

Ysgol Carreg Emlyn – Business Justification Case

1. Executive Summary

This Business Justification Case is to seek the approval of the Welsh Government for £1,395,763 as a contribution towards a £4,941,720 investment to build a new school building in the village of Clocaenog for Ysgol Carreg Emlyn.

The project will provide a new school of 95 Full Time capacity in the village of Clocaenog.

This project forms part of Denbighshire County Council's Strategic Outline Programme for 21st Century Schools funding.

The new area school of Ysgol Carreg Emlyn was established on 1st September 2014. The new school was formed to replace the previous schools of Ysgol Clocaenog and Ysgol Cyffylliog and is operating on the two existing school sites in Clocaenog and Cyffylliog. Both Clocaenog and Cyffylliog were category C condition schools. Ysgol Clocaenog had no surplus places and projected to be oversubscribed by 33% by 2018. Ysgol Cyffylliog had over 40% surplus places. The amalgamation of the two schools allowed for better use of the available pupil places in the area and designating Cyffylliog for the foundation phase and Clocaenog for key stage 2 increased the accessibility to the available places. The amalgamation generated an annual revenue saving of £45k.

The investment will provide the school with buildings and facilities in line with the Welsh Government's 21st Century Schools standard and will provide a high quality educational provision. Both of the existing sites have deficiencies in facilities as neither have a hall and this is a barrier to curriculum delivery. The Clocaenog site has two classrooms of different sizes. The smallest is only 30m² and this restricts the ability of the school to respond to pupil fluctuations and maintain current classroom configurations. The ancillary space in Clocaenog is provided by a mobile classroom which functions as office, staff room, small group room, and is also used for assemblies. In Clocaenog, school dinners are prepared in a nearby Church hall and transported to the school to be consumed in the classrooms.

The investment will enable the area school to move to a new single site in Clocaenog resulting in the closure of the existing sites in Clocaenog and Cyffylliog, the creation of sufficient school places and deliver a more efficient education provision in the area.

2. Strategic Context

This section provides an overview of the context within which the investment will be made.

The Strategic Outline Programme documented the need for change in the existing pattern of delivering teaching and learning throughout Denbighshire. The current provision can be considered to provide too many places in the wrong location and faces an increasing risk of not being able to meet parental preference for Welsh medium education.

The overall aims of Denbighshire's 21st Century Schools Programme reflect the overall national programme objectives:

Aim 1 - Learning environments for children and young people aged from 3 to 19 that will enable the successful implementation of strategies for school improvement and better educational outcomes

Aim 2 - Greater economy through better use of resources to improve the efficiency and cost-effectiveness of the education estate and public service provision

Aim 3 - A sustainable education system with all schools meeting a 21st Century Schools Standard, and reducing the recurrent costs and carbon footprint

Business needs / Problems with the status quo

Clocaenog Site:

Site Issues: The school site is located at the junction of the two main routes through the small village of Clocaenog. The school yard and main building are separated from the rest of the school grounds by a stream which runs through the site. The stream is fenced off and a bridge leads to the remainder of the grounds which slope steeply up to the boundary fence with the adjoining field. At the top of the slope an area has been levelled to enable the siting of a mobile classroom. Adjacent to the school there is a community play area and field accommodating a pitch which is used by the school.



The shortcomings of the site include the mobile classroom which is used for administration by the teaching staff and secretary, a staffroom, and for one to one teaching, music lessons and assembly. Access to the mobile is by steep ramps and steps. There is no onsite catering or dining facility. Food is cooked in the kitchen of the Community Hall and then transported down the lane to the School. Food is served from a trolley and pupils eat their meal at the desks they work at. Dirty plates etc are taken back to the Hall to be washed. The main hard play area for the site has a significant slope which restricts the types of activities that pupils can participate.

Highways: There is no dedicated car parking provision.

Potential for Development: It is difficult to envisage a solution for development of this site to accommodate more pupils. Any proposal would need to deal with the potential flood risk and the accessibility issues of gaining access to the raised areas to the rear of the site.

