

## Appendix A

### Business Case

### Allocation of £1,400,000 Basic Need Grant for Secondary School Expansion Projects

Date:	27 September 2018	
Service Unit(s):	Community Learning and Commissioning	
Prepared by:	Felicity Draper	
Project Manager:	To be assigned	
Project number:		
Document Type:	Feasibility/BC <sup>1</sup>	
Document version:	0.00	

### Approval

Role	Name	Approval Date
Project Owner (PO)	Neil Goddard	17.09.18
Managing Director	Jane Portman	17.09.18
Portfolio Holder (PH)	Councillor Nicola Greene	17.09.18

### Portfolio holder's comment

To be provided at the meeting
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### Background programme and project information

Does this Project link to existing Projects/Programme? If yes, please give details and project number, if known.	No
Has this funding request already been approved as part of the Capital Programme/HRA? If yes, please give further details.	No

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# 1. Executive Summary

## Proposed project

This report seeks an allocation of grant funding (subject to submission to the Council of appropriate and approved plans to deliver extra capacity) to four academy school projects to enable the expansion of secondary provision within the borough and meet the rising number of primary pupils transferring into the secondary phase over the next 5-8 years.

The Council has a statutory duty to provide sufficient school places for the resident children of Bournemouth. The birth rate in the Borough has been rising rapidly since 2005, leading to in the first instance, a need for a significant number of additional primary school places. This pressure will be shortly transferring into the secondary phase and extra capacity is thus required.

The Council's School Place Planning Programme Board has agreed that to meet the raised level of demand a variety of additional provision should be created. A new Free School – Livingstone Academy – is being built and funded by the Department for Education and this will eventually provide 5 forms of the forecast additional 9 forms per year of secondary entry places needed as well as 2 forms per year of primary entry and sixth form provision.

The remaining forms of entry, including sufficient initially, should there be a lengthy delay in Livingstone Academy opening, will be provided through the expansion of the existing secondary academy estate. The schools agreed to expand are Bournemouth School, Bournemouth School for Girls, Avonbourne College and Harewood College.

The provision will be designed to enable a timely, cost effective expansion of capacity at all the schools. The expansion of existing capacity will create up to 6.5 additional forms of entry in 2019. This is essential due to the delay in the opening of Livingstone Academy and has required the bringing forward of proposals to expand other schools earlier and with a greater number of forms of entry than would otherwise have been the case. Whilst Livingstone Academy has a revised projected opening date of 2020 - this has yet to be confirmed by the Department for Education and the Academy Trust. The Council is unlikely to receive such confirmation until at least the latter part of 2019. As such the use of Basic Need Capital funding for this proposal for the expansion of existing schools is appropriate.

The main increase in demand has been experienced in the south east and central parts of the borough and thus the schools selected to expand have been targeted at those areas. It is expected that the developments will provide good quality buildings and facilities near to where families live and thus maintain a level of parental preference for families across the local area.

The expansion of two selective schools - Bournemouth School and Bournemouth School for Girls - is in line with the overall demographic growth in the borough. As part of their respective expansion projects both these grammar schools have submitted bids to the Department for Education for funding from the Selective Schools Expansion Fund to augment their expansion proposals. The schools have already set higher published admission numbers for the 2019-20 year in accordance with statutory requirements to enable them to take in a greater number of pupils into their entry year - Year 7.

**Which Council corporate priority actions does the proposed project meet? (eg. EC2 Developing our workforce, please see the Corporate Plan for reference**

- **An Active Community** - helping children and young people reach their full potential, improving health and wellbeing and reducing health inequalities for residents
- **An Efficient Council** - making the best use of our assets, using sound finances
- **An Improving Environment**- Improving the quality of Bournemouth’s built environment, promoting sustainable travel

What support is required from other Services?

- Finance - throughout the project to ensure Capital processes are followed and monitored and funding is in place.
- Legal - to be determined throughout the project
- Procurement - if required to support any tendering process

Key benefits from the project

Delivery of high quality provision to enable the Council to meet its statutory duty to ensure sufficient school places

- By providing appropriate high quality buildings and facilities local to where families live it will reduce potential costs to the Home to School transport budget
- The greater the number of children having the opportunity to attend a school near to where they live has the potential to relieve pressure on the cross-borough road network

Overall Project Risk Rating				
Top 5 Project Risks			Gross Risk Rating	Mitigating Actions
Risk	Cause	Impact		
Academy Trust(s) alter decision to provide extra capacity and do not deliver all or part of the construction programme	Delay in delivery of phased construction project causing Academy to review its future Published Admission Number	Council will not be able to meet statutory duty to ensure sufficient school places	Medium	Regular monitoring of progress by Client Project Officer  Work with academy during annual consultation on setting of Published Admission Number and through the annual admissions process
Forecast number of additional places reduces	Changes in demographic demand due to reduced migration levels	Lower number of pupils applying for expanded schools and all surplus sitting in these schools	Medium	Regular monitoring of forecasts through School Place Planning Programme Board

	both within and outside of the area			
Programme unachievable by date additional capacity required	Deadline for when extra children enter the school and delay in commencing construction work	Pupils have, to be in temporary placements within the relevant schools or larger classes	Medium	Academies to put in place as part of their project plan arrangements if project overruns
Rising construction costs render the Academies' eventual projects unaffordable	Rising Construction Costs due to economic reasons	Pressure on overall capital budget	Medium	Ensure through Project Board that Academy has set Sufficient 15% contingency to allow for rising costs included when determining viability of project
Poor working relationship between Academy and the Local Authority	Altered contractual relationship between Academies and Local Authorities	Delays caused by confusion in relation over roles and responsibilities	Low	Clear and agreed project outcomes and project management procedures

- **Finance Summary**

Project Finance	Proposed Funding Source	2018/19
Grant	Basic Need	1,400,000

The Council is in receipt of sufficient Basic Need Grant from the Department for Education to support these schemes. A further allocation of £3,930,712 is scheduled to be paid to the Council covering the Bournemouth area in 2020-21.

