

REPORT TO: Executive Board

DATE: 9th April 2009

PRESENTED BY: Strategic Director – Children and Young People

SUBJECT: Approval of BSF Outline Business Case

WARDS: Borough-wide

1.0 PURPOSE OF REPORT

1.1 The purpose of this report is to provide members with a copy of the current version of the emerging Outline Business Case and seek approval for the submission of the final Outline Business Case to the DCSF by 22nd April 2009.

2.0 RECOMMENDATIONS

- (1) A further update on the development of the emerging Outline Business Case be provided prior to Board meeting on 9th April 2009;**
- (2) The Executive Board note the progress made in the development of the Outline Business Case due for submission on 22nd April 2009;**
- (3) The Executive Board delegate responsibility to make any changes to the BSF Outline Business Case to the Chief Executive in consultation with the Leader of the Council, Member for Children and Young People, Operational Director Financial Services and Operational Director Legal, Organisational Development and Human Resources;**
- (4) The Executive Board requests the Strategic Director for Children and Young People submit the Final Outline Business Case to the Department for Children Schools and Families in the form agreed by the Chief Executive in consultation with the Leader of the Council, Member for Children and Young People, Operational Director Financial Services and Operational Director Legal, Organisational Development and Human Resources;
; and**
- (5) The Executive Board request a full report on the outcome of the DCSF assessment of the Outline Business case in June/July 2009.**

3.0 BACKGROUND

3.1 Halton submitted its Strategy for Change Part 1 in July 2008. This Strategy has now been agreed. The Strategy for Change Part 2 was then submitted on 19th November 2008. Conditional approval was granted on the basis that additional information was provided by 27th February 2009 and the Authority was given permission to develop its Outline Business Case. Notification has now been received confirming that the outstanding requirements from Strategy

for Change Part 2 have now been met.

- 3.2 The Outline Business Case (OBC) attached is a work in progress. An update on the financial implications of the BSF Programme and the latest version of the OBC will be circulated to the meeting.
- 3.3 The OBC will then be considered over the next two months following submission and the DCSF and Partnerships for Schools may during this period seek further information, amendments and clarifications which are likely to result in changes to the final Outline Business Case. It is therefore proposed that the Outline Business Case in a form acceptable to the DCSF and Partnerships for Schools is presented to the Board in June/July 2009.
- 3.4 The Outline Business Case consists of the following key sections plus associated appendices:
 - Executive Summary;
 - Background;
 - The Project within the Programme;
 - Value for Money;
 - Affordability;
 - Readiness to Deliver; and
 - Leading and Managing Change.
- 3.1 The Executive summary gives a background to the programme and a high level overview of value for money, affordability, the Authority's readiness to move to the next stage of the programme (Competitive Dialogue) and a summary of how the Authority with its partners will lead and manage change.
- 3.2 The Background captures the Corporate Vision and the strategic overview of the Programme for Halton and details the key estate priorities.
- 3.3 The projects within the Programme are considered and the option analysis undertaken along with the feasibility studies that have been conducted to scope the overall Programme and establish the sample schools. This section then considers the Delivery of the Strategy for Change for the sample schools and sets out the Information Communication Technology service provision.
- 3.4 The value for money section considers the procurement route and strategy and considers how this is scoped for :
 - The Private Finance Initiative Projects;
 - The Conventional Design and Build Projects; and
 - The ICT Managed service.
- 3.5 The affordability section demonstrates how each category of the programme is

achieved within the funding envelope available. This considers:

- The PFI Projects;
- The Conventionally Procured Projects; and
- ICT managed service.

The Authority has to explain how it will be investing in the Local Education Partnership, identify any other sources of funding that have been secured and confirm the overall Programme is affordable. Also in this section the Authority must explain the accounting treatment for the Programme.