Condition	C
Suitability	B
Deficiencies	Car Parking, Staff Areas, Public Areas, Accessibility

Cyffylliog Site:

Site: The school consists of the original school building, little changed since construction - other than improved toilets, with associated walled yard area and outbuildings. Classroom and circulation areas are simply laid out, light and airy with no significant issues. Very small kitchen with little space to be able to upgrade or improve the cooking equipment. Limited food storage facilities and limited dining facilities.



Highways: There is no dedicated car parking provision.

Potential for Development: There is little scope to develop the site to cater for 105 pupils. To provide the accommodation recommended by BB99 would require an increase in the size of the built accommodation by a factor of three. This would be an over-development of the site and would detract from external areas.

Condition	C
Suitability	B
Deficiencies	Accessibility, Staff Areas, Car Parking, Public Areas

Current demand for places

The table below shows the pupil number over the past 5 years and the current demand for places at the school:

Full Time pupil numbers – January PLASC					
2011	2012	2013	2014	2015	2016
53	59	57	58	63	71

Currently the school has 71 full time pupils and 15 part time pupils. Current projections indicate that the school will have 81 full time pupils by January 2018:

Full Time pupil numbers – Projections			
2017	2018	2019	2020
79	81	87	89

Proposed solutions

The initial options considered were as follows:-

- A.) Do Nothing: Maintain Status Quo
- B.) Do Minimum: Clear Maintenance Backlog- Remedial Repair
- C.) Do More Than Minimum: New 80 FTE School (replacement of existing)
- D.) Do Intermediate: New 95 FTE School (Preferred)
- E.) Do Maximum: Build a new 105 FTE school with attached Community Centre.

These are explored further in Section 3 – Available Options

Proposed scope

The proposed new building located in the village of Clocaenog will deliver a primary school with capacity for 95 full-time pupils & 14 part-time pupils. The project will provide a total of four classrooms for the delivery of mixed year classes (Nursery & Reception, Year 1 & 2, Years 3 & 4 and Years 5 & 6) and additional areas including a hall, kitchen, community room, staff room, administration office, head teachers office, toilets and storage.

Project Impact

Nearby provision - In November 2012, Denbighshire's Cabinet approved the commencement of a review of primary school provision in the Ruthin area. The review encompassed eleven primary schools in the area and six recommendations were implemented as a consequence of the review. The nearest alternative provision is Ysgol Pen Barras which is located 4.8 miles away in the town of Ruthin. This school is subject to a separate business case to relocate it to a new site.

Welsh Medium – The Council's Welsh in Education Strategic Plan which covers the period 2014 – 17 reaffirms the Council's commitment to increasing the number of pupils receiving their education through the medium of Welsh. This proposal supports the outcome of the strategic plan.

Play areas / pre-school and after school care – The new school building will create suitable play areas which will enhance both pre-school and after school care.

SEN Provision – The new school building will deliver small group rooms which will be used for providing appropriate support for individuals or groups of pupils.

Investment objectives for the procurement

The investment is driven by the following objectives:

- To increase and improve the permanent capacity for Ysgol Carreg Emlyn to provide 95 full-time pupil places and 14 part-time nursery places to be utilised from September 2017 onwards;
- The provision of distinct Foundation Phase and Key Stage 2 learning environments tailored to meet the needs of the Foundation Phase curriculum and the Key Stage 2 curriculum to be utilised from September 2017;
- The provision of improved classroom and ancillary areas for Ysgol Carreg Emlyn by September 2017.
- Improve the condition of the school, from a category C (Clocaenog site) & category C (Cyffylliog site) school to a category A school by September 2017;
- The reduction in the overall maintenance backlog by £269,050 by September 2017;
- To facilitate the removal of mobile accommodation from the Clocaenog site by September 2017;
- The authority will be able to declare both existing sites as surplus following the move to a single site in September 2017 and subject to consultation re-invest the proceeds from the site into the Modernising Education Programme;
- To achieve greater efficiency and economy of the overall school estate.

