

FINAL BUSINESS CASE

for

FALMER ACADEMY



August 2009

FINAL BUSINESS CASE

FALMER ACADEMY

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GLOSSARY OF TERMS

“Academy”	Falmer Academy
“ASD”	Autistic Spectrum Disorder
“Authority’s Requirements”	The specification contained in Volume 5 of the ITT.
“BHCC”	Brighton & Hove City Council
“BECTA”	British Education Computing Technology Association
“BREEAM”	British Research Establishment Environmental Assessment Model
“BSF”	Building Schools for the Future
“BTEC”	British Technical Education Council
“Building Contract”	The design and build contract Lump Sum to be used for the development of a Scheme in the form set out in Volume 3 of the ITT
“CPD”	Continuing Professional Development
“CYPT”	The Children & Young People’s Trust department at BHCC
“DCSF”	Department for Children, Schools and Families
“DQI”	Design Quality Indicator
“FBC”	This final business case
“Framework”	The national contractors framework established by PfS to deliver the Project
“Framework User”	BHCC, in its capacity as a body which is eligible to use the Framework, tender Local Competitions and enter into the Building Contract.
“GCSE”	General Certificate of Secondary Education
“ICT”	Information and Communication Technologies
“ITT”	The Invitation to Tender comprising 8 (eight) Volumes.
“Kier”	Kier Regional Limited
“KPI”	Key Performance Indicator
“LEP”	Local Education Partnership
“Local Competition”	The process of selection by the Framework User of a Panel Member from the Framework to carry out the Scheme.
“OBC”	Outline Business Case
“Panel Member(s)”	The following contractors who have entered into the framework agreement with PfS: - Balfour Beatty Construction Limited, Carillion Integrated Solutions, Kier, Laing O’Rourke, Skanska Construction UK Limited, Willmott Dixon Construction Limited.
“PITT”	Preliminary Invitation to Tender
“Pricing Schedules”	The schedules set out in Volume 6 of the ITT.
“Project”	The establishment of the national contractors framework (with a duration of four years from the date of its establishment) for the development of inter alia Single School Schemes.
“PfS”	Partnerships for Schools, of 5 th Floor, 8-10 Great George Street, London, SW1P 3AE.
“Regulations”	The Public Contracts Regulations 2006.
“Reviewable Design Data”	Design information which is to be reviewed and finalised during the design development process

“Scheme”	The Single School Scheme comprising the construction of a the Academy at the site of Falmer High School, Brighton
“Selected Panel Member”	Kier, the Panel Member selected as the preferred bidder following a Local Competition to carry out the Scheme.
“Single School Scheme(s)”	The construction of a new School, the construction of a new Academy, or the refurbishment of an existing School or Academy, as the case may be, to be let under a Local Competition.
“Skanska”	Skanska Construction UK Limited
“Sponsor”	The sponsor of the Academy
“Swan Centre”	The Swan Centre as referred to in the OBC and ITT
“Supply Chain Members”	Has the meaning contained in the draft Framework Agreement.
“Trust”	Falmer Academy Trust

FALMER ACADEMY

FINAL BUSINESS CASE

EXECUTIVE SUMMARY

Introduction

This Final Business Case (“FBC”) sets out details of the Local Competition to design and build the new Falmer Academy. It also addresses the affordability of the preferred solution and outlines the arrangements for contract administration and monitoring, in order to gain approval by the Department for Children, Families and Schools (*DCSF) and Partnerships for Schools (“PfS”) to proceed with contract award of the Building Contract and the delivery of the Scheme.

Overview and Commitment

The Scheme involves the re-building of Falmer High School as the Falmer Academy.

The Scheme design developed by the Selected Panel Member has been signed off by the Sponsor, and Brighton & Hove City Council (“BHCC”).

The Local Competition

A Local Competition has been carried out in accordance with the procedures laid down by PfS. Three Panel Members returned Pre Invitation to Tender (“PITT”) submissions, and the Sponsor and BHCC short-listed Kier and Skanska.

Kier was appointed the Selected Panel Member on 11 May 2009.

The Selected Panel Member has prepared a design that will achieve a minimum of 60% Carbon Reduction and this has been demonstrated by the Carbon Calculator.

