

Detailed Business Case

Detailed Business Case

a. Title

Project Name	Bedfordshire East Schools Trust New School Places
Project location	Robert Bloomfield Academy, Shefford Etonbury Academy, Arlesey
Project Sponsor	Rob Parsons Head of School Organisation, Admissions & Capital Planning
Directorate	Children's Services
Type of scheme	Capital Project - over £60k
Funding	External

b. Project Information

Project Purpose/ Outline Description	<p>This project aims to meet the demand for new school places as a result of demographic growth in the catchment areas of Robert Bloomfield Academy, Etonbury Academy and Samuel Whitbread Academy, as identified in the Council's New School Places programme and School Organisation Plan.</p> <p>These schools comprise Bedfordshire East Multi Academy Trust and collectively they have brought forward a proposal which the Council's Executive, as commissioner of new school places, is to consider for approval on the 14th May 2013, to provide these new places with an implementation date of September 2015.</p> <p>The main objective of the project is to provide these new places and therefore ensure that the Council continues to comply with its statutory responsibility to ensure sufficient school places are provided for these growing communities.</p> <p>If approved, the project will entail the procurement and delivery of the capital projects by Bedfordshire East Multi Academy Trust to implement the new school places. The project is considered by the Trust to be a key enabler for the delivery of its vision and improved educational standards across the local area, not simply a building programme.</p>
Activities in Scope	The project will include the project management, procurement and delivery of the capital schemes on both the Etonbury and Robert Bloomfield Academy sites.
Out of scope/	A separate application is being made to the DfE for additional capital grant for

exclusions	<p>the expansion of Post 16 provision which if successful will be delivered in parallel with the proposed project on the Etonbury campus and will supplement the budget outlined in this business case.</p> <p>The Trust has made successful applications to the Academies Capital Maintenance Fund and have initiated a refurbishment programme at both Etonbury Academy and Robert Bloomfield Academy. The freeholder of the site, Bedfordshire East Schools Trust (BEST), will continue to apply to the Academies Capital Maintenance Fund twice annually to upgrade and refurbish the existing buildings and infrastructure. The total secured in the current round is £466,476.00.</p> <p>BEST is working with the Football Association and with the Council's Leisure Services to develop sports and leisure facilities on the Etonbury Academy site through the potential provision of a 3G floodlit football pitch and sports hall with associated fitness, dance and micro gym rooms. If approved, these proposals will be delivered in parallel with the proposed new school places project on the Etonbury campus.</p>
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c. Deliverables / outputs	
Deliverables:	
Deliverable	Date Due
120 additional middle school places serving the catchment of Etonbury Middle School, Arlesey	Sept 2015
300 additional upper school places serving the catchment of Samuel Whitbread Academy on the site of Etonbury Academy, Arlesey	Sept 2015
The replacement of existing temporary accommodation to provide 840 permanent middle school places serving the catchment of Robert Bloomfield Academy, Shefford	Sept 2015

d. Options Appraisal	
Options	<p>The proposals to expand both Etonbury Academy and Robert Bloomfield Academy to provide the required additional middle school places have not been subject of an options appraisal. Both proposals aim to provide for growth from within their own catchments and in all other relevant respects are aligned with the Council's Policy Principles for Pupil Place Planning in Schools.</p> <p>The requirement to provide 300 additional upper school places serving the catchment of Samuel Whitbread Academy has however been subject of an options appraisal undertaken with Council support by Bedfordshire East Multi Academy Trust.</p> <p>A summary of the key elements of the options appraisal follows: The current site of Samuel Whitbread Academy was re-developed and expanded through the Bedfordshire Education Partnership PFI scheme. This increased the capacity of the school to 1758 places. Presently, the Sixth Form has more than 450 students on roll and each of the school's year groups are between 400 to 450 students in size.</p> <p>The academy was graded as 'requires improvement' with some good elements, including the Sixth Form rated as 'good' throughout by Ofsted in its last inspection in October 2012. The Academy proposes to achieve a 'Good' standard</p>

with support of a new Executive Principal for Teaching and Learning, and Governance structure provided by the Bedfordshire East Multi Academy Trust (BEMAT) Board of Directors, within the academic year 2012 / 2013.

