

Birmingham City Council

Report to Cabinet

Date: 26th March 2019



Subject: SALTLEY ACADEMY FULL BUSINESS CASE AND CONTRACT AWARD

Report of: Director for Education & Skills

Relevant Cabinet Member: Cllr Jayne Francis - Education, Skills and Culture

Cllr Tristan Chatfield - Finance and Resources

Relevant O &S Chair(s): Cllr Mariam Khan - Learning, Culture and Physical Activity
Cllr Sir Albert Bore – Resources

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Are specific wards affected?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No – All wards affected
If yes, name(s) of ward(s): Small Heath		
Is this a key decision?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
If relevant, add Forward Plan Reference: 006104/2018		
Is the decision eligible for call-in?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, provide exempt information paragraph number or reason if confidential :		

1.0 Executive Summary

- 1.1 To seek approval to the Full Business Case (FBC) attached as Appendix A and Contract Award for the capital scheme at Saltley Academy. The capital cost of the scheme will not exceed £11,835,382.

2.0 Recommendations

That Cabinet:

- 2.1 Approve the Full Business Case (Appendix A) for the capital works at Saltley Academy at a total project cost of up to £11,835,382.
- 2.2 Authorise the Director for Education & Skills to instruct Acivico to raise work orders up to the value of £10,225,390 with Balfour Beatty in order for works to commence and to release contingencies and place further orders up to £530,000 if required.
- 2.3 Authorise the Director for Education & Skills to place orders up to the value of £635,273 with Acivico for professional services.
- 2.4 Note that loose furniture up to the value of £30,000 will be ordered directly by the school. Costs will be reimbursed by Edl on production of evidence (paid invoices) which will be verified by Edl.
- 2.5 Approve orders with Link2ICT (Service Birmingham) for ICT up to the value of £70,000.
- 2.6 Authorise the City Solicitor to negotiate, execute and complete all necessary documents to give effect to the above recommendations.

3. Background

- 3.1 The Local Authority has a statutory duty to secure that there are sufficient pupil places, promote diversity and increase parental choice in planning and securing provision (Section 14, Education Act 1996 and Education & Inspections Act 2006). This duty extends to our landlord responsibility to maintain the Education property portfolio to prevent school closure and asset failure, thus improving safeguarding for children.
- 3.2 A report on the changing demand and supply of school places was shared at the Overview and Scrutiny Committee for Learning, Culture and Physical Activity in September 2018.
- 3.3 Saltley Academy is currently a 6 Forms of Entry (FE) Secondary School and part of the Washwood Heath Multi Academy Trust. The school have agreed to increase their numbers by a further 2FE's as well as providing a 40 place Resource Base to support the Local Authority's need to provide sufficient mainstream and special secondary school places.
- 3.4 The Full Business Case (FBC) for this scheme is included in Appendix A. The FBC details the works which will be undertaken at Saltley Academy. The works will allow the school to expand from a 6FE to 8FE.
- 3.5 A Planning Application was submitted on 23 January 2019 and is due for determination on 11 April 2019
- 3.6 Subject to FBC and statutory approvals, the main works are due to commence on 7 May 2019 with a proposed completion of 11 September 2020.

4. Options considered and Recommended Proposal

- 4.1 The option of doing nothing would mean the City Council would fail to meet its statutory obligation in providing appropriate provision to meet the needs of the children.
- 4.2 To approve the proposed capital works at Saltley Academy to increase pupils places by a further 2 Forms of Entry and provide a 40 place resource base.

5. Consultation

5.1 Internal

The Leader and Ward Members for Small Heath have been consulted in relation to the proposals and no comments were received. The Leader agreed that the report should proceed to executive decision. Officers from City Finance, Corporate Procurement and Legal and Governance have been involved in the preparation of this report.

5.2 External

All pupils, parents, governors, teaching and non-teaching staff, relevant Members of Parliament, Teaching Associations, Trade Unions, neighbouring authorities and the Archdiocesan and the Anglican Diocese of Birmingham will be consulted as a result of the school providing additional places.

6. Risk Management

- 6.1 Regular stakeholder engagement is undertaken and programmed in as part of the pre-construction works to ensure that comments are addressed as the scheme progresses to ensure that we mitigate against non-stakeholder buy in.
- 6.2 Monthly progress meetings are held to ensure that all parties are informed of progress to ensure any concerns are picked up at the earliest opportunity and resolved to ensure that the programme stays on track (where there is a risk, acceleration may be introduced in terms of weekend / evening working) and the project is delivered on time. Where costs are seen to escalate, a value engineering exercise is undertaken to ensure that the costs do not exceed approved project budget.
- 6.3 Additional risks and associated mitigation are highlighted in Appendix B of the FBC.

7. Compliance Issues:

7.1 How are the recommended decisions consistent with the City Council's priorities, plans and strategies?

- 7.1.1 These works are required to enable the Local Authority to meet its statutory duty to not only secure the provision of sufficient pupil places but also to promote diversity and increase parental choice in planning and securing the provision of school places (Section 14 Education Act 1996 and Education & Inspections Act 2006). The spending priorities proposed are in accordance

with the Schools' Capital Programme 2018-19 and the Council's Vision and Forward Plan priorities for Children, particularly 'A great place to grow up in by providing an environment where children have the best start in life and are able to realise their full potential through great education'. The provision of these school places is also beneficial to the safeguarding of children.

7.1.2 Birmingham Business Charter for Social Responsibility

The selected CWM contractor is signed up to the principles of the Birmingham Business Charter for Social Responsibility and will develop a relevant and proportionate action plan, demonstrating how the principles of the Charter will be implemented to deliver social value outcomes for the school and local community. This action plan will be agreed with the Council prior to the works order being placed.

7.2 Legal Implications

7.2.1 This report facilitates the discharge of the local authority's duty under section 14 of the Education Act 1996 to secure that sufficient school places are available.

7.3 Financial Implications

7.3.1 The total cost of the works at Saltley Academy will be funded from Department for Education (DfE) Basic Need Grant.

7.3.2 Consequential revenue costs arising including additional staffing, utility costs and any on-going day to day repair and maintenance of the asset will be the responsibility of the Academy and funded from the Academy's General Annual Grant (received by the Academy from the EFA).

7.4 Procurement Implications (if required)

7.4.1 The procurement route for this project was via the Constructing West Midlands (CWM) Framework using Balfour Beatty as the construction partner. Acivico applied previously approved criteria to achieve best value for money based on current DfE education space guidelines and industry benchmark rates. Acivico will provide Project Management and to ensure value for money is achieved throughout delivery.

7.5 Human Resources Implications (if required)

7.5.1 N/A

7.6 Public Sector Equality Duty

7.6.1 A Full Equality Analysis (EA0001202) was carried out in May 2016 for Education Infrastructure's Education Development Plan and Schools' Capital Programme 2018-19. The outcomes from consultation demonstrate that proposed capital developments support positive outcomes for children, young people, their families and carers. No negative impact on people with

Protected Characteristics was identified. It was concluded that sufficiency of educational places and opportunities for all children and young people contributes to providing positive life chances, and supports a positive approach to Safeguarding in Birmingham: actively reducing the number of children and young people out of school helps to mitigate risk to their safety and wellbeing.

8. Appendices

8.1 Appendix A - Full Business Case

9. Background Documents

- 9.1 Schools' Capital Programme - School Condition Allocation 2018-19+ Future Years Cabinet Report – approved 18th September 2018
- 9.2 Changing demand and supply of school places – Overview & Scrutiny Report – September 2018