

**TELFORD & WREKIN COUNCIL****CABINET - 10 NOVEMBER 2011****THE BUILDING SCHOOLS FOR THE FUTURE PROGRAMME – APPROVAL OF FINAL BUSINESS CASE FOR THREE SCHOOLS****REPORT OF HEAD OF PROPERTY & ICT****PART A) – SUMMARY REPORT****1. PURPOSE**

- 1.1 Prior to awarding Single School Design & Build (D&B) contracts for The Phoenix Sports & Learning Community, Mount Gilbert School and Newport Girls' High School Academy Trust, it is necessary to submit a Final Business Case (FBC) to Partnerships for Schools (PfS) for approval and to the Department for Education (DfE) for allocation of funding. This report seeks approval to submit the FBC to PfS and subsequently to award the Single School D&B contracts for each school to Kier Moss and to enter into all related contract documents as described in this report.

**2. RECOMMENDATIONS**

- 2.1 **That the submission of the Phoenix Sports & Learning Community, Mount Gilbert School and Newport Girls' High School Academy Trust Final Business Cases submissions be approved and, subject to subsequent approval by PfS, thereby releasing BSF funding, that the Head of Property & ICT in consultation with the Cabinet Member for Children & Young People be authorised to award the Single School D&B contracts to Kier Moss and to enter into all related contract documents.**
- 2.2 **That, subsequent to the relocation of The Phoenix School to its new site, the Head of Property & ICT be authorised to arrange the demolition of existing buildings and disposal of the site.**
- 2.3 **That the Head of Governance be authorised to agree and execute all necessary documentation. This authorisation to include delegation to the Head of Governance to affix the common seal of the Council to contractual documentation as, in the opinion of the Head of Governance, is appropriate under article 14.06 of the Constitution.**

**3. SUMMARY IMPACT ASSESSMENT**

<b>IMPACT ASSESSMENT AT A GLANCE</b>	
<b>COMMUNITY IMPACT<sup>1</sup>?</b>	Do these proposals contribute to specific Priority Plan objective(s)?
	Yes Children & Young People – supports cross cutting strategic priority for developing sports and cooperative learning communities across the Borough.
	Are there any measures that will be used to show the proposals are making a difference?
	Yes Improved attainment in schools.Reduced facilities management revenue costs for schools. Creating an improved environment for the community.
	Will the proposals impact on specific groups of people?
Yes Children, young people, parents and the wider community served by each learning community.	
<b>TARGET COMPLETION /DELIVERY DATE?</b>	All three Final Business Case submissions are due to be approved by DfE during November 2011 with the contracts placed by end of December 2011.

<b>FINANCIAL (VALUE FOR MONEY) IMPACT?</b>	Yes	The projects will be delivered within the capital funding envelopes approved by PfS. The identified borrowing costs associated with cash flow timings are included within the Council approved capital programme. The detailed Financial Impact is included in section 10 of this report.  Any long term borrowing implications in relation to the enhanced sports facilities are included within the report relating to Dawley Sports & Cooperative Learning Community – Sport England bid submission Cabinet report of 20 October 2011.
<b>LEGAL IMPACT?</b>	Yes	See Legal Section at 8 below.
<b>OTHER RISKS &amp; OPPORTUNITIES?</b>	Yes	More detail provided in Section 9.
<b>IMPACT ON SPECIFIC WARDS?</b>	Yes	Dawley Magna, Horsehay & Lightmoor and all Newport Wards and wards across the Borough will benefit from the proposals for the sports provision at Phoenix.

#### 4 SUMMARY

4.1 The Outline Business Case (and the subsequent amendments as a result of the government's spending review in November 2010) for all schools in the Building Schools for the Future programme have been approved by Cabinet, the Final Business Case (FBC) for each school project, prior to its submission to PfS and DfE for funding approval, also have to be approved by Cabinet.