As the Upper school serving the catchments that are undergoing significant demographic growth, demand for additional places for 13-19 year-olds would normally be accommodated within a redevelopment of the campus. However BEMAT has declared that accommodating the required expansion from 1758 places to 2058 places on the Samuel Whitbread campus would not be its automatic choice for a number of valid reasons, including the following statements made by the Multi Academy Trust for inclusion within this business case.

Logistical Issues in Size: BEMAT has made significant improvements at KS4 in the past two years, taking the GCSE 5A*- C including Maths and English from 47% to 67% [currently 62%] and significantly improving outcomes at 16+. However, it is felt that increasing the size of year groups to almost 500, coupled with the expected expansion of the Sixth Form as a result of increased staying on rates will potentially hinder BEMAT's drive to deliver outstanding education across the board on the Samuel Whitbread site. The resulting size of the Samuel Whitbread campus would place it above the Council's own guidelines for the optimum size of Upper Schools, outlined in its Policy Principles for Pupil Place Planning in Schools.

Issues with Community Disconnect & Transport: At present approximately 80% of children are transported by bus to the Samuel Whitbread campus, many from Stotfold, Arlesey and the surrounding villages. It could be argued that this creates a 'community disconnect', hindering the development of positive relationships with children, families, and the community and to the detriment of sustainable extra-curricular and community projects. The 'remoteness' of the Samuel Whitbread campus to some of the communities within its catchment that are giving rise to the need for the identified new school places is not only a potential obstacle to improving standards further, but will also add to the Home-School transport costs and is in conflict with both the Trust's and Council's obligations to promote sustainable school transport. It would also be at odds with BEMAT's aim 'to advance education and community cohesion'.

Issues in relation to school premises (BB98): Based upon the guidelines set out in Building Bulletin 98 for Secondary Schools, a total of 4,000m² of space would be required to accommodate 300 additional 13-19 places and 120 9-13 places in the Etonbury catchment. An analysis of the Samuel Whitbread site indicates that the 300 13-19 places would require 2,000m² of new build, with the 120 9-13 places being accommodated elsewhere in the authority area. As the Samuel Whitbread Academy is already under sized, a development for a further 300 students would exacerbate this and create a site that is c.11,000m² smaller than the recommended area for buildings and outdoor space.

An expansion of the Etonbury Academy to accommodate an additional 300 13-19 places and 120 9-13 places would require 4,000m² of new and remodelled space. As Etonbury Academy is already well within the area guidance for school sites this development could be achieved within the existing site, if adjustments were also made to the configuration of outside sports provision.

Issues in Relation to Value for Money: The project's financial viability would also be in question if any development was carried out at the Samuel Whitbread campus as any works would have to be brought forward through the school's existing PFI arrangement. An indicative analysis of likely construction costs (based on an estimate of 2,000m² of new build for 300 13-19 places) demonstrates an annual increase in the unitary charge of c. £300,000. With a 25