Facilities Management

The Selected Panel Member has submitted Lifecycle and Hard FM costs which are in line with those of the Technical Adviser for BHCC, as set out in the Outline Business Case (“OBC”). The Sponsor has re-affirmed his intention of meeting the lifecycle and hard facilities management costs through the General Annual Grant.

ICT Procurement

BHCC, working with EdICTs, the ICT consultants appointed by the DCSF, will procure the ICT provision through the BECTA Infrastructure Framework.

BECTA has reviewed the strategic approach for delivery of the ICT provision, and confirmed that it is acceptable.

A detailed risk register for the ICT project has been developed and a clear strategy to manage/mitigate ICT risks has been put in place.

Affordability

The FBC provides a separate cost analysis reconciled against the OBC for both the design & build and ICT elements of this Scheme.

The analysis indicates that the Selected Panel Member's proposals are in line with the costs set out in the OBC, based on PfS funding allocation, and include the capital sums agreed by BHCC relating to the Swan Centre and the site manager's accommodation.

The Selected Panel Member's solution for the provision of the Academy has been fully costed. The cost estimate has been checked against the rates included in PfS's National Framework Agreement.

The capital cost is in excess of the funding approval in the OBC agreed by PfS, as it includes provision for the Swan Centre and site manager's accommodation to be provided by BHCC at an estimated cost of £577,000 as set out in the OBC.

The capital costs for the ICT designs for the Academy will be delivered through the £1450 per pupil funding.

Design & Build Contract

The LA, in agreement with the Sponsor, has drafted and agreed the Building Contract with the Selected Panel Member. The Building Contract has been reviewed and all derogations have been approved by PfS.

The land for the Academy will be subject to a 125 year lease between BHCC and the Trust. The Trust will also be leasing the land from BHCC on which the Falmer High School South Block stands for the period of the construction of the Academy.

The scope and nature of Reviewable Design Data has been agreed.

Readiness to Deliver

BHCC has put in place resources for the duration of the Scheme, including post-contract, to monitor and maintain ongoing relations with the Selected Panel Member and ensure that performance is continuously reviewed.

All necessary statutory approvals have been granted.

A risk strategy workshop has been held and a risk strategy developed.

1. OVERVIEW AND COMMITMENT

1.1 Strategic Overview

The key strategic objectives detailed in the OBC were to:-

- Raise standards and aspirations even higher to prepare young people for a rapidly changing world;
- Ensure, through effective and well supported teaching and curriculum development, excellent value added and the opportunity to enjoy and achieve success across a broad spectrum of experience while enabling all young people to specialise and build upon strengths and expertise;
- Be well led and managed, at ease with accountability and confident with its wider community;
- Develop the Academy's involvement in collaborative activities to maximise the educational offer to all young people in the area;
- Play its full part in BHCC's inclusion policy and ensure the best possible local educational provision for all children particularly those with special needs;
- Seek to develop the very best teaching and learning strategies in order to accelerate students' progress and ensure that they make the greatest possible learning gains and achieve their full potential. Every pupil will have an individual learning plan, a differentiated and flexible timetable, and will be supported through mentoring, coaching and through regular progress tracking;
- Place strong emphasis on the use of technology to support and enhance learning. ICT will be embedded into every curriculum and management area and will be the key to the development of personalised learning. Independent and supervised study will be an important aspect of the Academy and ICT will be developed in such a way as to lead to growth of the pupils as independent learners;
- Become a centre of vocational excellence generally, as well as in its specialisms, with a curriculum that places significant emphasis on courses such as applied GCSE, BTEC and on extended work experience, young apprenticeships and work-based and work-related learning;
- Explore creative and innovative approaches to meeting individual needs, for example enhancing core learning and basic skills (including intensive English, Maths and ICT), an integrated Key Stage 3 curriculum, stage not age progressing, and mixed age group organisation when appropriate. Pupils will also be encouraged to take part in a wide range of voluntary and social enrichment and community development programmes during an extended learning day.

The Sponsor, LA and Selected Panel Member consider that these key objectives are fully reflected in the FBC proposals.

The OBC noted that the provision of the Swan Centre, which is a city-wide provision for pupils with ASD/speech and language, and accommodation for the site manager, would be included in the Academy brief and funded by BHCC.