4.2 **The Phoenix School.** PfS gave Stage 0 approval (authority to initiate the procurement process) for Phoenix on 14 February 2011. The approval is for a new-build school of 900 places for 11-16 year olds. The overall scheme will be funded by BSF, Sport England, the PCT and by capital receipts. In addition to the school, the project will construct on the site: facilities for family support services; health care services and council services, including a library. The school has recently been granted the "sports" specialism and it is planned to provide enhanced sporting facilities for the school and for community use, including:

- BMX Track
- 8 Court Sports Hall
- 3<sup>rd</sup> Generation, artificial surface rugby football pitch, with floodlighting.

There is a site preparation, infrastructure and earthworks contract that is nearing completion. The contract will provide the foundation "platforms" on which will be constructed the school and the playing surfaces. The contract will be completed before the BSF construction contractor, Kier Moss, moves onto the site.

4.3 **Other schools.** Stage 0 approval for the other 2 school projects was given by PfS on 21 June 2011. The approvals were based on the description of the projects shown at Annex 1 and these have not changed. They consist of:

- **Mount Gilbert School.** Refurbishment of parts of the existing building; construction of a skills centre and improvements to the external areas.
- **Newport Girls' High School.** Replacement of class bases currently housed in temporary accommodation; provision of a, multi-functional building and the refurbishment of mechanical and electrical services in existing buildings.

**Programme issues for the three schools.** The contracts must be awarded before the Framework Contract expires on 31 December 2011 otherwise the works will be

delayed for at least a year until a new framework contract is procured. The target for the start on site for Phoenix School is early 2012 with the school opening in academic year 2013 – 14. The target for start on site for the Mount Gilbert and Newport projects is early 2012 and the projects should be complete by the end of 2012.

#### 4.4 Final Business Case

- **Background.** The FBC must be approved by DfE before BSF funding will be released. The approval relates to the school elements only. The purpose of the FBC is to define the procurement result and to track both the integrity of the procurement process and the differences between the agreed positions at FBC and the intended positions described at the approval of Stage 0. It outlines the schemes, the affordability of the final solutions and the arrangements in place for contract administration and monitoring.
- **Submission.** The Final Business Cases are being prepared. The key points of the submissions will be that the scope of the schemes are as planned at Stage 0 and that they are affordable. A “template” approach to the format of the FBC has been adopted by PfS and a copy is attached at Annex 2. Subject to Cabinet approval, the FBCs will be submitted to PfS for approval and to the DfE for funding allocation once Kier Moss has provided acceptable proposals that are within the budget allocated for each scheme and has secured planning approval for the sites. The target date for review by Plans Board is 26 October 2011. The FBCs will be submitted to PfS by 11 November 2011 in order to allow contract signature during December 2011.
- **Contract.** Once the FBC submissions are approved by PfS and the DfE with funding allocated, the Council will be in a position to enter into contracts with Kier Moss.

#### 4.5 Procurement / Competition

- The appointment of Kier Moss as T&W’s BSF framework contractor in April 2010 followed the PfS process for its National Academies Framework contract and used standard PfS documentation. The initial contract was for the construction of the Abraham Darby Sports and Cooperative Learning Community but the framework allows for the Council to appoint Kier Moss to carry out further schools’ schemes without having to go through a further competitive process. It was on this basis that Kier were awarded the contract for the 6<sup>th</sup> form building extensions at Madeley Academy. The 3 schemes contained in this report will follow the same process. Thus, Cabinet is being asked to authorise officers to enter into a Single School D&B Contract with Kier Moss for each of Phoenix School, Newport Girls’ High School Academy Trust and Mount Gilbert School together with all other associated contract documentation.
- On 25 Aug 11, the canopy on the new Abraham Darby Academy building collapsed while it was being constructed. Five workers were taken to hospital. The Health & Safety Executive (HSE) is investigating the incident but the cause of the accident has not yet been determined. The Council initiated its own, independent investigation, using Mott MacDonald Ltd, the BSF project technical adviser. In addition to monitoring the work of the HSE, Mott MacDonald is carrying out a review of the design of the whole building, primary school, academy and leisure centre, to confirm its safety. The review is planned to be completed in November.
- The canopy is being redesigned and Kier Moss has been seeking the views of the local community as to the factors that could be taken into consideration in the design. In due course the design will be taken through the Planning process by Kier.
- While Kier Moss will be the main contractor for the 3 school projects in this report, the architects and structural engineers for the projects are not those who are working on the Abraham Darby project. As a company, Kier is safety conscious and its safety incident record over the last 5 years is better than the national average.