- Increase the energy efficiency and reduce the carbon footprint.

Benefits

The Council believes this proposal represents the best opportunity to safeguard and sustain educational standards for the future and provide a platform for improvement through significant investment in facilities.

This proposal demonstrates the Council's commitment to sustaining and developing further standards of attainment and learning opportunities for all children in order for them to fulfil their potential.

The main benefits associated with the investment are:-

The main quantitative benefits associated with the investment are:

- Improved school building and facilities;

The project will deliver new classrooms, distinct Foundation Phase and Key Stage 2 learning environments, outdoor classrooms, resource space, small group rooms, and ancillary areas including a new hall, reception, head teacher's office and staff room.

The new school building will be more energy efficient, reduce the maintenance backlog and ensure compliance with DDA legislation.

- An improvement in the performance of the school;

There is a clear link between new and improved school buildings and improved performance as highlighted by Estyn. The provision of distinct Foundation Phase and Key Stage 2 learning environments, outdoor classrooms and appropriate resource space will have a positive impact on the learning environment enabling staff and pupils to achieve their potential.

The main qualitative benefits associated with the investment are:

- Improved educational environment for pupils and staff;

Pupils and staff will benefit from an improved learning environment. The provision of specific facilities to deliver the Foundation Phase curriculum and the Key Stage 2 curriculum, along with the skills and expertise of a larger cohort of staff will create learning environment for pupils and staff to thrive in.

- Improved morale of pupils and staff;

The improved learning environment, along with the increased number of staff and pupils within each cohort is likely to have a positive impact on the morale of both children and staff within the school.

- A larger cohort of staff on one site able to specialise and develop expertise in a variety of areas;

Bringing together the staff from both sites will create a larger cohort of staff on one site who will use their skills and expertise for the benefit of the pupils. Having a larger cohort of staff will enable teachers and support staff to specialise in certain areas, aiding in their professional development, which will in turn benefit the pupils.

The main cash releasing benefits of the investment are:

- Reduction in the maintenance backlog of £269k;

The project will deliver an extended and refurbished school with no maintenance backlog and will therefore assist in reducing the Council's overall schools maintenance backlog.

- Potential capital receipt of £350k from the sale of both sites;

Following consultation with the local community over the future use of the school site, should no alternative proposal arise, the Council would seek the maximum capital receipt for the site. The capital receipt generated would be retained within the overall Modernising Education Programme and used to fund improvements to other schools in the County.

- Reduction in transport costs of £39k;

The project will remove the need to transport pupils between the existing sites as the foundation phase is located in Cyffylliog and key stage 2 in Clocaenog.

The main non-cash releasing benefits of the investment are:

- Improved cost per pupil funding;

The new school will have a lower cost per pupil as it will provide a more efficient education system that reduces expenditure of building, site and energy expenses allowing resources to be redirected towards improving the education provision for pupils within the County.

- A more energy efficient building;

The new school will be far more energy efficient than the current two sites, which will reduce the financial cost of running the school and contribute towards the Council's carbon reduction commitment.

- Improved education and ancillary facilities

The new school will have capacity for 95 full time places, once provision is consolidated on to one new site. The new building will have modern purpose built classrooms with access to external areas and suitable ancillary facilities to deliver the curriculum.

- Removal of mobile accommodation;

The savings released from removing the mobile accommodation will remain within education and used to fund prudential borrowing which will contribute towards the Council's match funding of the 21st Century Schools programme.

Risks

The tables below provide a summary of the key business and service risks that might affect any option for the delivery of this service. The tables below also highlight whether the risks are more prevalent during the design, build and operational phases of the project.