The following were also identified as implicit key objectives for BHCC, but not scheme specific:-

- Provide design and procurement experience on major capital projects.
- Provide experience of BSF, DCSF and PfS processes.
- Establish a team with experience and knowledge capable of delivering major projects (BSF).
- Provide a potential model for procurement of both Design & Build and ICT, either as part of the BSF Programme, or as stand alone projects.
- Undertake extensive consultation with stakeholders on all aspects and implications of a new school.
- To highlight introduce and provide the transformation from existing school provision to new, through changes to staff CPD programme and leadership/management structures.

As detailed below, the scope of works has been enhanced during the ITT process, as a consequence of the changes in the interest rates included in the OBC and those forecast for the construction period. This has enabled the inclusion of facilities prioritised by the Sponsor and BHCC, but not included in the OBC.

1.2 The Scheme

The project is to provide (in phases) a new build Academy as part of the existing site of the Falmer High School in Brighton and Hove City with the demolition of Falmer High School. The Academy will accommodate 900 year 7-11 pupils, and 250 year 12-13 pupils. In addition, the Academy will have a special resource base, the Swan Centre, which is a city-wide provision for pupils with ASD/speech and language difficulties for up to 16 pupils. The Academy will open in September 2010 and will have specialisms in Entrepreneurship and Sport, with a special emphasis on Science across the curriculum. The new buildings will be part opened in Autumn Term 2010 and fully opened for the Autumn Term 2011. The Sponsor is Rod Aldridge.

A curriculum framework was prepared and is included in the education brief. An accommodation schedule has been drawn up which is in line with BB98 guidance. The curriculum framework and model, and a schedule of required teaching rooms, was prepared by Edison Education. This also fits

the floor area set out in the Funding Allocation Model of 10,338 sq.m for the Academy. In addition, 170sq.m has been allowed for the Swan Centre. A copy of the schedule of accommodation is included in Appendix One. The total funded gross area is 10588sq.m, which includes the Swan Centre (170m²) and the site supervisor's flat (80m²).

The design and construction works will be procured by BHCC through the Framework.

The OBC funding envelope for the project was £28,041,901 which is the sum allocated by the PfS. This includes the sum of £577,000 provided by BHCC in respect of the Swan Centre and the site manager's accommodation.

BHCC has given strong support to the establishment of the Academy, which has been approved in principle by BHCC's Cabinet within the context of increasing choice and diversity for parents and pupils in the city. The establishment of the Academy will also complement the policy of BHCC to improve all secondary schools in the city, and provide Every Child Matters outcomes for all children with an inclusive and diverse pattern of education.

The buildings and external works will be subject to a design and build contract procured through the Framework. It is proposed that the ICT procurement will be a separate contract through the BECTA framework (see options appraisal in Section 3) with careful attention being placed on the interface between the two providers.

The Sponsor is committed to leading and managing the necessary changes in governance, management and staffing through the development of a governing body and appointment of a principal, both of which will play a key role in the management of change. They will also drive the education change agenda, which is a key objective.

There are a number of facets to the Academy that will support the education change process. There is a focus on entrepreneurship and sport, and there will be a particular emphasis on science across the curriculum. There will also be a focus on improving attendance, broadening the curriculum and extending parental and community involvement and engagement, thereby raising standards.

The procurement of the new Academy building will support this by being more attractive to parents, students and the community by providing extended facilities and by supporting and extending the curriculum, particularly in terms of social and business entrepreneurial potential.

Throughout the procurement process it is vital that students and staff are supported, both in terms of maintaining existing standards and continuing the improvements made over the last two years and in preparing for transition to the Academy. BHCC will continue to engage with a variety of stakeholders during the procurement process to facilitate the creation of the Academy and the attendant step change transformation.

1.3 Summary

The Scheme involves the re-building of Falmer High School as the Falmer Academy.

The design developed by the Selected Panel Member has been signed off by the Sponsor and BHCC.

Appendix 1

- Letter of Support from the Sponsor
- Letter of Support from the LA
- Papers and Minutes of LA Cabinet meetings confirming approval for the Project
- Schedule of accommodation

2. THE LOCAL COMPETITION

The Scheme is a single school project for the design & build of a new Academy at Falmer to replace Falmer High School.

The FBC demonstrates that the process followed to appoint a Selected Panel Member:

- was in compliance with standard procedures and processes established by PfS for the Framework.
- allowed for a sufficiently robust analysis of the proposed solutions of the two bidders.
- was well resourced and BHCC's costs of the procurement process have been minimised.

