

**SCHOOL ESTATE DEVELOPMENT PROGRAMME
BUSINESS CASE KEY TASKS**

1.0 A preliminary list of priorities to be delivered through this process has been established¹, based on assessment of the following key criteria:

- Condition
- Suitability (fitness for purpose)
- Sufficiency (supply and demand for pupil places)

The project list and options identified for evaluation and appraisal in order to complete the overall programme business case currently comprises:

- Madras College, St Andrews:
 - Status Quo
 - Refurbish and extend at Kilrymont
 - Refurbish and extend at South Street
 - New Build at Kilrymont
 - New Build at another location
- Dunfermline High School:
 - Status Quo
 - Refurbish and extend at existing location
 - New Build at existing location
- A new secondary school for East Kirkcaldy:
 - Status Quo
 - Refurbish and extend at existing location
 - New Build at existing location
 - New Build at another location
- A new primary school for Eastern Dunfermline (including increased nursery capacity):
 - New Build at preferred location
- Auchmuty High School, Glenrothes:
 - Status Quo

¹ “Education Service School Estate Management Plan 2008-2011”, Agenda Item 9, Education and Children’s Services Committee, 22nd May 2008

- Refurbish and extend at existing location
- New Build at existing location
- Burntisland Primary School:
 - Status Quo
 - Refurbish and extend at existing location
 - New Build at another location

2.0 Initial activity will involve determining business need including the optimum service delivery models for each school, taking into account:

- (a) School capacities;
- (b) Optimum class sizes;
- (c) Demographics;
- (d) Planning Policies – structure and local;
- (e) Denominational factors;
- (f) What services does it make sense to co-locate and what services does it not make sense to co-locate?
- (g) Property/space standards to be met
- (h) Suitability audits

3.0 Assessment of existing buildings and/or possible development sites, in relation to:

- (a) Building Research Establishment Environmental Assessment Method (“BREEAM”)
- (b) Ground conditions/geo-technical
- (c) Condition of existing buildings/asbestos type 3
- (d) Previous land use/environment
- (e) Ecology
- (f) Utilities
- (g) Topography
- (h) Planning status
- (i) Safer routes to school/access/car parking and bus parking/manoeuvring
- (j) Travel implications, traffic impact and transport arrangements

4.0 Benefit Analysis:

- (a) It will be necessary to determine the benefit criteria against which the benefit (quality) of each option is assessed and the relative weighting of those criteria against one another.
- (b) Initial feasibility design proposals for each option will require to be prepared in order to cost the various options to the required degree of accuracy.
- (c) The options referred to above would be assessed in relation to the extent to which each would meet the outputs/

requirements identified as a result of the decisions made on items detailed in 2.0.

5.0 Cost Plans:

Each option will require to be costed under the following headings:

- (a) Capital expenditure;
- (b) Opportunity costs (in essence the market value of the buildings and land used by that option);
- (c) Lifecycle costs over 30 years and 60 years; and
- (d) Transport, interest charges, and premises related costs (e.g. rates, utility charges, cleaning, repairs and maintenance, minor improvements, insurance, waste management, grounds maintenance, furniture, fittings and equipment)

Specifically the capital costs need to include professional fees, site investigation costs, land acquisition costs where required for any extension or new build, decant costs and the cost of providing or replacing furniture, fittings and equipment. These costs also require to take into account the likely timescale for the delivery of each of the options.

6.0 Programme Business Case Summary Inputs:

- 1 set of weighted evaluation criteria for primary school
- 2 design briefs for Burntisland Primary School
- 1 set of weighted evaluation criteria for secondary school
- 1 strategic design brief for secondary school
- 11 design briefs for secondary schools
- 13 feasibility designs
- 19 capital costs
- 19 lifecycle costs
- 19 revenue costs
- 19 opportunity costs

7.0 Programme:

As noted above, cost benefit analysis requires that a realistic timeline is established for delivery for each project option.

8.0 Risk Identification and Analysis:

A high level risk assessment requires to be carried out in relation to each of the options and a decision taken on the likelihood and extent to which such risks will impact on deliverability and cost (e.g. decant arrangements, planning, site conditions, availability of land for extension or new build, extent to which title restrictions or title defects

or planning issues may impact on the market value of existing sites and buildings). Risk is usually reflected in a cost factor for each option. Cost risk and inflation are usually included as a contingency factor/allowance.

9.0 Funding Streams:

Having determined each best case option, possible funding streams need to be identified from amongst:-

- (a) Council Investment Programme Funding
- (b) Prudential Borrowing
- (c) Developer and other third party contributions
- (d) Partnerships/sharing arrangements
- (e) Capital receipts
- (f) Specific grants

10.0 Communication Plan:

A key work stream is the preparation and implementation of a Communication Plan to keep council staff, elected members and stakeholders informed and involved in the School Estate Development Programme.