

FULL BUSINESS CASE (FBC)

A. GENERAL INFORMATION

A1. General

Project Title <i>(as per Voyager)</i>	North Birmingham Academy Expansion Project, (New Three Storey Teaching Block)		
Oracle code	B1-AV06H-P101-EC0-LV0010-TZZZZ-JZZZ-JXXX LV0010-048		
Portfolio /Committee	Children Young People and Families	Directorate	Children and Families
Approved by Project Sponsor	Zahid Mahmood	Approved by Finance Business Partner	Paul Durrant

A2. Outline Business Case approval *(Date and approving body)*

Schools Capital Programme – School Condition Allocation, Basic Need Allocation 2024-25+ Future Years Cabinet Report (Cabinet Approved 19 March 2024).

A3. Project Description

Background:

The main project involves the expansion of the existing academy by 2 forms of entry from 6FE to 8FE with the construction of a new 3 storey teaching block linked to the existing building and internal alterations & remodelling to the existing school to accommodate 300 additional pupils between the ages of 11 and 19 years from September 2023 through to September 2027.

This request, for further funds:

The additional capital costs are required to undertake urgent & compliance related work required for the capital scheme at North Birmingham Academy as identified during the main works, including:

- additional protection for fire safety via cladding, as requested by Building Control. This was discovered following breaking into and exposing the old part of the school;
- generator hire, due to the delay in installing a new electric meter by the school's external supplier;
- existing school partitions needing extra fire protection;
- water pressure booster pump required due to the state of existing school supply.

A4. Scope

This scheme involves works as described in the above project description.

A5. Scope exclusions

No works outside this scope will be undertaken.

B. STRATEGIC CASE

This sets out the case for change and the project's fit to the Council Plan objectives

B1. Project objectives and outcomes

The case for change including the contribution to Council Plan objectives and outcomes

<ul style="list-style-type: none"> ▪ A Bold Prosperous Birmingham ▪ A Bold Inclusive Birmingham ▪ A Bold Safe Birmingham ▪ A Bold Healthy Birmingham ▪ A Bold Green Birmingham 	
<p>B2. Project Deliverables</p> <p><i>These are the outputs from the project e.g. a new building with xm2 of internal space, xm of new road, etc</i></p>	
<p>This request will provide completion of extended new build space to North Birmingham Academy.</p>	
<p>B3. Project Benefits</p> <p><i>These are the social benefits and outcomes from the project, e.g. additional school places or economic benefits.</i></p>	
Measure	Impact
<i>List at least one measure associated with each of the objectives and outcomes in B1 above</i>	<i>What the estimated impact of the project will be on the measure identified – please quantify where practicable (e.g. for economic and transportation benefits)</i>
To allow continuation of education operations for North Birmingham Academy	Completing the extension and remodelling works will minimise disruption to pupils at North Birmingham Academy in the long-term, and it allows the Council to meet its statutory obligations for basic needs allocation
To provide a safe and dry learning environment for children and young people at North Birmingham Academy.	On completion of the programme of works, children and young people will have a safe, warm and dry environment before, during and after school hours.
<p>B4. Benefits Realisation Plan</p> <p><i>Set out here how you will ensure the planned benefits will be delivered</i></p>	
<p>The planned benefits will be delivered following completion of all associated works that will ensure that education continuity is not affected in the future.</p>	
<p>B5. Stakeholders</p>	
<p>A stakeholder analysis is set out at G4 below.</p>	
<p>C. ECONOMIC CASE AND OPTIONS APPRAISAL</p> <p><i>This sets out the options that have been considered to determine the best value for money in achieving the Council's priorities</i></p>	
<p>C1. Summary of options reviewed at Outline Business Case</p> <p><i>(including reasons for the preferred option which has been developed to FBC)</i> <i>If options have been further developed since the OBC, provide the updated Price quality matrix and recommended option with reasons.</i></p>	
<ul style="list-style-type: none"> • The option of doing nothing would mean work will be delayed and the Local Authority fails to meet its statutory obligation to ensure that there are sufficient pupil places, promote diversity and increase parental choice through planning and securing additional provision. • The recommended option is to approve capital costs and modification of the contract for further required works. 	

