

Appendix 5 Recommendation of the Strategic Investment Group

Recommendation: Members approve the commencement of Detailed Design work for Rhyl High School and Bodnant Community School, Prestatyn

The Council's Corporate Plan details the Council's ambition to deliver significant investment in the Council's School Building portfolio over the next few years.

A large proportion of this work will be in the delivery of five projects within the Band A proposals for the 21st Century Schools Programme. In support of this, the Welsh Government has provided approval in principal for £73.4m investment.

All projects are required to follow guidance for Business Case approvals as defined in the HM Treasury Model. This will involve the submission of a Strategic Outline Case, Outline Business Case and Full Business Case for projects over £5m, and Business Justification Cases for projects below £5m.

However, local authorities will be required to fund initial feasibility works/detailed design and pre-construction stages to enable formal grant approval to be offered by the Welsh Government. The Welsh Government have not yet confirmed whether this type of work will be funded under the 21st Century Schools Programme.

Rhyl High School

This rebuild project is estimated to cost £24m. It is proposed to commence detailed design from the Council's own resources to enable the Full Business Case to be approved, and secure £12m funding contribution from the Welsh Government.

It is expected that the cost of the detailed design works will be £1.5m.

Bodnant Community School, Prestatyn

The Bodnant Community School project will see the construction of approximately 8 classrooms, new school hall and supporting facilities on the current junior site. This will enable the infant site of the school to be declared surplus to requirements.

The overall project cost is estimated to be £3.5m, and the Council is required to carry out the feasibility/design work prior to the formal approval of funding from the Welsh Government. It is anticipated that these design costs will be approximately £300k.

Clearly there is a risk to the Council in proceeding with the design works. However, this approach was reviewed by the Strategic Investment Group on 15 January 2013, and the group recommend approval for design works at Rhyl High School and Bodnant Community School to commence at an estimated cost of £1.8m.

Further reports will be submitted to Full Council in due course, seeking approval to proceed to the construction phase.