Business Risks

Risk	Phase	Description	Mitigation
Changes in demand	General	The risk that pupil numbers at the school will be significantly higher or lower than projected;	The Council is working closely with the Governing Body and the Head teacher to ensure that current and prospective parents are kept informed of the developments.
Financial viability	General	The risk that the costs associated with the project will be significantly higher than anticipated.	The Council's Quality Surveyors have updated and recalculated costs associated with the project to ensure they are as accurate as possible.
Failure to proceed	General	The risk that the project fails to proceed due to lack of capital funding or planning permission;	The Council is committed to funding the project should funding from the Welsh Government not be secured.
Procurement	Design	Delay or additional cost arising from the procurement route.	Procurement route will follow existing standard procedures and key milestones articulated in the overall project plan.
Design	Design	Delay or poor quality outputs as a consequence of a poorly chosen or badly briefed team.	Early involvement of Head teacher & Governing Body to ensure that design requirements are included as appropriate.
Planning permission	Design	Delay or refusal of consent for the scheme.	The Council is committed to submitting a planning application.
Tender exceeds budget	Design	Cost inflation between the approval of the business justification and tendering.	Costs have been revised for preferred option with this BJC. Project will proceed at risk prior to BJC approval to avoid costs which may be associated with delays.
Contract delays	Build	Site problems, contractor bankruptcy, design changes and disruption from environmental factors, including weather.	Will be managed within the risk register.

Service Risks

Risk	Phase	Description	Mitigation
Design	Design	Design does not meet the needs of the school.	The Council is working closely with the Head teacher and Governing Body to ensure that the design meets the needs of the school.
Disruption	Build	Disruption to the school from the building works impacts on the quality of education.	The work will be located on a separate site and scheduled to ensure minimal disruption to pupils and to the quality of education provided.
Quality	Operational	The quality of the building provided impacts on the delivery of education	The Council is working closely with the Head teacher to ensure that the design meets the needs of the school.
Output	Operational	The output provided does not meet the needs of the School.	The Council is working closely with the Head teacher to ensure that the design meets the needs of the school.
Timescales	Build	Contractor unable to deliver within the agreed timescales.	Involvement with the appointed contractor in the management of the project.
Efficiency of new building	Operational	Improved energy efficiencies are not realised.	Involvement of energy efficiency officer in the design phase.

Community Benefits

The project will be awarded on price / quality and will include an assessment of community benefits. Specific targets regarding Placements, work experience, employment, local spend are currently being developed.

The progression of these community benefits will be measured during the project in accordance with the toolkit and reported on annually to the Welsh Government.

3. Available Options

The following options have been considered for the project:

a) Retain as a split site school (Do Nothing)

Description	This would mean retaining both school sites and operating a split site school with no changes or improvements to existing facilities.
Main Advantages	This option would require no capital funding.
Main Disadvantages	This option would not address any of the issues associated with both school sites – condition of school buildings, maintenance backlog, mobile accommodation and lack of suitable facilities. Would not result in any savings or increase the efficiency and effectiveness of the school estate. This option would not improve the learning environments for pupils.
Opportunities	This option would create an opportunity to retain a school site in Cyffylliog.
Threats	The long term sustainability of the school would be threatened by a new build in Ruthin as parental support and confidence would be lost and could impact on pupil numbers in the future.

b) Retain and refurbish as a split site school (Do Minimum)

Description	This would mean retaining both school sites and operating a split school site. The existing school sites would be refurbished to provide improved learning environments.
Main Advantages	This option would address the maintenance backlog at both sites and would improve the learning environments on both sites.
Main Disadvantages	This option would involve significant capital expenditure. This option would not deliver significant efficiencies and deficiencies in facilities would remain.
Opportunities	This option would create an opportunity to retain a school site in Cyffylliog.
Threats	The long term sustainability of the school would be threatened by a new build in Ruthin as parental support and confidence would be lost and could impact on pupil numbers in the future.

c) Build a new school for 80 full time pupils (Replacement of existing).

Description	A new school would be built in the village of Clocaenog with the same capacity as the existing school and with suitable facilities. Both existing sites would then be declared surplus.
Main Advantages	This option would address the condition of the existing buildings, reduce the maintenance backlog, improve facilities and would provide a 21 st century learning environment.