#### 4.6 **Contract Arrangements.**

- **Framework requirement.** The PfS Framework Contract that we are obliged to use expires on 31 December 2011, by which time we must have entered into contract with Kier Moss for projects that are to be constructed under the framework. Projects that have not reached that stage will have to be procured through another route, which will cause a delay in implementing the programme
- **Form of Contract.** The form of contract of “Design & Build” is the PfS standard contract for use with the Academies Framework. It has been used on the Abraham Darby and Madeley sites. Kier Moss have submitted their Contractor’s Proposals which provide construction strategies, drawings and specifications for each site. These proposals have been examined in detail by the project’s technical, financial, legal and ICT workstreams and issues raised will need to be resolved satisfactorily before final approval by PfS.
- **Contract Sum.** The contracts will be fixed price, lump sum. The funding allocation is ring fenced to deliver the projects as planned. No alterations to the contract, with any adverse cost implications, will be agreed with either the contractor or the end user. This will therefore reduce the risk of an over spend on the project.
- **Newport Girls’ High School Academy Trust.**
  - In addition to the D&B contract, there will be a contractual relationship between the Council and the academy. The contract is a standard, PfS document, the Development Agreement. It sets out the responsibilities and relationships of the council, as the authority within the D&B contract, and the academy as the end-user and recipient of the works. The Development Agreement will be signed by the council and the academy at the same time as the D&B contract is signed. The new buildings constructed by the project will be incorporated into the academy’s lease.
  - The Development Agreement also provides for the novation of the Single School D&B Contract to the academy on the expiry of the twelve months defects liability period. In this way the school then has a direct contractual relationship with the Contractor without the need for the Council to continue its involvement following expiry of defects liability period.

4.7 **Finance and Affordability** The bid price for all elements of the project are within the project budgets set after the government’s efficiency review in November 2010. The FBC concludes that the Design and Build contract and the Facilities Management and Lifecycle strategy for The Phoenix School, Mount Gilbert School and Newport Girls’ High School Academy Trust are affordable and demonstrate value for money.

#### 4.8 **Stakeholder Consultation.**

- Throughout the design development there has been consultation with the schools, sponsors and students. At Phoenix the government sponsored education project “Spaces for Learning” provided a firm researched based basis for the development of the education vision and the internal and external layout of the learning spaces.
- The schools, as members of their Design User Group, have been closely involved in the process and in the subsequent development of the design for their schools. They will continue their involvement as construction progresses, particularly in respect of design and fit-out detail that has yet to be finalised.

### 5.0 **INFORMATION AND BACKGROUND**

#### 5.1 **Previous Minutes**

- Cabinet 24<sup>th</sup> November 2008 - Planning of School Places: Campus Telford & Wrekin. Minute CB94 refers.
- Cabinet 6<sup>th</sup> April 2009 - Campus Telford & Wrekin: Additional Post-16 Provision, Trust School Status, BSF Procurement Approval. Minute CB182 refers.
- Cabinet 15<sup>th</sup> September 2009 – Planning of School Places: Campus Telford & Wrekin – Part 2. Minute CB60 refers.

- Cabinet 23<sup>rd</sup> March 2010 – Borough Towns Initiative Sports & Learning Community – Final Business Case and Award of Contracts relating to BSF and Abraham Darby Sports & Learning Community. Minute CB181 refers.
- Cabinet 11<sup>th</sup> January 2011 – School Organisation – Borough Towns Initiative – Sports and Learning Community Update. Minute CB109 refers.
- Cabinet 22<sup>nd</sup> September 2011 – Planning of School Places – Secondary School Provision . Minute CB45 refers.