- 3.6 Once the Outline Business Case has been approved the Programme then moves from strategic planning and business case development to procurement planning, procurement and change management of the planned transformation. In this section the governance and management arrangements of the Programme are detailed along with the commitment of the Council to provide adequate resources to support the Programme through the next Phase. Details are provided of the revenue resources to support the Programme development including the funding to support to the costs of the Programme Team, surveys and consultancy.
- 3.7 For Leading and Managing Change the Authority sets out how it is going to achieve the Strategy for Parts 1 and 2 and Schools Strategies for Change and demonstrates how it will lead and manage the change process. It also sets out how it intends to manage the whole programme through Competitive Dialogue to Financial Close to Programme inception and delivery.
- 3.8 As part of the Outline Business Case process School Governing Bodies are required to sign letters of financial commitment covering meetings are taking place with schools to secure this commitment. In addition, the Council's Section 151 Officer is required to confirm that the Programme is affordable at OBC Stage.

4.0 FINANCIAL IMPLICATIONS

- 4.1 The detailed work to determine the revenue and capital affordability of the Programme for inclusion in the Outline Business Case is currently being finalised and will be presented to members at the meeting. It has been agreed at School Forum that the lifecycle funding gap be met from a number of funding sources including; the Dedicated Schools Budget, Schools revenue budgets, Schools Devolved Formula Capital and the Schools' Capital Budget.

5.0 OTHER IMPLICATIONS

- 5.1 Following approval of the Outline Business Case the Authority will then enter the next phase of the Programme, the Procurement Phase.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

6.1 Children and Young People

Through the BSF and Primary Capital Programme Halton aims to transform primary and secondary provision in the borough creating 21st century facilities.

6.2 Employment Learning and Skills in Halton

Through access to an excellent secondary school for all pupils, standards will improve providing greater employment prospects for Halton's Children and Young People.

6.3 A Healthy Halton

In developing its secondary schools for the future the authority will demonstrate how it will enable schools to meet the school sport Public Service Agreement through its capital investment and achieve high nutritional standards and encourage healthy eating. Opportunities to increase extended services through schools and provide more integrated health provision will be developed through BSF.

6.4 A Safer Halton

Schools for the future will be designed to ensure that children, staff and other community users feel safe and secure on schools sites.

6.5 Halton's Urban Renewal

Through the BSF Halton schools will become a major resource for communities they serve and will be designed to offer shared community facilities, linking to other wider regeneration projects as well as being the focus for the local delivery of children's services.

7.0 RISK ANALYSIS

7.1 A key risk for the Programme is that the Outline Business Case is not approved by Partnerships for Schools and the DCSF and that there is Programme delay. As the OBC has developed it has been shared with Partnerships for Schools and their advice sought to try and mitigate this risk.

8.0 EQUALITY AND DIVERSITY

8.1 The BSF Programme is aimed at increasing diversity, access and choice, address under performance and provide more integrated local services for children, young people and their families.

9.0 REASON FOR THE DECISION

9.1 The Outline Business Case must be completed as part of the BSF Programme.

10.0 ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

10.1 N/A

11.0 IMPLEMENTATION DATE

11.1 The Outline Business Case must be submitted to the DCSF and PfS by 22nd April 2009.

12.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

Documents	Place of Inspection	Contact
<u>Strategy for Change Part 1 & (Guidance PfS)</u>	3 rd Floor Chester Building – Grosvenor House, Runcorn and website www.halton.gov.uk/bsf	Daniel Hennessy – BSF Programme Director
<u>Halton BSF Strategy for Change Part 1</u>	3 rd Floor Chester Building – Grosvenor House, Runcorn and website www.halton.gov.uk/bsf	As above
<u>DCSF approval letters August 2008, January and March 2009</u>	3 rd Floor Chester Building – Grosvenor House,	As above
<u>Partnerships for Schools Guidance - Strategy for Change Part 1, Part 2 and Outline Business Case</u>	3 rd Floor Chester Building – Grosvenor House	As above