	<p>Moving from two to one site would have a number of advantages in terms of cost savings and efficiencies including reduced running costs, improved energy efficiency and the need for fewer members of staff.</p> <p>This would have a positive impact on the learning environment as pupils would have access to improved facilities including a suitable hall space, and a larger team of staff on site.</p>
Main Disadvantages	This option would involve significant capital expenditure. The school would have insufficient capacity to respond to projected future demand.
Opportunities	An opportunity to provide a 21 st century learning environment which would result in improved educational experiences for pupils and should have a positive impact on standards. Both existing sites could be declared surplus and there would be an opportunity for a capital receipt from the sales of the site.
Threats	Pupils living within the catchment area of the school could be refused a place in the new school due to insufficient capacity.

d) Build a new school for 95 full time pupils (Preferred)

Description	A new school would be built in the village of Clocaenog with an increased capacity compared to the existing school and with suitable facilities. Both existing sites would then be declared surplus.
Main Advantages	<p>This option would address the condition of the existing buildings, reduce the maintenance backlog, improve facilities and would provide a 21st century learning environment.</p> <p>Moving from two to one site would have a number of advantages in terms of cost savings and efficiencies including reduced running costs, improved energy efficiency and the need for fewer members of staff.</p> <p>This would have a positive impact on the learning environment as pupils would have access to improved facilities including a suitable hall space, and a larger team of staff on site.</p>
Main Disadvantages	This option would involve significant capital expenditure.
Opportunities	<p>An opportunity to provide a 21st century learning environment which would result in improved educational experiences for pupils and should have a positive impact on standards. The size of the school following construction would provide additional capacity to meet any future increase in pupil numbers.</p> <p>Both sites could be declared surplus and there would be an opportunity for a capital receipt from the sales of the site.</p>
Threats	The size of the school following construction would result in a number of surplus places.

e) Do maximum: Build a new school for 105 full time pupils with attached Community Centre

Description	A new school would be built in the village of Clocaenog with an increased capacity compared to the existing school and with suitable facilities. Both existing sites would then be declared surplus.
Main Advantages	<p>This option would address the condition of the existing buildings, reduce the maintenance backlog, improve facilities and would provide a 21st century learning environment.</p> <p>Moving from two to one site would have a number of advantages in terms of cost savings and efficiencies including reduced running costs, improved energy efficiency and the need for fewer members of staff.</p> <p>This would have a positive impact on the learning environment as pupils would have access to improved facilities including a suitable hall space, and a larger team of staff on site.</p>
Main Disadvantages	Would require greater capital spend over the allocated budget. Would be more than the school and community needs.
Opportunities	<p>An opportunity to provide a 21st century learning environment which would result in improved educational experiences for pupils and should have a positive impact on standards. The size of the school following construction would provide additional capacity to meet any future increase in pupil numbers.</p> <p>Both sites could be declared surplus and there would be an opportunity for a capital receipt from the sales of the site.</p>
Threats	The size of the school following construction would result in a number of surplus places. This investment could potentially put other projects within the Modernising Education Programme at risk. Would be more than the community needs and could undermine the future sustainability of community owned facilities within the wider area.

Key Drivers

The Ruthin area faces a number of distinct challenges, these challenge have been applied as key drivers for the Ruthin review. These key drivers and the solutions offered by the proposals are as follows;

- **Sufficient school places:** The proposal would align pupil place planning with the physical capacity of any new build facility. Pupil projections for Ysgol Carreg Emlyn show an increase in pupil numbers. The proposal would lead to ensuring sufficient school places to respond to future demand.
- **Condition of School Sites:** The proposal would provide fit for purpose 21st century school facilities for all pupils to replace the current school building and facilities at Clocaenog and Cyffylliog which are both graded C (Poor).
- **Use of Temporary accommodation:** The proposal would remove the use of temporary accommodation which functions as ancillary space on the Clocaenog site.

- **School estate efficiency:** The proposal would rationalise the current arrangement of school sites, this would lead to a reduction in general running costs and lead to greater energy efficiency and reduction in the carbon footprint. There would be a potential capital receipt for the council from the sale of the existing sites totalling £350k (based on current market value estimations).