5.2 **Legal Documents.** The main documents to complete and execute are:

- The Single School Design and Build Contracts (between the Council and Kier Moss)
- The Development Agreement (between Council and Newport Girls' High School Academy Trust)
- Collateral Warranties from the architect, the M&E contractor and the building contractor (between the Council, the Contractor and the relevant member of the professional team)
- a Parent Company Guarantee from the contractor's parent company (between the Council, Kier Moss and its parent company).

5.3 **Facilities Management.** Facilities management (FM) is not part of the D&B contract. However, under BSF, schools are obliged to maintain their buildings to an agreed standard for the next 25 years. A sinking fund to which schools will contribute, has been established to provide funding for FM. While Newport Girls' High School Academy Trust does not contribute to the sinking fund, it has agreed to maintain its BSF provided facilities to the required standard.

## 6.0 EQUALITY AND DIVERSITY

6.1 All new schools and community facilities forming part of the Building Schools for the Future programme will comply fully with the Disabled Discrimination Act (DDA) legislation.

## 7.0 ENVIRONMENTAL IMPACT

7.1 The new buildings will be more energy efficient than the existing buildings with the aim of achieving at least an Energy Performance Certificate (EPC) rating of "B", and providing a carbon reduction of 60% based on the Building Regulations 2002 standards. The existing Phoenix School has an EPC of "C/D".

## 8.0 LEGAL COMMENT

8.1 At financial close the Council is required to execute the contract documents listed in paragraph 5.2. The Contract documentation has been drawn up in accordance with the PfS Framework Agreement and has been developed in accordance with the Council's project specific requirements by the Council's project external Legal Advisors, Nabarro LLP.

8.2 The award of the three contracts to Kier Moss is subject to planning permission being granted. In addition, the award of the contracts is subject to approval by PfS which will not be forthcoming until the planning permission is agreed.

8.3 Financial close and signing of the Contract is targeted for early December 2011. In awarding the D&B contracts and proceeding with the Business Case, the Council must continue to ensure that there is compliance with procurement legislation and the financial and contract procedure rules contained within the Council's constitution at Part 4, Sections 6 and 7 respectively. A close working relationship with PfS will also be required to ensure that the FBCs are acceptable and that the project can proceed. These areas will need to be continuously reviewed and those who are granted delegated authority in paragraph 2.1 of the report will require updates and information to ensure that these risks are addressed and that informed decisions can be made. If delegated authority is allowed by the Cabinet, the delegated decision making set out in paragraph 2.1 should be formally recorded.

## **9.0 OPPORTUNITIES AND RISKS**

- 9.1 These projects will provide much needed improvements to the schools' buildings and will be situated in the heart of their communities. In addition, at Dawley, the new school will have a sports specialism and will provide sports facilities to "Regional Level" standard.
- 9.2 The main risk is that if the December 31<sup>st</sup> deadline for contract award is not met, then the projects will be delayed by at least one year, with a consequent loss of value of the BSF funding due to inflation. In addition, although the Sport England grant application has been given Stage 1 approval, allocation of the funding is dependant on the Sport England's Board decision, which is due in November.
- 9.3 The reasons for continuing to use Kier as the contractor, following the collapse of the canopy at the Abraham Darby site, are given at Paragraph 4.5.

## **10. FINANCIAL IMPLICATIONS**

### **Affordability of construction programme**

Table 10.1 below highlights the indicative affordability of the construction works to be completed.

