project could be made available from the DfE Basic Need grant and this is currently reflected in the costs given below.

## 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.

See formal Risk Register for the project for details.

## 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 (S106)		1			
Building Acquisition					
Construction/ Conversion	4,005,355		1,933,000	2,072,355	
Professional Fees	521,263		446,166	75,097	
Vehicles					
Plant & Equipment					
Furniture	277,845		10,000	267,845	
IT Hardware					
Software & Licences					
Capital Grant to 3 <sup>rd</sup> Parties					
Credit Arrangement (leases)					
<b>TOTAL COST</b>	<b>4,804,464</b>	1	2,389,166	2,415,297	

\*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			77,356	
Developers Contribution	3,061,067		1,666,041	
Lottery / Heritage				
Other sources (specify)				
<b>EXTERNAL FUNDING</b>	3,061,067		1,666,041	
Direct Revenue Financing				
Capital Receipts				
Borrowing *				
<b>CENTRAL BEDS FUNDING</b>				
<b>TOTAL FUNDING</b>	3,061,067		1,743,397	

\* 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 on May 2012 + revision July 2012

**KEY MILESTONES (DATES)**

<i>Feasibility Study</i>	May 2012
<i>Stage D submission</i>	July 2012
<i>Stage E submission</i>	August 2012
<i>Out to Tender</i>	N/A
<i>Tender Return</i>	N/A
<i>Client approval</i>	
<i>Contractor start on site</i>	November 2012
<i>Completion on site</i>	September 2013
<i>Project review</i>	September 2014
<i>End of defects period</i>	September 2014
<i>Project close</i>	September 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: .....