2.1 Short listing the Two Bidders

A PITT was sent out to the six Panel Members and responses were received from Kier, Skanska and Laing O'Rourke. The three PITT responses were subjected to the prescribed evaluation process.

The Evaluation Panel comprised the following members:

<u>Name</u>	<u>Title & Service</u>
Bob Bruce	Principal Solicitor, Legal & Democratic Services.
Gil Sweetenham (Chair)	Assistant Director, School Support and Central Area, CYPT.
Gillian Churchill	Head of Capital Strategy & Development Planning, CYPT.
Linda Ellis	Senior Secondary & Special Schools' Adviser, CYPT.
Lorraine O'Reilly	Project Director, CYPT.
Nigel McCutcheon	Architecture & Design Manager, Property & Design
Rod Aldridge	Sponsor

The PITT questions were evaluated against the criteria set out in the PITT document and scored from 0-10. The following table was used to illustrate the meaning of each score:

Score	Meaning
0	Unacceptable
1	Very weak - almost unacceptable
2	Weak - well below expectations
3	Poor - below expectations
4	Satisfactory but below expectations
5	Meets expectations
6	Slightly exceeds expectations
7	Good - well above expectations
8	Very good
9	Outstanding
10	Exceptional

PITT responses were evaluated in accordance with the following overall weightings prescribed by PfS:

Section	Weighting	Weighted Scores		
		Bidder 1	Bidder 2	Bidder 3
		Kier	Laing O'Rourke	Skanska
Design	60%	44.7%	31.8%	42.0%
Works	20%	15.0%	11.1%	14.0%
Handover	10%	7.3%	6.3%	6.5%
Pricing	10%	6.7%	7.1%	6.4%
Total	100%	73.7%	56.3%	68.9%

After the written responses were scored, bidder interviews took place. The interview questions were a mixture of standard questions asked of all three bidders, and individual questions relating to PITT responses.

Following these interviews, panel members completed their scores for the evaluation process and these were collated to provide an overall score for each bidder.

The Evaluation Panel agreed to approve two of the bidders, Kier and Skanska to move forward to the ITT stage, and this decision was reported to the Project Steering Group and the Design Group.

Kier identified the following key consultant supply chain members:

- Architect - FCBS
- Education - Kier Education
- Structural & Civil Engineer - WSP Group
- Building Services - Kier South East
- Landscaping - EDCO
- BREEAM and Sustainability - Kier South East

Skanska identified the following key consultants supply chain members:

- Architect - PLB
- Education - Phil Hutchinson
- Structural & Civil Engineer - Skanska Technology
- Building Services - Skanska
- Landscaping - Skanska
- BREEAM and Sustainability - Skanska

2.2 ITT to Preferred Bidder Panel Member

The ITT was sent to the two Panel Members shortlisted following the PITT evaluation process.

The Evaluation Panel consisted of the following members:

Item 71 Appendix 1

Name	Title & Service
Bob Bruce	Principal Solicitor, Legal & Democratic Services
Geoff Wingrove	Project Manager, CYPT
Gil Sweetenham (Chair)	Assistant Director, CYPT
Gillian Churchill	Head of Capital Strategy & Development Planning, CYPT
Karen Guthrie	Head of Education Systems, CYPT
Linda Ellis	Senior Secondary & Special Schools' Adviser, CYPT
Lorraine O'Reilly	Project Director, CYPT
Nigel Manvell	Assistant Director, Financial Services (Section 151 officer)
Nigel McCutcheon	Architecture & Design Manager, Property & Design
Rod Aldridge	Sponsor

The ITT documentation required bidders to respond to a number of technical questions covering:

- Design
- Works
- Handover
- Pricing

The ITT bids, including the responses to the technical questions, were evaluated against the criteria set out in the PfS ITT evaluation template and scored from 0-10. The following table was used to illustrate the meaning of each score:

Score	Meaning
0	Unacceptable
1	Very weak - almost unacceptable
2	Weak - well below expectations
3	Poor - below expectations
4	Satisfactory but below expectations
5	Meets expectations
6	Slightly exceeds expectations
7	Good - well above expectations
8	Very good
9	Outstanding
10	Exceptional

The ITT responses were evaluated in accordance with the following overall weightings prescribed by PfS:

Section	Weighting	Weighted Scores	
		Bidder 1	Bidder 2
		Kier	Skanska
Design	40%	27.6%	22.3%
Works	25%	17.1%	14.0%
Handover	15%	9.7%	8.5%
Pricing	20%	15.6%	11.0%
Total	100%	70.0%	55.8%

The agreed weightings for design areas set out in the ITT document were applied to the bids and each panel member provided scores for each bid.