**Table 10.1 Affordability of construction works**

	£m	£m
<b>Phoenix School (Dawley SLC)</b>		
Indicative contract price		
Phoenix School	15,206	
Community Facilities (including sports provision)	3,282	
Sub-total	<hr/>	18,488
Funding		
BSF Design & Build Grant	(14,956)	
PCT contribution	(1,055)	
Sport England Grant	(1,500)	
National Sport Governing Body contributions	(130)	
Council contribution	(847)	
	<hr/>	(18,488)
Funding shortfall/(surplus)		<hr/> 0
<b>Newport Girls' High School Academy Trust</b>		
Indicative contract price		2,156
BSF Design & Build Grant		(2156)
Funding shortfall/(surplus)		<hr/> 0
<b>Mount Gilbert School</b>		
Indicative contract price		863

BSF Design & Build Grant

(863)

Funding shortfall/(surplus)

0

**Overall funding shortfall/(surplus)**

**0**

10.1 The indicative contract prices for each of the schemes are based on Kier's submissions at Stage 1 of the design process and are affordable within the funding envelopes set. The contract prices will be finalised in line with the agreed pre-contract programme. It is expected that there are sufficient levels of contingency contained within the indicative contract prices to manage the design risk between the Stage 1 submission and the final design. The above analysis for the Phoenix project includes the impact of the Sport England Iconic Projects bid for enhanced sports facilities as well as the demolition of the existing school buildings. The BSF figures above include part of the BSF programme contingency to be drawn down from PfS as part of the approved grant allocation against the Phoenix project. This sum has not been included within the affordability statement in the Sport England bid Cabinet report of 20 October 2011. The timing of capital receipts, being used to partially fund the community elements of the Dawley SLC and the demolition of the existing site, would mean that the Council would require additional short term borrowing. Based on an assumed timetable, the cost of borrowing would have a revenue impact of -

- £1.1k in 2011/12;
- £18.4k in 2012/13;
- £50.3k in 2013/14;
- £60.4k in 2014/15; and
- £36.6k in 2015/16

10.2 These costs are included within the Council's current medium term budget strategy. The costs include the medium term borrowing costs related to cash flow timings for the Sport England Iconic Projects bid. Any long term borrowing implications in relation to the enhanced sports facilities are included within the report relating to Dawley Sports & Cooperative Learning Community – Sport England bid submission Cabinet report of 20 October 2011.

10.3 **Affordability of Lifecycle and FM Strategy**

Phoenix School and Mount Gilbert School form part of the T&W facilities management sinking fund which was created to fund the ongoing costs associated with achieving the required specification for lifecycle and maintenance. The sinking fund strategy was approved by Cabinet as part of the BSF OBC Cabinet approval and the Abraham Darby Academy FBC approval. Both capital and revenue contributions will be agreed with schools prior to FBC submission and these will be detailed in letters of commitment from the schools' governing bodies. As an Academy, Newport Girls' High School Academy Trust will not form part of the Council's sinking fund. The Academy has committed to make available sufficient funding to ensure the School meets the required level of specification.

10.4 **ICT Managed Service**

The Council will continue to draw down ICT funding for the 3 schemes in line with the ICT programme which was approved by Cabinet as part of the Abraham Darby Academy FBC and which was further updated as part of the national review of the BSF Programme.

## 11. WARD IMPLICATIONS

There are implications for the following wards:

<b>Ward</b>	<b>Member</b>
Dawley Magna	Cllr Frances Bould
Dawley Magna	Cllr Clive Elliott
Dawley Magna	Cllr Brian Duce
Horsehay & Lightmoor	Cllr Tracy Hope
Horsehay & Lightmoor	Cllr Clive Mollett
Newport East	Cllr Eric Carter
Newport West	Cllr Adam Stanton
Newport South	Cllr Adrian Meredith
Newport North	Cllr Roy Scammell

## 12. BACKGROUND PAPERS

- Building School for the Future – Strategy for Change Parts 1 & 2
- Cabinet 24 Nov 2008 Planning of Places: Campus Telford & Wrekin
- Building Schools for the Future – Outline Business Case
- 14-19 Strategy
- Children & Young People's Plan 2008-2011

**Report prepared by:**

**Guy Kershaw - BSF Programme Director**  
**01962 380992**

[Guy.kershaw@telford.gov.uk](mailto:Guy.kershaw@telford.gov.uk)

### **The Phoenix School – Final Business Case Changes in project scope since submission of Outline Business Case**

The scope for the Phoenix School project has changed twice since the approval of the OBC in 2009, once prior to the government's BSF efficiency review in November 2010 and then again as a result of the efficiency review.