	<p>year payback period this equates to a build cost of £7.5m at today's price, which would result in a per square metre cost of £3,750. This is well above current market prices.</p> <p>To this end and for the reasons stated above by BEMAT, the option of increasing numbers on the Samuel Whitbread campus was discounted, in favour of the preferred option to provide both the required increase in middle and upper school places on the Etonbury Academy Campus.</p>
Implications of "do nothing"	<p>The Council would fail in its statutory responsibility (Section 14 of the Education Act 1996) which 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.</p> <p>If the project is not approved to go ahead, the council will not be able to provide sufficient [9-13] and [14-19] pupil places in the Stotfold and Arlesey area by September 2015.</p>
Project Delivery / Project Approach	<p>This project is intended to be delivered by Bedfordshire East Multi Academy Trust, with support from the Council and external project management resources which will be capitalised from the project's core budget.</p> <p>Bedfordshire East Schools Trust, the freeholder of the school sites, has engaged the services of a specialist project management company to assist with the delivery of the programme. The project management company has engaged feasibility architects and quantity surveyors to assess the suitability of the proposed work and has undertaken a full suite of pre-design surveys. Once procurement is underway a full range of specialist technical services (including CDMC) will be provided to assess the quality of any submissions. On appointment of a contractor the project management company will be further supported by a Clerk of Works to review the quality of all building work.</p> <p>The project will be governed by a project board, with Council representation, which is already in place and which has overseen the development of the proposal outlined in this business case and the feasibility studies that have been undertaken to date. The board has also overseen the public consultation exercise required by the Education Funding Agency of Academies seeking to make significant changes to their capacity and/or age range.</p> <p>The project management and governance structures that have been put in place by Bedfordshire East Multi Academy Trust mirror those used successfully in Central Bedfordshire to deliver the major capital projects at All Saints Academy, University Technical College and the Alternative Provision Free School which is currently underway.</p> <p>Bedfordshire East Multi Academy Trust intend to deliver both of these capital projects in partnership with the Council and the board of Bedfordshire East Schools Trust (BEST) to reduce the need for operating licences and other legal agreements, which would be necessary if the Council were to take the project forward. BEST has a strong and recent track record of delivering capital projects and managing its school estates. Delivery through this partnership approach will achieve improved value for money through simultaneous procurement of both of the required capital projects at Etonbury and Robert Bloomfield resulting in a more attractive package of works to the market, driving competitive design and commercial solutions. In addition, the elements that are not to be procured through a building contract, furniture and ICT, will be delivered through BEST's framework agreements that achieve savings through bulk purchasing.</p>
Dependencies	<p>The proposed expansion of Etonbury Academy constitutes a significant enlargement in Department for Education guidance and approval has therefore been sought by Bedfordshire East Multi Academy Trust (BEMAT) from the</p>

	<p>Education Funding Agency (EFA). The business case submitted by BEMAT to the EFA is expected to be approved in May 2013.</p> <p>The delivery of the project is dependant on securing the necessary planning approvals and the timely procurement and delivery of the capital works.</p>
Constraints	<p>The additional places are required by September 2015.</p> <p>The original indicative budgets for the provision of the new school places have been tested through a feasibility study accompanied by a cost plan that has demonstrated the broad affordability of the scheme.</p> <p>The Council's requirements for robust financial management of the projects will be subject of an agreement established between the Council and BEMAT.</p> <p>The main constraints of developing on the Etonbury Academy site involve the modification of existing facilities and the need to develop additional sporting facilities. Etonbury Academy is a middle school capable of accommodating 480 students on roll and is currently laid out accordingly. For the school to develop upper school provision many of the current spaces will need to be re-designated and/or reconfigured and this project will need to ensure that the school is laid out appropriately. The school currently has relatively limited diversity of sports provision. This project will address this by developing an All Weather Pitch to ensure that a full sports curriculum will be achievable and the Academy's objective of wider community use can be furthered.</p>
Assumptions	<p>There are no assumptions being made in the development of this project, which will be subject of appropriate risk management strategies.</p>
Procurement route / options	<p>Alternatives for the procurement route for this project have been considered with options including the Education Funding Agency Contractors Framework, the Innovation and Efficiency South East Framework, the London Housing Consortium and the SCAPE framework. The Education Funding Agency Framework has been identified as the preferred route given a number of criteria including the time to deliver the scheme, the need to retain cost certainty and the overall m2 capital costs that can be achieved.</p>
Assessment of preferred option	
Expected Benefits (opportunities) of this project	<p>This project is being undertaken to ensure the Council can continue to comply with its statutory obligation to provide sufficient school places for children in the growing communities of Arlesey, Stotfold and Shefford.</p> <p>By September 2015 the project will have provided:</p> <ul style="list-style-type: none"> • 120 additional middle school places serving the catchment of Etonbury Middle School, Arlesey • 300 additional upper school places serving the catchment of Samuel Whitbread Academy on the site of Etonbury Academy, Arlesey • The replacement of existing temporary accommodation to provide 840 permanent middle school places serving the catchment of Robert Bloomfield Academy, Shefford <p>The projects comply with the Council's Policy Principles on Pupil Place Planning in Schools and support the expansion of popular and successful schools and the need to provide local school places for local children.</p>