C2. Evaluation of key risks and issues

The full risks and issues register is included at the end of this FBC

- Acivico Ltd has advised of a contingency figure of £29,000 which has been allocated to the project to cover any further unknown issues that may occur during the construction process, such as addressing inflationary concerns and working around a live school environment.
- The risk of cost overruns with the volatile construction environment of increases in materials and labour is being mitigated by a fixed price contract with robust contract management by the Council's technical advisor, Acivico Ltd.
- The risk of asbestos contamination will be managed by Acivico Ltd with support from Birmingham City Laboratories, who will carry out targeted asbestos surveys and safely remove any asbestos that is present prior to the project work progressing. The investigation and removal of asbestos has been factored into the overall project cost and programme. Regular 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.
- A project risk register will be maintained.

C3. Other impacts of the preferred option

Describe other significant impacts, both positive and negative

- Completion of the expansion and remodelling project will ensure pupils are not disrupted from their education needs and that the additional increase in pupil numbers is sufficiently catered for.

D. COMMERCIAL CASE

This considers whether realistic and commercial arrangements for the project can be made

D1. Partnership, Joint venture and accountable body working

Describe how the project will be controlled, managed and delivered if using these arrangements

Scheme will be delivered by Project Team as follows:

- Client for the project is Birmingham City Council.
- Project Management services is being provided by Acivico Ltd.
- The end-user is North Birmingham Academy.
- Regular 2 – 4 weekly meetings will be held with the project team, including client and the end user.
- Programme will be monitored and developed to ensure that required timescales are achieved.
- Scheme costs are to be continually assessed, developed and monitored.

D2. Procurement implications and Contract Strategy:

What is the proposed procurement contract strategy and route? Which Framework, or OJEU? This should generally discharge the requirement to approve a Contract Strategy (with a recommendation in the report).

None

D3. Staffing and TUPE implications:

None

APPENDIX 1

Capital Costs & Funding	Financial Year		Total Project Costs
	2023/24	2024/25	
North Birmingham Academy			
Contractor Works		£493,000	£493,000
Contingency			
Acivico Fees		N/A	N/A
EDSI Capitalisation		N/A	N/A
Funding sources			
Basic Need Grant		£493,000	£493,000
Total Project Cost Excluding VAT		£493,000	£493,000

E2. Evaluation and comment on financial implications:

A cost check was carried out by Acivico Quantity Surveyor to ensure the cost can still be upheld.

E3. Approach to optimism bias and provision of contingency

Contingency of £29,000 has been allocated to this project based on risks and included in the total project cost, if required.

E4. Taxation

Describe any tax implications and how they will be managed, including VAT

N/A

F. PROJECT MANAGEMENT CASE	
<i>This considers how project delivery plans are robust and realistic</i>	
F1. Key Project Milestones	Planned Delivery Dates
<i>The summary Project Plan and milestones is attached at G1 below</i>	
Cabinet Member Approval of FBC	May 24
Main Construction works	May 24
Practical completion (Anticipated)	July 24
F2. Achievability	
<i>Describe how the project can be delivered given the organisational skills and capacity available</i>	
<ul style="list-style-type: none"> • Scope of work identified as in the project description. • Extensive site investigation carried out (including an asbestos survey). • Project programme and costs have been developed. • Funding is in place. • Contractors have considerable previous experience. • Similar projects have been delivered on budget and to time by the project team. 	
F3. Dependencies on other projects or activities	
<ul style="list-style-type: none"> • Landlord approval has been granted for the project. 	
F4. Officer support	
Project Manager:	Baljeet Uppal 07730 281 356 Interim Capital Programme Manager Baljeet.Uppal@birmingham.gov.uk
Project Accountant:	Jaspal Madahar 07766922478 Finance & Resources Manager jaspal.madahar@birmingham.gov.uk
Project Sponsor:	Zahid Mahmood 07860906126 Interim Head of Education Infrastructure zahid.mahmood@birmingham.gov.uk
F5. Project Management	
<i>Describe how the project will be managed, including the responsible Project Board and who its members are</i>	
See G1	

