

Birmingham City Council

Report to Cabinet



14th May 2024

Subject: FULL BUSINESS CASE– ROOFING REPAIR AND CLADDING REPLACEMENT WORKS AT COPPICE PRIMARY AND LANGLEY SPECIAL SCHOOLS.

Report of: Sue Harrison, Director of Children and Families

Relevant Cabinet Member: Cllr Karen McCarthy - Children, Young People & Families

Relevant O &S Chair(s): Cllr Kerry Jenkins - Education, Children & Young People

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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):	Sutton Mere Green	
Is this a key decision?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
If relevant, add Forward Plan Reference:	012752/2024	
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

1 Executive Summary

- 1.1 To seek approval for the capital scheme for the roof repair and cladding replacement works (the Works) at Coppice Primary and Langley Special

Schools. The project costs of the scheme will not exceed £3,197,981. This figure excludes the PCSA cost of £141,299.

2 Recommendations

That Cabinet:

- 2.1 Approve the project costs for the roof repair and cladding replacement works at Coppice Primary and Langley Special Schools at a total project cost not to exceed £3,197,981.
- 2.2 Approve the Full Business Case appended to this report.
- 2.3 Notes that a Pre-Construction Services Agreement (PCSA) has been entered into with Interclass Holdings Ltd for the initial design stage to be completed for the estimated value of up to £141,299 and approved under Chief Officer delegated authority to enable the works to meet the deadline for the completion of the works. This figure includes £25,452 Acivico fees and £4,116 EDI fees.
- 2.4 Delegates authority to the Director of Children and Families in consultation with the Chief Operating Officer, the Interim Director of Finance (Section 151 Officer) and the Interim City Solicitor & Monitoring Officer (or their delegates) to award a contract for the Works after completion of the PCSA stage in order to expedite the approval to meet project deadlines subject to the value being within the approved budget.

3 Background

- 3.1 The Local Authority has a statutory duty to maintain its schools in order to ensure children have a safe and secure teaching environment.
- 3.2 The buildings have experienced multiple leaks from the zinc roofs due to significant corrosion in some areas. Patch repairs to localised areas of the roofs have been undertaken, however this has not resolved the situation and the leaks have continued. A roof investigation has been carried out by Acivico Ltd to assess the condition and the findings have determined that the ventilation beneath the zinc roofs is not sufficient and this has resulted in build-up of condensation and subsequent corrosion.
- 3.3 Various areas of cladding are defective and rainwater ingress is entering the building voids. In addition, the gutters are very difficult to maintain and have the potential to overflow when blocked with leaves and cause further water damage. There is also poor detailing around flashings, roof lights and upstands which is allowing water to ingress and cause damage to the fabric of the building.
- 3.4 As a consequence, there is a requirement for works to the roof of these buildings to be undertaken to ensure a safe environment for the education of the pupils. The works are for repairs to the flat roofs and areas of the pitched

roofs and replacement of cladding, installation of rainwater materials and replacement of external doors and windows.

- 3.5 In line with recommendation 2.3, a PSCA has been entered into and following successful completion of the detailed design, it is programmed for the works to commence in July 2024. This is subject to recommendation 2.4, with the construction work to be carried out for a period of 54 weeks. To minimise disruption to the education of the pupils, the majority of the work will be carried out in the evenings, weekends and school shut down periods with a project completion in August 2025.

4 Options Considered and Recommended Proposal

4.1 Doing nothing would mean the City Council would fail to meet its statutory obligation to maintain the school and provide a safe, secure, and warm environment for the pupils and staff at Coppice and Langley Primary Schools.

4.2 The recommended option is for the project costs to be approved and works to be undertaken subject to recommendation 2.4 to enable the school to ensure that children and young people have a suitable and safe space to learn, grow and develop in so their full potential can be achieved.

5 Consultation

- 5.1 The Head Teachers and governors of Coppice Primary and Langley Special Primary Schools have been consulted and are fully supportive of the scheme.
- 5.2 The Ward Members for Sutton Mere Green will be consulted in relation to the proposals via email.

6 Risk Management

- 6.1 Risks have been considered as part of the design process. A contingency sum of £370,000 has been allocated to the project. This contingency sum has been included in the overall project costs.
- 6.2 There are large unknowns due to being unable to effectively survey prior to the commencement of the procurement process. However, risks from any issues arising will be mitigated by robust surveys being carried out during the PSCA period to inform the detailed design for the works required to be delivered. 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.