	<p>The proposal would allow BEMAT to deliver a broad range of curriculum choice for its entire learning community across its three current sites. This will also support the Multi Academy's drive to improve the quality of teaching and learning at KS4 which is being led by the multi academy trust. BEMAT intends to move all of its academies to 'Outstanding' by September 2015.</p> <p>The proposed expansion of the facilities at Etonbury Academy provides opportunities which are being developed in partnership with the Football Association, the Council's Leisure Services, Sport England, BEMAT and BEST to further enhance the range of dual use facilities available on the site.</p> <p>New build on both Etonbury and Robert Bloomfield sites will also reduce maintenance costs and improve energy efficiency of the existing buildings, minimizing the funding that each Academy currently has to divert from resourcing core teaching and learning activity.</p>
Disadvantages (threats) of this project	Threats and risks associated with this project will be managed by the Project Board and overseen by the Governance structure outlined within this business case.
Impact Assessment of preferred option	
Employee implications	Staff and Trades Unions will be consulted on the proposals to expand the schools in this report as part of the consultation process required by regulations and DfE guidance. Schools will have the support of their commissioned HR Providers where any proposals require changes in school staff structures or to terms and conditions of employment. Each expanding school will need to increase the numbers of teaching and non-teaching staff to support the increase in pupil numbers. This will be funded through the school's Dedicated School Grant budget and the increased share which the school will receive.
Equalities Issues	<p>The consultation and decision making process set out in regulation and guidance for proposals to expand Academies requires an evaluation on a project by project basis of any equalities and human rights issues that might arise.</p> <p>A significant benefit of the project will be the opportunities for developing the new provision for SEN and high achieving students which with enhanced provision, more seamless transition and access to a broader range of curriculum choices will enable the Trust to support students more effectively.</p> <p>The proposed 14-19 provision on the Etonbury campus will provide for Special Education Needs and Disabilities students far more effectively than the Trust is currently able to do. Across BEMAT these projects and the forecast growth in pupil numbers will also enable the development of a single point of contact Children and Family Services Team and a single SENCO structure. Children and their families will be supported by these teams throughout their 9-19 journeys by enhanced pastoral support.</p>
Strategic Assessment of preferred option	
Statutory Duty & any legal implications	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.

KPIs and key targets from MTP	The project supports Central Bedfordshire's Medium Term Plan: <i>Delivering your priorities – Our Plan for Central Bedfordshire 2012- 2016</i> and the specific priority of Improved Educational Attainment.																												
Impact on the MTP – delivering your priorities	<p>The Multi Academy Trust has committed to the following KS4 targets which will have a direct impact on the Council's MTP priority.</p> <p>BEMAT KS4 Results 5 A* to C not including both English and Maths</p> <table border="1" data-bbox="429 392 1391 515"> <thead> <tr> <th></th> <th>2010</th> <th>2011</th> <th>2012</th> <th>2013</th> <th>2014</th> <th>2015</th> </tr> </thead> <tbody> <tr> <td>BEMAT</td> <td>74%</td> <td>78%</td> <td>79%</td> <td>84%</td> <td>84%</td> <td>85%</td> </tr> </tbody> </table> <p>BEMAT KS4 5 A* - C GCSE grades including Maths and English</p> <table border="1" data-bbox="429 607 1399 730"> <thead> <tr> <th></th> <th>2010</th> <th>2011</th> <th>2012</th> <th>2013</th> <th>2014</th> <th>2015</th> </tr> </thead> <tbody> <tr> <td>BEMAT</td> <td>57%</td> <td>64%</td> <td>61%</td> <td>70%</td> <td>71%</td> <td>70%</td> </tr> </tbody> </table>		2010	2011	2012	2013	2014	2015	BEMAT	74%	78%	79%	84%	84%	85%		2010	2011	2012	2013	2014	2015	BEMAT	57%	64%	61%	70%	71%	70%
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Key risks