The table below provides a summary of whether each of the five options meets the above investment objectives:

Option		Description	Does this meet key drivers?	Does this meet investment objectives?	Conclusion
A.	Maintain Status Quo	Current provision to be maintained.	No	No	Discounted
B.	Do Minimum	Undertake all remedial maintenance and essential repairs to fabric of buildings.	No	No	Discounted
C.	Do more than the minimum.	Relocation of Ysgol Carreg Emlyn on to a new single site building with same capacity as current school sites.	Partial	Yes	Discounted
D.	Do intermediate	Relocation of Ysgol Carreg Emlyn on to a new single site building with sufficient capacity to meet future demand.	All	Yes	Preferred
E.	Do Maximum	Relocation of Ysgol Carreg Emlyn on to a new single site to a combined school and community centre.	Partial	Partial	Discounted

A VFM investment appraisal for options B, C, D and E is included as Appendix A.

Preferred Option

**The Value for money options appraisal is based on the cost estimates received when submitting the 2^{1st} Century Schools bid.*

Value for Money (Draft – Work in progress).

Option A involves no capital expenditure but does not meet any of the investment objectives.

Option B would involve a capital expenditure of £269,000. However it would only meet 3 of the 9 investment objectives set out in Section 2. Option B would result in an annual revenue saving of approximately £xxxxxx. Over the life of the building (30 years) this would result in a cumulative Net Present Value (NPV) of £xxxxxx.

Option C would involve a capital expenditure of £4,xxx and would meet 8 of the 9 investment objectives set out in Section 2. Option C would result in an annual revenue saving of approximately £xxxxxx during the first two years and a saving of approximately £xxxxxx each year thereafter. Over the life of the building (30 years) this would result in a cumulative Net Present Value (NPV) of £xxxxxx.

Option D would involve a capital expenditure of £4,941,720 and would meet all of the investment objectives set out in Section 2. Option D would result in an annual revenue saving of approximately £xxxxxx during the first two years and a saving of approximately £xxxxxx each year thereafter. Over the life of the building (30 years) this would result in a cumulative Net Present Value (NPV) of £xxxxxx.

Option E would involve a capital expenditure of £5xxxxxxx and would meet all of the investment objectives set out in Section 2. Option E would result in an annual revenue saving of approximately £53,000 during the first two years and a saving of approximately £31,000 each year thereafter. Over the life of the building (30 years) this would result in a cumulative Net Present Value (NPV) of £xxxxxxx.

Options C, D & E would both result in similar revenue savings over the life of the building, however option E would require a higher capital investment at the start of the project. Option C meets 8 out of the 9 investment objectives.

As a result, the authority has identified Option D as the option that delivers all the objectives and optimises value for money.

Description of the preferred option

Option D will comprise:

- Four classrooms
- Hall
- Kitchen
- Staff room
- Head teacher's office
- Administration office
- Small group / ALN rooms
- Library / resource space
- Community room
- Toilets

- Storage

Upon completion, Option D will provide:-

- A 21st Century learning environment for pupils with the capacity for 95 full-time pupils and 14 part-time nursery places;
- The provision of distinct Foundation Phase and Key Stage 2 learning environments;
- A school building of Category A condition;
- A school building with no maintenance backlog;

As a result of the project, the authority will also be able to:-

- Declare both the Clocaenog and Cyffylliog sites as surplus following the move to a single site in September 2017;
- Remove mobile accommodation from the Clocaenog site;

4. Procurement route

Due to the somewhat complex nature of this project (especially in relation to land acquisition, drainage and highways considerations etc.) the Carreg Emlyn project will be managed by the in-house design team up to RIBA Stage 3 and submission to the planning authority.

It is envisaged that the tendering process going forward from RIBA Stage 3 will utilise a single stage Design and Build procurement route, where the planning information will be passed onto the successful contractor to develop the detailed design.