Payment of the grant to the Academy trusts is to be following the submission of appropriate plans. It may be made in instalments where they are directly managing the projects and subject to evidence of expenditure.

## 2. Project Options Appraisal

**Option 1: Implement Proposed Basic Need Allocation of Funding to expansion projects delivered through four local academies**

In Scope	Out of Scope
Approved construction works to facilitate creation of additional 6.5 forms of entry across 4 academies	Any additional works not supporting creation of additional secondary places
Expected Cashable Benefits (£k)	Expected Financial Cost (£k)
	£1,400,000
Expected Non-Cashable Benefits	High Level Breakdown of Costs
Projects will deliver additional school places for children and young people	Avonbourne College £600,000 Bournemouth School £200,000 Bournemouth School for Girls £200,000 Harewood College £400,000
Deliverables	Timeline
Creation of an additional 6.5 forms of entry by September 2019.	Commencing September 2018 Completion September 2019 onwards

### Option 2: Do Nothing

This is not an option as additional places are required and Livingstone Academy which is directly funded by the Department for Education is projected to only be partially open in September 2020.

## Strategic Alignment and Benefits

### Strategic Alignment for Preferred Option

Corporate Priorities and Actions met	Project Deliverables
An Active Community – Helping Children and Young People achieve their potential	By providing appropriate places within Bournemouth, reducing the need to travel.
An Efficient Council – making best use of our assets	By providing appropriate places within existing schools in Bournemouth, reducing the need to travel out of borough and reduce costs.
An Improving Environment	Improving the quality of Bournemouth's built environment, promoting sustainable travel

## Benefits for Preferred Option

Benefits	How Benefits are Measured?	Benefit Measurement	
		Baseline	Target
Improving the quality of Bournemouth's built environment, promoting sustainable travel	Number of appropriate places available in Bournemouth	Number of places as at September 2018	Additional Number of places at September 2019 - 194
Improved facilities available at a local school	Through Ofsted evaluation	All provision judged as at least good by Ofsted	Provision continue to be judged as good or Outstanding at an inspection after development complete
Reduction in pressure on Home to School transport Budget through grater provision near to where families live	% of cohort of children needing a bus pass or other transport as consequence of not getting a school place at a local school	Current % of cohort of children needing a bus pass or other transport as, a consequence of not getting a school place at a local school	Maintenance or reduction of current % of cohort of children needing a bus pass or other transport as, a consequence of not getting a school place at a local school

## 6. Project Management Overview

### Project Approach

- These projects will be overseen by a client project manager from within the Access and School Commissioning Service as part of the Community Learning and Commissioning Capital Programme.

### Critical Success Factors

- Bournemouth Council being able to utilise new, improved and expanded local facilities for children and thus meet its statutory responsibility to ensure that there are sufficient school places.

### Key Learning Applied / Evidence of Similar Projects

- The Access and School Commissioning Service has successfully delivered over £100m worth of school construction projects over the last 6 years to deliver the expansion of the primary phase of education and other specialist provision. It has

extensive experience of working with Academy Trusts in managing capital projects which are directly delivered by the Trusts or directly managing projects on behalf of Academy Trusts.

### Interdependencies

IN/OUT	Project or Resource that you are dependent upon (IN) or that are dependent on this project (OUT)	Brief description of dependency	Impact of interdependency on project
In	Access and School Commissioning Service	To oversee, monitor and approve delivery by academy trusts	Resource implication for dealing with overall basic need strategy and other capital projects

### Project Management Organisational Structure

Project Board	Name	Position/Job Title
Project Owner	Neil Goddard	Service Director
Project Manager	To be assigned as required	Project Officer
Project Accountant	Jo Collis-Heavens	Accountant
Senior User	Academies	N/A
Senior Supplier	Unknown at this stage	N/A
Portfolio Holder	Councillor Nicola Greene	Education and Children

### Proposed Project Resource

Resource	Project Role	Estimated Effort
Project Manager	Project Manager	20%FTE Client Project Manager
	Board member	Minimum 2 hrs per week as and when projects progressed

### Timescales and Key Milestones

Project start date	Project end date
September 2018	September 2019 or onwards where projects are delivered in phases and have later completion dates

Key Milestone Date	Milestone Description
September 2018	Allocation of Funding
November 2018	Academy proposals submitted and agreed
December 2018 - September 2019 (or beyond where required)	Regular monitoring meetings of projects progress
September 2019 or onwards where projects are delivered in phases and have later completion dates	Projects completed