Risks	<p>Affordability</p> <p>The project will be procured through a Design and Build contract, which will ensure the project is delivered on budget. The scheme's affordability will be ensured through the progression of feasibility studies, the holding of a contingency sum and the preparedness to conduct Value Engineering of the scheme if necessary.</p> <p>Planning</p> <p>On-going dialogue will be conducted with CB planners to ensure that any application is received favourably. During the planning review period this relationship will be maintained to provide all necessary information to planners and to understand the implication of any conditions.</p> <p>Site conditions</p> <p>A full suite of pre-design surveys have been carried out so that any issues regarding the site can be addressed during detailed design.</p> <p>Programme</p> <p>During the delivery of the project the programme will be closely monitored to ensure that milestones are achieved or where any delays are likely these can be minimised by deploying alternate strategies.</p> <p>Integration of other associated works</p> <p>To ensure that the installation of ICT and furniture is fully integrated with the construction project a Strategic Integration Group will be established to develop joint programmes and monitor the overlapping priorities and risks.</p> <p>Risk Register</p> <p>A full risk register will be developed as the project progresses, using a recognised risk assessment methodology which will be reviewed regularly by the Project Board.</p> <p>Throughout the delivery of this programme BEST will maintain a robust risk management strategy. Risk workshops covering both educational and construction elements have been held in November 2012. Thereafter, the risk logs will be updated quarterly by the Project Manager. On appointment of a</p>
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	building contractor a further workshop will be held to refresh the risk log. The project's approach to risk management will be realistic and proactive. Only genuine risks will be tracked and the parties responsible for managing each will be expected to provide monthly updates on the likelihood and contingency plans for each risk.
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e. Stakeholders involvement – required to deliver or project will impact (please list with names of individuals and ensure that those who will be required to input or deliver the project are aware)

Directorates	Rob Parsons, Head of School Organisation, Admissions & Capital Planning, Children's Services
Members	
Public if applicable	

f. Timescales – key milestones

Milestone	Date
EFA significant changes consultation	February 2013
Feasibility scheme completed	March 2013
Executive approval	May 2013
EFA/Secretary of State approval	May 2013
Preliminary tendering complete	July 2013
Preferred bidder chosen	December 2013
Detailed design complete	February 2014
Planning permission granted	April 2014
Start building works	June 2014
Complete building works	June 2015
Project completion (End of Defects Liability Period)	June 2016

g. Project Governance

Please provide details of how it is proposed that this project should be governed, this should as far as possible be within existing governance structures.

Project Sponsor	Rob Parsons Head of School Organisation, Admissions & Capital Planning, Children's Services
Project Manager	Ian Kite, Chief Executive, Bedfordshire East Schools Trust
Project Board	Project Steering Group – Directors of Bedfordshire East Multi Academy Trust, Council Officers supported by a Project Manager who has significant experience working within the DfE Academies framework and on predecessor BSF schemes.

Project Team/s by work stream.	Main design user group ICT Design user group Planning & Highways Commercial risk and legal Energy and carbon reduction Finishes FF&E

h. Costs

Project Managers must not commit expenditure until they are certain that the budgets for that project have been approved in compliance with the Council's Constitution.