The National Procurement Service (NPS) framework will be used for Mechanical, Electrical and Structural advisory support.

Given the size and scale of this project it is expected to attract SME main contractors, and similar subcontractors are likely to be employed through the supply chain.

Innovative construction methods and approaches to sustainable design, construction and building operation will be explored during the design stages and where necessary incorporated to meet any BREEAM and WG funding requirements.

Suppliers will be exclusively from the private sector. Local suppliers will be encouraged where possible in conjunction with sustainability, BREEAM requirements and the public procurement regulations.

All potential contractors will be requested at the PQQ stage to provide details and examples of how their organisation benefits the local community through added value (e.g. supply chain management, meet the buyer events, community benefits, employment and training opportunities etc.).

5. Funding and Affordability

This section considers the financial implications of the preferred option on the financial position of the authority.

Capital and revenue costs of the proposed investment

The total capital costs associated with the preferred option is £4,941,720 including all fees and a contingency allowance. The cost profile for the expenditure for the lifespan of the project is attached in Appendix A, in relation the project plan is attached in Appendix B.

At this stage the project costs do not include whole life costs for the building and future maintenance requirements and no formal cost has been established regarding future maintenance liabilities for the site.

The identification of this site has enabled a clearer indication to emerge of site specific works and an understanding of works required to facilitate this project including the provision of sewerage treatment, surface water attenuation and the requirement for additional land, increased fees and risk allowance and contingency. The findings of this work have identified a range of additional costs which may be required to be met beyond the initial construction costs identified purely for the school building and as a consequence the cost of the project has increased by £2.1m from £2.8m to £4.9m. Denbighshire County's Council's Strategic Investment Group re-assessed the project based on the revised costs and to assess whether the proposal should still be progressed. The findings of this review recommended that additional contingency funding be allocated to cover the emerging additional pressures for land purchase costs, external works and increased construction costs. This has subsequently been supported by Cabinet and Full Council.

How the investment will be funded

It is intended that a significant element of the funding for this project will come from Denbighshire County Council's internal capital resources and from a capital allocation from the Welsh Government.

The authority proposes to utilise finance earmarked for the 21st Century Schools Programme which includes savings generated from this and other school reorganisation proposals progressed by Denbighshire. A letter received by DCC which indicated that a possible £1,395,763 from the 21st Century Schools programme would be invested in the Ysgol Carreg Emlyn is attached as Appendix C.

The table below demonstrates the change in cash flow plan for the project:

Initial Estimates								
	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	Total
DCC	£5,062	£25,386	£378,044	£468,000	£519,271			£1,395,763
WG				£596,121	£728,348	£71,294		£1,395,763
Total	£5,062	£25,386	£378,044	£1,064,121	£1,247,619	£71,294	£0	£2,791,526

Current Estimates								
	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	Total
DCC	£5,062	£25,385	£193,991	£1,243,459	£1,818,315	£259,539		£3,545,957
WG				£596,121	£728,348	£71,294		£1,395,763
Total	£5,062	£25,385	£193,991	£1,839,580	£2,546,663	£330,833	£0	£4,941,720