After the bids had been received and evaluated, the bidder presentations and interviews took place.

The interview questions were a mixture of standard questions asked of both bidders, and specific clarification questions relating to individual ITT responses.

Following these interviews, the evaluation panel reviewed their scores in the light of the presentations, and the responses given in the interviews.

The outcome was reported to the Project Steering Group and the Design Group.

The timetable for the ITT stage was as follows:

Issue the ITT to the two Bidders	12 January 2009
Clarification Day 1	20 January 2009
Clarification Day 2	5 February 2009
Bidder 1 site visits	12 January through 24 April 2009
Bidder 2 site visits	12 January through 24 April 2009
Clarification Day 3	17 February 2009
Clarification Day 4	3 March 2009
Meetings with ITT consultants	16 March and 8 May 2009
Clarification Day 5	17 th March 2009
Presentation to the Design Group	23 rd March 2009
Presentation and interviews with Evaluation Team	28 th April 2009
DQI workshop	28 th April 2009
Evaluation Team meeting to approve Preferred Bidder	6 May 2009
Project Steering Group and Design Group notification of Preferred Bidder	15 June 2009
Notification of Preferred Bidder	11 May 2009

A Design Quality Indicator (DQI) workshop was held on the same day as the presentations to the evaluation team, and the results were fed into the final evaluation scores as prescribed by the PfS evaluation template.

Each member of the evaluation panel kept notes as part of the evaluation to ensure a clear and transparent process and an evidential basis to substantiate the decision made and give accurate feedback to both bidders.

Kier was chosen on the basis of scoring higher in all four categories of the evaluation (Design, Works, Handover and Pricing) than Skanska, the unsuccessful Panel Member.

The unsuccessful Panel Member was debriefed at a debriefing meeting and by way of a schedule of strengths and weaknesses in their bid, the latter of which needed to be addressed.

2.3 Preferred Bidder Panel Member activities through to Contract Award

Following notification of their Selected Panel Member status on 11th May 2009, Kier have been working closely with representatives of BHCC and the Sponsor in line with their Pre-Construction Programme as incorporated at Appendix 2. This has involved extensive consultation with the B&HCC Technical Team, the DCSF Project Manager, the Principal Designate, the existing management and staff at Falmer High School and key Stakeholders.

A Public Exhibition of the proposed scheme was held on 22 June 2009 and following submission of the detailed planning application on 13th July 2009, a further exhibition was held on 20th July 2009. Exhibitions and Presentations have also taken place at the four feeder primary schools and to local community groups.

In tandem with the preparation of the detailed planning application the detailed design development process has been progressed and the contractor's proposals were finalised on 3rd September 2009. The scope and nature of the Reviewable Design Data has also been agreed.

In view of health & safety considerations it has been agreed that Kier would undertake an Enabling Works Contract during the 2009 summer school vacation to remove asbestos from and demolish the existing dining room, kitchen and caretaker's accommodation and install fencing to the Contractor's haul route and site compound. These Works will be forward funded by BHCC.

Formal Contract Award will follow PfS approval to the FBC.

2.4 Procurement Costs

Below is a brief summary of the costs of the procurement, broken down into categories:

Category	Projected Costs
External Fees	£ 253,151
Internal Fees	£ 630,657
Surveys	£ 46,306
Stakeholder consultation	inc.
On costs and disbursements	inc.
Total	£ 930,114

2.5 Carbon Reduction

Kier has prepared a design that will achieve a minimum of 60% Carbon Reduction from 2002 Building Regulations, and this has been demonstrated using the DCSF Carbon Calculator.

2.6 Summary

A Local Competition has been carried out in accordance with the procedures laid down by PfS. Three Panel Members returned PITT submissions, and the Sponsor and BHCC) short-listed Kier and Skanska.

Kier was appointed the Selected Panel Member on 11 May 2009.

