

FULL BUSINESS CASE (FBC)

A. GENERAL INFORMATION

A1. General

Project Title <i>(as per Voyager)</i>	STANVILLE PRIMARY SCHOOL CAPITAL MAINTENANCE – FULL BUSINESS CASE		
Voyager code	CA-02072-02-2-473		
Portfolio /Committee	Education, Skills & Culture	Directorate	Education and Skills
Approved by Project Sponsor	Zahid Mahmood	Approved by Finance Business Partner	

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

STANVILLE PRIMARY SCHOOL CAPITAL MAINTENANCE – FULL BUSINESS CASE AND CONTRACT AWARD

A3. Project Description

The project involves the initiation of phase 4 boiler and heating repairs to fix a persistent problem with the school's heating distribution system. Phases 1, 2 & 3 have been undertaken to replace the failed early years boiler, nursery boiler and the primary school's main boiler. Further work is now required to replace the primary school's entire heating distribution system to ensure operational continuity.

A4. Scope

The scope of works includes the following:

Removal of Asbestos as Report, carried out by Central Environmental;
 Replacement of Distribution Pipework, boxings to vertical drops;
 Replacement of Eighty Eight Radiators & Four Fan Convectors and associated works;
 All necessary pipework, fittings and valves in mild steel with malleable iron fittings;
 All associated electrics;
 All associated building works;
 Pressure testing and commissioning of the system.

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

- Council Business Plan and Budget 2020+;
- A Fair City: Tackling Inequality and Deprivation;
- Laying the foundations for a Prosperous city based on an inclusive economy;
- A Democratic City involving local people and communities in the future of their local area and public services: a City with local services for local people;
- Enjoy and achieve by attending school;
- Schools Capital Programme

B2. Project Deliverables

These are the outputs from the project eg a new building with xm2 of internal space, xm of new road, etc

To ensure operational continuity and the minimisation of long-term disruption at Stanville Primary School by completing phase four of a project to install a new heating distribution system, as the existing pipework is in poor condition.

Partial repairs have been carried out intermittently to ensure the existing heating system does not fail completely. The proposed works for phase 4 will consist of replacement of the following: distribution pipework; eighty-eight radiators; four fan convertors and controls associated with electrical works. Allowances for testing for asbestos and its removal if detected.

B3. Project Benefits

These are the social benefits and outcomes from the project, eg additional school places or economic benefits.

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 (eg for economic and transportation benefits)</i>
To allow continuation of operations at Stanville Primary School.	Completing phase four of the heating and boiler repair project will minimise disruption to pupils at Stanville School in the long-term, and it allows the Council to meet its statutory obligations for schools conditions.
Support and enrich learning opportunities for children and young people.	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.
Promoting designs which support Birmingham's Education Vision.	Installing a fully functional boiler and heating repair system will enhance teaching and learning environments that are suitable for delivering education.

B4. Benefits Realisation Plan

Set out here how you will ensure the planned benefits will be delivered

The planned benefits will be delivered following completion of phase 4 of the heating distribution system.

B5. Stakeholders

A stakeholder analysis is set out at G4 below.

C. ECONOMIC CASE AND OPTIONS APPRAISAL

This sets out the options that have been considered to determine the best value for money in achieving the Council's priorities

C1. Summary of options reviewed at Outline Business Case

(including reasons for the preferred option which has been developed to FBC)

If options have been further developed since the OBC, provide the updated Price quality matrix and recommended option with reasons.

- The option of doing nothing would mean the City Council failing to meet its statutory obligation to ensure that pupils at Stanville School are able to continue their learning without disruption or adequate heating.
- The recommended option is to completely replace the distribution system, which will ensure the heating system works at the highest efficiency possible and reduces energy costs in the long-term. Once installed the new distribution system should provide a life span of more than 40 years and ensure educational continuity for the school, while minimising potential disruptions caused by emergency leaks.

C2. Evaluation of key risks and issues

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

- Risks have been considered as part of the design process and a contingency sum of £72,000 has been allocated to the project.
- 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.
- Temporary repairs have been carried out to ensure the school remains operational and to provide educational continuity, whilst Birmingham City Council meets its statutory obligations.
- Working in a live building and ensuring Health & Safety is maintained. As the designated project manager, Acivico have many years' experience at delivering large scale heating replacements of this nature and will safely co-ordinate the works in consultation with the school and EDI.
- A project risk register will be maintained.