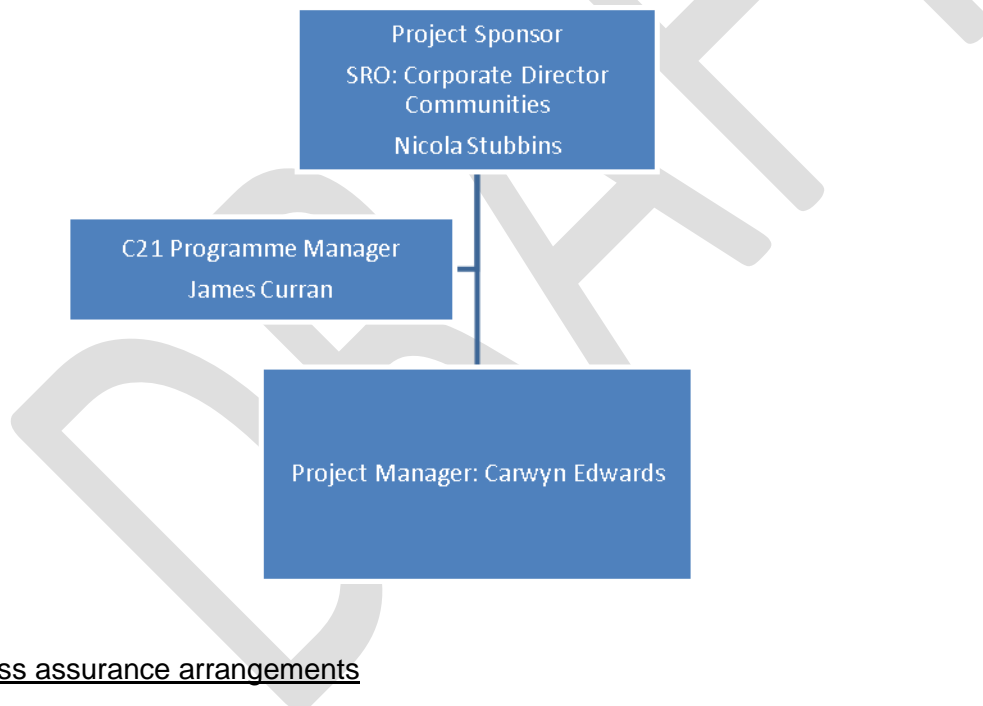
6. Management Arrangements

Project management arrangements

Denbighshire County Council has developed and implemented a corporate project management methodology, based on Prince 2 methodology, which ensures that projects are properly led, planned, resourced, monitored and controlled. The methodology has a prescribed structure of governance, structure and reporting for projects tailored according to magnitude, scope and complexity to enable successful and efficient project delivery.

A Project Board has been established to oversee the development and progress of the project. The Project Team reports to, and advises the project board and is responsible for the development, planning and delivery of the project. The membership of the team is dynamic and evolves over time with some roles increasing or diminishing in profile as the project progresses through its sequential stages. The team is led and coordinated by the Project Manager

The assigned Project Manager will report directly to the Project Sponsor in matters relating to this project. The progress of the project will be monitored via the work of the Modernising Education Programme Board and will also be monitored corporately via the Corporate Project Register which is reviewed by the Council's Corporate Executive Team.



Business assurance arrangements

Within the overall project management arrangements, project assurance will be provided to the project stakeholders to demonstrate that the project is being conducted appropriately and properly.

To support this, the wider Programme Management arrangements will provide the Business Assurance role by monitoring the progress of projects. This will enable the key areas of outputs; timely completion; risks; issues and assumptions; estimates; costs and benefits; resources and scope to be continuously monitored throughout the life of the project.

Benefits realisation monitoring

In line with the Council's Project Management methodology, a Benefits Review Plan will be developed by the project manager and monitored through the life of the project. Upon completion of the project, the Benefits Review Plan will be transferred from the project manager to the Programme Manager for 21st Century Schools.

Risk management

Denbighshire County Council's Risk Management Policy sets out the objectives and principles of our risk management framework and is designed to ensure that sound risk management practices are in place, including processes to identify, assess and manage risk on an on-going basis.

The project will have its own Risk Register which will be maintained by the Project Manager using Verto project management software. This is a critical element of the overall Programme Risk Strategy.

Post project evaluation

In order to assess the extent to which the project has delivered in line with the investment objectives, the authority will carry out a post project evaluation.

As part of the overall 21st Century Schools Programme, the authority intends to develop its own post project evaluation plan based on the project evaluation framework detailed in the Capital Investment Manual. This plan will be used to conduct the post project evaluation for this project.

Contingency Plans

In the event that this project fails, the County will have to maintain the service within the existing facilities however they will not meet the aspirations of both the County and WG to provide facilities fit for purpose and suitable in which to deliver a 21st century curriculum.

Appendix A
Insert FP2 Costs

DRAFT

Appendix B

Programme to be added

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