The Selected Panel Member has prepared a design that will achieve a minimum of 60% Carbon Reduction and this has been demonstrated by the Carbon Calculator.

Appendix 2

- Detailed programme of work Gantt chart including ICT development and procurement
- The Carbon Calculator
- Kier Pre-Construction Programme

3. ICT PROCUREMENT

The FBC demonstrates that the process to appoint an ICT consultant was in compliance with the standard procedures and processes established by BECTA for the Infrastructure Services Framework and that the process to appoint an ICT Provider:

- will be in compliance with the standard procedures and processes established by BECTA for the Infrastructure Services Framework
- will allow for sufficiently robust analysis of the proposed solutions of the bidders
- was well resourced and the costs of the procurement process have been minimised and documented.

3.1 Appointment of ICT Consultants

In order to facilitate the procurement of the ICT consultant, an Expression of Interest was sent out to companies on the BECTA list.

Following an evaluation of the responses received companies were invited for interview. The interview panel comprised:

<u>Name</u>	<u>Title</u>
Lorraine O'Reilly	Project Director
Geoff Wingrove	Project Manager
Colin Foster	DCSF, Senior Consultant
	PKF Consultants
	BECTA

Following evaluation of the information provided during interviews in addition to the formal written submissions, it was decided to appoint EdICTs as the ICT consultants.

3.2 Appointment of ICT Provider

3.2.1 The Academy will open in September 2010 in a limited part of the new accommodation, but mainly in the existing Falmer High School accommodation. The new accommodation will be occupied in total in September 2010. After extensive discussions at the Design Group, Project Steering Group and Project Board Meetings, attended by representatives from the DCSF, PfS and BECTA, it was agreed that the project would benefit from further development and refinement of the ICT strategy prior to the initiating the procurement of the ICT Provider. The ICT consultant has prepared an Options Appraisal setting out alternative approaches with regard to the ICT provision for the new Academy which is currently under consideration and on which the forward strategy will be based. The ICT consultant will until appointment of the ICT Provider, supply all information as may be required by the Design & Build Contractor in order to progress the design and construction of the Scheme.

3.2.2 Procurement of ICT Provider

Having determined the optimum strategy for the ICT provision within the new Academy, procurement of the ICT provider will be undertaken as indicated above, inviting Expressions of Interest, undertaking a rigorous and fully auditable selection and evaluation procedure as prescribed by the BECTA Infrastructure Framework.

3.3 Interface with the Design & Build Contract

The alignment of the ICT solution with Design & Build is highlighted as one of the top 10 risks to the project. In order to mitigate this risk, it was decided to appoint ICT Consultants EdICTs at an early stage to work alongside the Selected Panel Member in order to them to work together and offer maximum consultation on the ICT procurement provider in terms of room design and general layout. The lead technical adviser for BHCC oversaw its requirements on Design & Build specification, ensuring that the responsibilities and interfaces were made clear. All documents on interfaces and responsibilities as outlined in the OBC were made clear to Kier at an early stage, and the appropriate consultation and communication structures put in place.

A detailed risk register for the ICT project has been developed indicating a clear strategy to manage/mitigate ICT risks.

The ICT consultant is a member of the Design Group and going forward, the Selected Panel Member and ICT provider when appointed will also be represented, which will enable any interface issues to be resolved at an early stage.

3.4 Summary

BHCC, working with EdICTs, the appointed ICT consultant, will procure the ICT provision through the BECTA Infrastructure Framework.

BECTA has reviewed the delivery approach for the ICT provision, and confirmed that it is acceptable.

A detailed risk register for the ICT project has been developed.

Appendix 3

- ICT Options Appraisal
- ICT Risk Matrix
- Initial ICT Budget
- Letter of support from BECTA

4. AFFORDABILITY

4.1 Design and Construction

The following table compares the funding approval at OBC against the costs of the Selected Panel Member:

Category	OBC	FBC	Variance
Construction	16,273,636	13,705,079	n/a
External Works	1,952,836	2,502,946	n/a
Prelims., overheads & contingency		4,747,353	n/a
Abnormals	1,577,010	2,735,802	(see FF&E)
Fees	2,133,838	2,211,472	77,634
FF&E	1,367,174	141,252	(Proportion included in abnormals)
ICT Infrastructure	258,750	inc. above	
Carbon reduction	606,441	inc. above	
Swan Centre & site supervisor accommodation	577,000	inc. above	
Inflation	1,347,716	30,497	
Design & Build Contract sub total	26,074,401	26,074,401	nil
Project Support Funding	300,000	300,000	nil
ICT Hardware	1,667,500	1,667,500	nil
TOTAL	28,041,901	28,041,901	nil

The OBC funding envelope for the project was £28,041,901, which was the sum allocated by PfS for the Project. This sum included provision made by BHCC of £577,000 for the Swan Centre and the site supervisor accommodation.