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 to ensure that all pupils are provided with a safe and secure teaching environment. The spending priorities proposed are in accordance with the Schools' Capital Maintenance Programme 2024/25 approved by Cabinet on 19th March 2024, and the Council's Vision and Forward Plan priorities for Children.

7.2 Legal Implications

- 7.2.1 This report facilitates the discharge of functions contained within section 22 of the School Standards and Framework Act 1998 whereby the local authority has a duty to maintain its schools; this includes expenses relating to premises.
- 7.2.2 The Local Authority has a statutory duty, by virtue of section 542 of the Education Act 1996 and the School Premises (England) Regulations 2012, to ensure that maintained school buildings are maintained to a standard such that, so far as is reasonably practicable, the health, safety and welfare of pupils are ensured.
- 7.2.3 Under Section 1 of the Localism Act 2011, the Council has the power to enter into the arrangements set out in this report, which are within the remit and limits of the general power of competence in Sections 2 and 4 of the Localism Act 2011. Any and all legal powers under the Council's Constitution and Procurement and Contract Governance Rules will be upheld when contracting with and or agreeing contracts with third parties.

7.3 Financial Implications

- 7.3.1 The project costs not to exceed £3,197,981 will be funded from the School's Condition Allocation 24-25. This is inclusive of £87,263 Acivico Ltd's professional fees and £93,145 of EDI's capitalisation fees.
- 7.3.2 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 Coppice Primary and Langley Special Schools and funded from the school's delegated budget.
- 7.3.3 The request for spend for the PCSA project costs was cleared by the Children and Families Spend Control Board on 26th February 2024 and is covered under the Section 151 Spend Control Board blanket approval, received on the same day. A further request for the remaining project costs of up to £3,197,981 (including fees) will be submitted to the Children and Families Spend Control Board when the works costs are known prior to entering into the contract.
- 7.3.4 This report proposes the use of ringfenced DfE School Condition Allocation Grant and does not seek approval for the use of any corporate capital resources.

- 7.3.5 Financial risks have been considered as part of the design process. A contingency sum has been set aside for the project and has been included in the overall project cost. To mitigate any cost increases a fixed price contract has been agreed. We are therefore not expecting that this project will have cost overruns and that any unforeseen cost increases will need to be managed within the overall budget. Additional approvals only be sought should the contingency and any proposed compensating alterations to scope not be able to contain any forecast increase.
- 7.3.6 The Council has a good record of delivering these school capital projects within budget and to timescales. Approval has been gained for the PCSA costs of £141,299 at the Children and Families Spend Control Board on 26th February 2024.

7.4 Procurement Implications (if required)

- 7.4.1 The Council's primary procurement route for capital works of this nature is to use Acivico Ltd's Constructing West Midlands 2 Repair and Maintenance Framework Agreement. This framework agreement is compliant with the Public Contracts Regulations 2015 (PCR15) and is suitable for use for a project of this nature.
- 7.4.2 A two-stage procurement process is being undertaken:
- The first stage is competitive, with the successful tenderer being selected on the basis of their ability and understanding of the project for Phase 1 works, together with the pricing of those elements of the works which are normally under the control of the main contractor, e.g. preliminaries, overheads & profit, programme period, cost of rates for identifiable sections of work. This is documented in the PCSA approved under Chief Officer delegated authority (noting recommendation 2.3).
 - During the second stage, the Council's design team develops and completes the design in conjunction with the successful tenderer. The successful tenderer undertakes a compliant procurement process for the various work packages that are reviewed by the Council's technical cost control advisor to ensure that prices are reflective of current market conditions, are within budget and deliver Best Value. Once the overall tender price is confirmed for the Phase 1 works, the Council will enter into the main works contract subject to authorisation as per recommendation 2.4.

7.5 Public Sector Equality Duty

- 7.5.1 The Council must have regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it and to foster good

relations between persons who share a relevant protected characteristic and persons who do not share it. On review, no negative impact on people with Protected Characteristics was identified. It was concluded that having the proposed safe, accessible building and classroom space at Coppice Primary and Langley Special Schools would support the Council's performance of its Equality Act duties.

7.6 Environmental and Sustainability Implications

7.6.1 A completed Environment and Sustainability Impact Assessment is attached as **Appendix 2**.

8 Appendices

8.1 **Appendix 1** – Coppice and Langley Primary Schools - Full Business Case

8.2 **Appendix 2** - Environment and Sustainability Impact Assessment

9 Background Documents

9.1 Schools' Capital Programme 2024-25 report approved by Cabinet on 19th March 2024.