The Council has continued with its aspiration to convert as many main stream schools (except the grammar schools) from refurbishment projects to new build projects, as far as practical and as funding will allow.

#### **Post November 2010.**

After the government's efficiency review of the BSF programme, a revised Stage 0 was submitted and PfS gave approval for The Phoenix School project in February 11. The approval is for a new-build school of 900 places for 11-16 year old pupils. The capacity has been reduced since the original Stage 0 submission to 900 places.

In order to reduce the cost of new build schools while at the same time delivering an acceptable programme which meets local and national priorities, a range of options were considered for reducing cost including:

- Reducing the area of building provided for the school.
- Reduce the cost / m2 of building by reducing specifications and standardising designs (which also increases the possibility of off-site fabrication).
- Reducing the ICT infrastructure cost within the building by providing improved ICT hardware, in particular, wireless networking.

These options have been taken into consideration in developing the specification for the Phoenix project. It should be noted that the strategic review concentrates on BSF funded elements of the overall scheme only. Proposals for other facilities including leisure and health remain unchanged.

The school will still have the additional facilities planned including:

- BMX Track
- 8 Court Sports Hall
- 3<sup>rd</sup> Generation, artificial surface rugby football pitch, with floodlighting.

**Site Preparation.** There is a site preparation, infrastructure and earthworks contract that is nearing completion. The contract will provide the foundation "platforms" on which will be constructed the school and the playing surfaces. The contract will be completed before the BSF construction contractor, Kier Moss, moves onto the site.

## **Newport Girls' High School Academy Trust Changes in Proposals since OBC**

### **Statement in OBC**

The OBC approved in March 2009 included the following statement about the works proposed for Newport Girls' High School,

“The proposals are to extend the existing building to provide additional teaching accommodation to address the suitability shortfalls and provide new post-16 accommodation which will allow for the existing demountable accommodation on site to be removed. In addition to this, the existing areas within the main school will be refurbished as identified by the Condition Survey.”

### **Capital Spending Review – Nov 2010**

Following the capital spending efficiency review in Nov 2010, the funding for the school's project was reduced to £2.098m. In line with the government's new priorities for schools and with local priorities, this funding is targeted at ensuring good quality accommodation that is fit for purpose by addressing the 10 year condition assessment issues, replacing temporary accommodation with permanent buildings and installing suitable ICT infrastructure.

### **Current situation**

The current proposals for the project are essentially a scaled-down version of the original OBC plan and take into account work that has been carried out in the meantime and the reduced funding allocation.

Since the submission of the OBC, food technology classrooms and music rooms have been constructed and some demountable buildings have been replaced. In doing this work, the overall strategy for site outline in the OBC has been maintained. The condition survey was updated in May 2011 and £0.5m of priority work was identified. This consists mainly of Mechanical and Electrical works and ensuring existing buildings are safe and weather proof. Once this work is accounted for, the remaining funding will be allocated to replacing demountable accommodation with permanent buildings.

Since 2003, planned expansion of the school has taken place, the pupil numbers rising year on year from 226 to 412. However, while the teaching accommodation has been increased to match the pupil numbers, there has not been the opportunity to increase size of the school hall or the size of the staff accommodation. The school hall is part of the original 1923 building and is insufficient to accommodate the current number of students and is noted as a key priority on the suitability report.

## **Mount Gilbert Special School Changes in Proposals since OBC**

### **Statement in OBC**

The OBC approved in March 2009 included the following statement about the works proposed for Mount Gilbert Special School:

“The Mount Gilbert Special School is a school for pupils with social, emotional and behavioural difficulties located in the centre of Telford. The school currently has 48 11-16 places and work is underway with the 14-19 Team to develop enhanced curriculum opportunities for students in KS4. Provision in the South Telford Skills Centre will reflect the greater participation rates which we hope to achieve with Mount Gilbert pupils. Current projections lead to this school being retained as a 48 place school with minor refurbishments under the BSF programme.