BHCC's technical advisor has checked the Selected Panel Member's costs against the agreed rates in the Framework Agreement and confirmed that the overall solution is 'on market'.

During the ITT process, PfS reviewed the inflation rates that were applied to the Scheme when it was approved, and those that would be relevant during the construction period. It determined that it should be possible for the bidders to add significant value to the Scheme over and above the requirements set out in the OBC. BHCC wrote a supplementary ITT letter to each bidder requesting them to review their schemes in the light of the changed inflation rate circumstances and indicating a list of added value provision that the bidders may wish to consider.

4.2 Lifecycle/Hard FM costs

The Lifecycle and Hard FM costs set out in the OBC are in line with Kier's costs and the Sponsor has agreed to meet these from the General Annual Grant.

The Sponsor will also look to harmonising the provision of FM services with those set out in a LEP should one be established by BHCC through the BSF programme.

Costs	OBC	Total Variance
Hard FM & Lifecycle	15,175,000	
Hard FM	11,834,000	
Lifecycle	394,000	
Costs	FBC	(2,833,000)
Estimated LCR cost	16,440,000	
Estimated Hard FM, Soft FM and energy allowance	8,103,000	

4.3 ICT

BHCC's ICT advisor will check the selected ICT provider's costs against the BECTA Framework and confirm that the model solution is 'on market'.

The indicative capital cost of the model solution for the ICT provision is £1,667,500 inclusive of three years of support.

The capital costs of the proposed solution from the selected ICT provider will be met by the DCSF £1450 per pupil funding allocation agreed with PfS.

The costs associated with the installation, implementation and transition of the proposed ICT solution will be included in the £1,667,500 total capital cost.

4.4 Other Sources of Funding

BHCC have agreed funding of £577,000 in relation to the provision of the Swan Centre and the site supervisor accommodation.

4.5 FBC Required KPI data

The KPI Data required by PfS has been completed and appended to the FBC.

4.6 Summary

The FBC provides a separate cost analysis reconciled against the OBC for both the design & build and ICT elements of this project.

The analysis indicates that the Selected Panel Member's proposals are in line with the costs set out in the OBC, based on PfS funding allocation, and include the capital sums agreed by the BHCC relating to the Swan Centre and the site manager's accommodation.

Kier's solution for the provision of the Academy has been fully costed. The cost estimate has been checked against the rates included in the Framework Agreement.

The capital cost is in excess of the funding approval in the OBC agreed by

PfS, as it includes provision for the Swan Centre and site manager's accommodation to be provided by BHCC at an estimated cost of £577,000 as set out in the OBC.

The capital costs for the ICT designs for the Academy have been fully costed and identified what is to be delivered through the £1450 per pupil funding.

Appendix 4

- Financial and Technical Pro Formas
- FBC required KPI Data

5. DESIGN & BUILD CONTRACT

Appendix 5 of this section details any derogations from the Design and Build Contract used with the PfS National Framework. This section of the FBC details any derogations from the Building Contract.

Summary

BHCC, in agreement with the Sponsor, has drafted and agreed the Building Contract with Kier. The Contract has been reviewed and all derogations have been approved by PfS.

The land for the Academy shall be subject to a 125 year lease between BHCC and the Trust. The Trust will also lease the land from BHCC on which the Falmer High School South Block stands for the period of the construction of the Academy.

Reviewable Design Data has been agreed.

Appendix 5

Schedule of agreed derogations to the Building Contract.

READINESS TO DELIVER**6.1 Project Management through the Local Competition**

BHCC maintained a fully resourced project management regime for the successful delivery of the Academy project.