C3. Other impacts of the preferred option

Describe other significant impacts, both positive and negative

- Attempts have previously been made to carry out repairs to the heating system, however the pipework is currently too badly corroded to make successful long-term repairs. Further leakage could result in an emergency for the school and increases the possibility of further closures.
- Completion of the heating distribution system at Stanville Primary School will ensure Pupils are not disrupted from their education needs.

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 Manager services will be provided and carried out by Acivico.
- The end user will be Stanville Primary School.
- 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).

The procurement of this contract has been undertaken and managed by Acivico Ltd.

The procurement route for delivery of this scheme was via Acivico's CWM2 Repairs & Maintenance Contract. The contractor recommended for award is Dodds Group Ltd and will work with Acivico who are acting as Project Manager.

The works were procured by Dodds Group Ltd as part of the initial capital programme that was approved in July 2020. The project was split into four phases due to financial restrictions and to minimise the impact on the school. Phases 1, 2 and 3 were to replace the existing boiler plant in the nursery, early years building and main plant room. The boiler replacement works in the main plant room also included set up of phase 4, which is to replace the heating distribution pipework and radiators.

D3. Staffing and TUPE implications:

None

Capital Costs & Funding	Voyager Code	Financial Year	Totals
		2021/22	
Expenditure			
Stanville Primary School	CA-02073-02-2-473		
Construction costs, incl. Surveys, Investigations, & Statutory Fees		£529,669	£529,669
Acivico Fees		£ 77,906	£ 77,906
EDSI Capitalisation		£ 18,227	£ 18,227
Total Project Cost Excluding VAT		£625,802	£625,802
Funding sources			
Schools Condition Allocation (SCA)		£625,802	£625,802
Totals		£625,802	£625,802

E2. Evaluation and comment on financial implications:

The current costs for the project are based on tendered costs received in January 2021.

E3. Approach to optimism bias and provision of contingency

Contingency of £72,00 has been afforded 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	17th May 2021
Main Construction works	May 2021 – December 2021
Practical completion	December 2021
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. • Project programme and costs have been developed. • Funding is in place. • Contractors have considerable previous experience. • Phases 1, 2 and 3 of the project have been completed without issue. • 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"> • Prior phases of the programme have been completed. • Landlord approval has been granted for the project. 	
F4. Officer support	
Project Manager:	Zahid Mahmood 07860906126 Capital Programme Manager, Education Infrastructure zahid.mahmood@birmingham.gov.uk
Project Accountant:	Jaspal Madahar 07766922478 Finance & Resources Manager jaspal.madahar@birmingham.gov.uk
Project Sponsor:	Jaswinder Didially 07825 117334 Head of Education Infrastructure jaswinder.didially@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>	
As per D1	

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>
<p>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 of thirty weeks.</p>

APPENDIX

G2. SUMMARY OF RISKS AND ISSUES REGISTER

Risks should include Optimism Bias, and risks during the development to FBC

Grading of severity and likelihood: High – Significant – Medium – Low

		Risk after mitigation:	
Risk or issue	Mitigation	Severity	Likelihood
Delayed start date due to approval process	Attempts will be made to progress the Cabinet report and FBC in time for a start date of May 1 st .	High	Medium
Building costs escalate	The project team will closely monitor the schedule of works and build costs. Cost schedules include contingency sums. Any increase in costs will need to be met through value re-engineering to ensure projected spend remains within overall allocation	Low	Medium
Building works fall behind	The project team will closely monitor schemes on site and liaise with Contractor Partners to identify action required.	Medium	Medium
BCC faced with increasing revenue costs	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 school. Any increase in revenue costs will be offset by an increase in income through increased pupil numbers provided by the DfE.	Low	Low
Impact of the Covid-19 pandemic on the delivery of the construction project.	None at present.		

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 schools 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 local 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:	£		
(B) Other quantified benefits:			
(C) Non-quantified benefits:	n/a		

Other Attachments

provide as appropriate

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