The school was originally of Victorian construction and was extensively extended in 2001 when it was converted into a special school. At this time major investment was made to the existing Victorian block. With this in mind, the condition backlog for the school is relatively low with a total Priority 3 of £73k with 16% required to be addressed within the next 3 years.

The proposals are to address the government agenda to ensure progress of all pupils including those with Special Educational Needs. The school has developed an innovative curriculum offer at KS4 and it is anticipated that these developments will be extended to cover the whole age range as part of our BSF Campus Telford & Wrekin plans.“

### **Capital Spending Review – Nov 2010**

Following the capital spending efficiency review in Nov 2010, the funding for the school's project was reduced to £840k. In line with the government's new priorities for schools and with local priorities, this funding is targeted at ensuring good quality accommodation that is fit for purpose and the replacement of demountable accommodation.

### **Current situation**

The condition survey was updated in May 2011 and £180k of priority work was identified. This consists mainly of making existing buildings and external areas safe and weather proof. Once this work is accounted for, the remaining funding will be allocated to replacing temporary accommodation with a permanent building and remodelling a small proportion of the existing building, which is due to be used as nurture provision. The current proposal is consistent with the general plan put forward in the OBC. Key aspects of the proposal, after condition issues are addressed, are the replacement of the small demountable building used for the skills centre with a permanent building and improvements to the outside teaching spaces. The skills centre will be a “low tech” building providing the opportunity to deliver vocational aspects to learning e.g. small motor vehicle work, construction, engineering, and land based studies. The school recognises that it may have to provide some of the teaching equipment itself and is already seeking sponsorship and outside support for this.

**Partnerships for Schools**  
**FBC Submission Arrangements - April 2010**

**Introduction**

The purpose of this document is to set out the PfS requirement for the submission of Final Business Cases (FBCs) for approval. Current arrangements require the production of a Final Business Case document supported by a number of Appendices. The Guidance provides an outline and the whole process is not dissimilar to the production of an Outline Business Case (OBC).

PfS currently operates two very different styles of submission in Business Case Approvals.

1. OBC submissions are by nature, and justifiably, detailed and complex as it is the first major exposition of the business rationale behind an authority's project, demonstrating Value for Money, Affordability and Deliverability of the LAs Transformational SfC proposals.
2. Stage 0 submissions have been radically and successfully modified to allow the LAs to reference previously provided information, provide updates where appropriate and to provide a simple commentary against a small number of headings. The whole process is covered in three tables with the focus on change since FBC approval, continued VFM, Affordability and Deliverability.

The current FBC requirements are more akin to OBC than Stage 0. However, as the purpose of the FBC, is to confirm the Outline Business Case outcomes rather than present a new case, then the FBC requirements have more in common with Stage 0 where the purpose is to confirm the Business Case assumptions of the previous FBC and OBC. It is therefore intended that a form of FBC submission modelled on our new Stage 0 process rather than the format in the current FBC Guidance be introduced.

The LA requirement at FBC would be to:

- Identify changes in the scope, affordability, proposed procurement route or deliverability of the project since OBC. A tabular form of submission would ensure that only relevant information is requested and provided and that provision of the information on a pro-forma is easier for the LA to action than production of a new document;
- Reference previously provided information rather than re-produce it, again using a simple table where responses can be entered;
- Provide a short commentary on a range of specific questions only where a response is necessary, again using a simple table where responses can be entered;
- Clearly identify outstanding issues (derogations, internal approvals, external agreements in a simple list that gives transparency in the final 6 weeks of the Close process;
- Achieve Close with no outstanding Conditions Precedent on their FBC.

The document describes the evidence required from the LA to support the Final Business Case and allow progress to Close and the issue of a Promissory Note. Whilst the process is 'light touch' it nevertheless requires the LA to be rigorous in their approach to ensuring that the evidence required will be in place at the required time.