1. Financial Case Summary

Expenditure Type	£'000					Total
	2012/13	2013/14	2014/15	2015/16	2016/17	
Total Gross Capital Costs	0	85	7,230	1,485	0	8,800
Total Gross Revenue Costs	0	0	0	0	0	0
Total Costs	0	85	7,230	1,485	0	8,800

Projected Gross Benefits	0	0	0	0	0	0
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Net Impact to CBC	0	0	0	0	0	0
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2. Capital Costs

A Expenditure Type	£'000						Est. Type *
	0 Year 1	0 Year 2	0 Year 3	0 Year 4	0 Year 5	Total	
Capital Costs							
Land Acquisition						0	
Building Acquisition						0	
Construction/ Conversion			6,565	1,330		7,895	D
Professional Fees		85	65	31		181	D
Vehicles						0	
Plant & Equipment						0	
Furniture			600	124		724	D
IT Hardware						0	
Software & Licences						0	
Capital Grant to 3rd Parties						0	
Credit Arrangements						0	
Capitalisation of Internal Salaries						0	
Other (Specify)						0	
Total Capital Costs	0	85	7,230	1,485	0	8,800	

* S= Spot Estimate, D= Detailed Estimate, T= Tender Price.

B Sources of Funding	£'000					Total
	0 Year 1	0 Year 2	0 Year 3	0 Year 4	0 Year 5	
External Funding						
Government Grant (Basic Need)			5,019	629	-914	4,734
Section 106	81	225	1,990	855	923	4,074
Section 278						0
Lottery/ Heritage						0
Other Sources (Specify)						0
Total External Funding	81	225	7,009	1,484	9	8,808

Internal Funding						
Direct Revenue Financing						0
Capital Receipts						0
Borrowing						0
Total Internal Funding	0	0	0	0	0	0
Total Funding	81	225	7,009	1,484	9	8,808

3. Revenue Costs

Expenditure Type	£'000					Total
	0 Year 1	0 Year 2	0 Year 3	0 Year 4	0 Year 5	
a.One - Off Revenue Costs						
(Specify)						0
(Specify)						0
(Specify)						0
Total One- Off Revenue Costs	0	0	0	0	0	0

b.Ongoing Revenue Costs						
(Specify)						0
(Specify)						0
(Specify)						0
Total Ongoing Revenue Costs	0	0	0	0	0	0

c.Projected Gross Revenue Benefits/Savings						
Savings						0
Income						0
Total Gross Revenue Benefits	0	0	0	0	0	0

d. MRP and Interest						
MRP	0	0	0	0	0	0
Interest	0	0	0	0	0	0
Total MRP & Interest Impact	0	0	0	0	0	0

Net Impact to CBC	0	0	0	0	0	0
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Provide a detailed explanation of how the Savings and Income are Derived. Include details of how these have been calculated.

4. Cost/ Benefit Analysis

Additional Information	Value
Net Present Value	0
Return on Investment	-100%
Payback Period (years)	#DIV/0!
Capital Costs to Benefits Ratio	#DIV/0!
Revenue Costs to Benefits Ratio	#DIV/0!
Total Costs to Benefits Ratio	#DIV/0!

3.5% Present Value Factor (£'000)

5. VAT Implications

Please state whether VAT implications have been considered for this scheme

6. Additional Financial

Include any additional financial information which may be relevant such as ;hyperlinks to grant conditions and details regarding funding sources.

j. Detailed Business Case Sign off (circle, sign and date)

Project proposal validated by:	Name and signature	Date
Project Manager	Ian Kite Chief Executive Bedfordshire East Schools Trust	4/4/13
Project Sponsor	Rob Parsons Head of School Organisation, Admissions & Capital Planning	4/4/13

GUIDANCE: *The Project Manager is responsible for progressing the sign off process.*
For capital projects, the business case must be signed by the Portfolio Holder to enable release of funds.

Approved	Director - Name & Signature	Date
Approved	Portfolio Holder for service– Name & Signature	Date
Approved	Senior Finance Manager – Name & Signature	Date
Approved	Chief Finance Officer– Name & Signature	Date
Approved	Deputy Leader – Name & Signature	Date

Once approved please forward copy to:
 Corporate Capital Coordinator - Linsey Stansfield
 Capital Finance Manager – Sarah Michael (finance)