G. SUPPORTING INFORMATION
<i>(Please adapt or replace the formats as appropriate to the project)</i>
G1. PROJECT PLAN
<i>Detailed Project Plan supporting the key milestones in section F1 above</i>
The project plan will be outlined by Acivico who are operating as the project manager and the chosen contractor prior to the works starting to minimise disruption to the school and to ensure the project is completed within the estimated completion time.

G2. SUMMARY OF RISKS AND ISSUES REGISTER			
<i>Risks should include Optimism Bias, and risks during the development to FBC</i>			
<i>Grading of severity and likelihood: High – Significant – Medium – Low</i>			
Risk or issue	Mitigation	Severity	Likelihood
Delayed start date due to approval process	Attempts will be made to progress the Cabinet Member report and FBC in time to meet the necessary programme timescale.	High	Medium
Work costs escalate	The project team will closely monitor the schedule of works and build costs. Cost schedules include contingency sums. Any variations will need to be met through value re-engineering to ensure	Low	Medium

APPENDIX 1

	projected spend remains within overall allocation		
Works fall behind	The project team will closely monitor the scheme on site and liaise with Contractor Partners to identify action required.	Medium	Medium
BCC faced with increasing revenue costs	Consequential revenue costs arising, including the need for additional staffing and any on-going day-to-day repair and maintenance of the asset, will be the responsibility of North Birmingham Academy and funded from the school's delegated budget.	Low	Low

G3. EXTERNAL FUNDING AND OTHER FINANCIAL DETAILS

Description of external funding arrangements and conditions, and other financial details supporting the financial implications in section E1 above (if appropriate)

N/A

G4. STAKEHOLDER ANALYSIS

Stakeholder	Stake in project	Potential impact on project	What does the project expect from stakeholder	Perceived attitudes and/or risks	Stakeholder management strategy	Responsibility
Cabinet Members for ES&C and F&R	Strategic Overview of DGCF expenditure	High	Approval of Cabinet report and expenditure for project.	Strategy not approved	Early Consultation and Regular Briefing on all aspects of Special Provision	BCC / EDI
School's Consultant Partners	Design and Delivery	High	To support delivery and programme management.	Unable to design to budget Unable to deliver to timescales	Close working with other stakeholders Regular feedback	School Leadership Team
School Leadership Team / Governors	Governing Body Agreement and End Users	High	Compliance with GBA Ongoing Revenue costs for R&M once build complete	N/A	Governing Body Agreement signed and regular project meetings	School Leadership Team / Governing Body EDI Project Officer
Pupils	End user	Low	Consultation	Nil	Through school's council	School Leadership Team
Ward Councillors	Knowledge of other developments affecting local communities that may link into project	High	Consultation with community and support for project	Objections from residents	Involve in consultation and planning permission process	EDI Project Officer Governors/ School Leadership Team

G5. BENEFITS REGISTER

For major projects and programmes over £20m, this sets out in more detail the planned benefits. Benefits should be monetised where it is proportionate and possible to do so, to support the calculation of a BCR and NPSV (please adapt this template as appropriate)

Measure	Annual value	Start date	Impact
<i>List at least one measure associated with each of the outcomes in B1 above</i>			<i>What the estimated impact of the project will be on the measure identified</i>
(A) Monetised benefits:	n/a		
(B) Other quantified benefits:	n/a		
© Non-quantified benefits:	n/a		

Other Attachments <i>provide as appropriate</i>	
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