Role	Position	Name	Time Commitment
Project Champion & Director (from 1 July 2009)	B&HCC Schools Futures Director	Gil Sweetenham	1 day/week
Project Director	Consultant	Lorraine O'Reilly	3 days/week until 30 June 2009
Project Manager	B&HCC Project Manager	Geoff Wingrove	3 days/week
Technical Advisor	Head of Capital Strategy & Development Planning	Gillian Churchill	2 days/week
Design Technical Advisor	Architecture & Design Manager	Nigel McCutcheon	2 days/week
Education Advisor	Senior secondary and special schools' Adviser	Linda Ellis	2 days/week
Finance Advisor	Financial Services Assistant Director	Nigel Manvell	1 day/week
ICT Advisor	Head of Education Systems	Karen Guthrie	1 day/week
Legal Advisor	Principal Solicitor	Bob Bruce	1 day/week
HR Advisor	Head of Human Resources, Business Partnering	Sue Moorman	0.5 days/week
Planning Advisor	Head of Development Control	Jeanette Walsh	0.5 days/week
Quantity Surveyor	Consultant	Mike Rolfe	1 day/week
Project Support	Project Assistant	Alison Price	4 days/week
	Project Administrator	Pat Rees	3 days/week

In addition, PfS has provided support during the Local Competition, and has monitored progress to ascertain whether the requirements of the PfS National Framework have been met. The PfS Project Director was Andy Farrell up to 30th April 2009, and thereafter Crawford Wright.

6.2 Supervising and Monitoring the Delivery of the Design & Build Contract

BHCC has put the following arrangements in place for supervising and monitoring the project throughout the construction period:

- The Project Steering Group will remain in place, chaired by the Sponsor and retain overall direction and decision making powers for the Academy.
- The Project Steering Group will meet on a monthly basis to review the Academy programme and the construction phase. This group will be serviced by the Academy Project Manager.
- This group will be joined by a representative of Kier and the ICT Provider.
- Gil Sweetenham will assume the role of Project Director as well as Champion on 1st July 2009 for the duration of the Project.
- Rod Derbyshire has been appointed on 1st June by BHCC for the duration of the Academy Project.
- Nigel McCutcheon and Gillian Churchill will remain as Design Advisor and Technical Advisor respectively for the duration of the project.
- Alison Price and Pat Rees will provide project support.
- Additional in-house curriculum and technical advisors will be brought in as and when required.
- The monitoring of quality and the measurement of KPIs will be undertaken throughout the project.

6.3 Supervising and Monitoring the Delivery of ICT

BHCC has put in place the following arrangements for supervising and monitoring the delivery of ICT:

- The Project Steering Group will remain in place, chaired by the Sponsor, and retain overall direction and decision making powers for the Academy.
- The Project Steering Group will meet on a monthly basis to review the Academy Programme and the delivery of ICT. This group will be serviced by the Academy Project Manager.
- Gil Sweetenham assumed the role of Project Director and Champion on 1st July 2009 for the duration of the Project.
- Rod Derbyshire has been appointed from 1st June 2009 as Project Manager for the Academy by BHCC for the duration of the Project.
- EdICTs has been appointed the ICT consultants for the Academy project.

- Karen Guthrie will provide project support as ICT technical advisor for BHCC for the duration of the Project.
- Additional in-house technical advisors will be brought in as and when required to monitor work on site.

User Acceptance Tests will be designed in consultation with all stakeholders and applied to the ICT solution delivered.

The monitoring of quality and the measurement of KPIs will be undertaken throughout the project.

6.4 Statutory Approvals

Planning Permission has been granted for this project and BHCC has accepted the risk of Judicial Review of the planning permission. BHCC has taken account and accepted any financial risk that may arise as a result of this risk materialising.

6.5 Risk

A Risk Workshop was held on 22nd July 2009 and a Risk Strategy for the delivery phase has been developed. The Risk Register details:

- The risks identified
- Who is responsible for the mitigation
- Measures being taken to mitigate each risk

6.6 Summary

BHCC has put in place resources for the duration of the Scheme, including post-contract, to monitor and maintain ongoing relations with the Selected Panel Member and ensure that performance is continuously reviewed.

All necessary statutory approvals have been granted.

A Risk Strategy Workshop has been held and a Risk Strategy developed.

Appendix 6

- Budget for delivery
- Planning Permission
- Risk Register (detailing top 10 risks going forward)

