

Birmingham City Council

Report to Cabinet Member for Children, Young People and Families

24 October 2023



Subject: FULL BUSINESS CASE AND CONTRACT AWARD FOR THE REPLACEMENT OF BOILERS, PLANT AND ALL ASSOCIATED WORKS AT GILBERTSTONE PRIMARY SCHOOL

Report of: Sue Harrison, Director of Children and Families

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

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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): South Yardley		
Is this a key decision?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, add Forward Plan Reference:		
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 checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
If relevant, state which appendix is exempt, and provide exempt information paragraph number or reason if confidential: Exempt Appendix 3. Part C2 Paragraph 3: Information relating to the financial or business affairs of any particular person (including the authority holding that information		

1 Executive Summary

- 1.1 To seek approval for the capital scheme and the award of a contract for the replacement of boilers, plant and all associated works at Gilbertstone Primary School. The capital costs of the scheme will not exceed £374,412

2 Recommendations

- 2.1 The Cabinet Member for Children, Young People and Families:
 - 2.1.1 Approve the project costs for the replacement of boilers, plant and all associated works at Gilbertstone Primary School at a total project cost of up to £374,412.
 - 2.1.2 Approve the Full Business Case appended to this report.
 - 2.1.3 Approve the award of a contract for the replacement of boilers, plant and all associated works at Gilbertstone Primary School to Dodd Group (Midland) Ltd.
 - 2.1.4 Authorises the City Solicitor and Monitoring Officer to 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 maintain its schools in order to ensure children have a safe and secure teaching environment.
- 3.2 Gilbertstone Primary School were advised by their maintenance contractors that most of the key parts for the school boilers have become obsolete, due to age. An Acivico Mechanical Engineer has confirmed that it would not be possible to carry out any refurbishment or repair to the boilers due to their existing age, condition, and obsolescence. The Engineer also recommended a full replacement of distribution pipework and radiators to conform to current building regulations.
- 3.3 It is proposed that a full replacement of the school's heating system including boilers, flue system, plant, controls, distribution pipework and radiators is undertaken to meet the school's requirements. This will enable the school to be heated and reduce the cost of repair and maintenance for the heating system.
- 3.4 It is proposed that the project will commence in September 2023 with the construction work to be carried out for a period of 15 weeks. Project completion is expected in December 2023.

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 at Gilbertstone Primary School.
- 4.2 The recommended option is to replace the boilers, plant and all associated works at Gilbertstone Primary School. Once replaced the heating system should provide

a life span of more than 20+ years and ensure educational continuity for the schools, while minimising potential disruptions caused by building related issues.

5 Consultation

- 5.1 The Head Teacher and governors of Gilbertstone Primary School have been consulted and are fully supportive of the scheme.
- 5.2 The Ward Members for South Yardley have been consulted in relation to the proposals via email and are supportive with the project progressing for decision.

6 Risk Management

- 6.1 Risks have been considered as part of the design process. A contingency sum of £89,500.00 has been allocated to the project. This contingency sum has been included in the overall project costs.
- 6.2 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.
- 6.3 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.

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 2023/24 approved by Cabinet on 16th May 2023, and the Council's Vision and Forward Plan priorities for Children.
- 7.1.2 The request for spend was cleared by the Children and Families Spend Control Board on the 29 September 2023 and is covered under the Section 151 Spend Control Board blanket approval, received on the same day.

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 totalling up to £374,412 will be funded from the School's Capital Maintenance allocation. This is inclusive of £27,154 Acivico professional fees. A total of £10,905 for Education Infrastructure Staffing fees directly attributable to the development and delivery of the project will be capitalised against the total cost of this project.
- 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 Gilbertstone Primary School and funded from the school's delegated budget.
- 7.3.3 The request for spend was cleared by the Children and Families Spend Control Board on the 20 September 2023 and is covered under the Section 151 Spend Control Board blanket approval, received on the same day.

7.4 Procurement Implications (if required)

- 7.4.1 The procurement implications for the award of a contract for the replacement heating system for Gilbertstone Primary School following a further competition exercise using Acivico Ltd's Constructing West Midlands 2 Framework Agreement are detailed in Appendices 2 – 3.

7.5 Public Sector Equality Duty

- 7.5.1 A Full Equality Analysis EQUA650 was reviewed and updated in March 2023 for Education Infrastructure's Schools' Capital Programme 2023-24. The outcomes from consultation demonstrate that the 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. This scheme falls within the umbrella of the equality analysis EQUA650 and will support a positive outcome.

8 Appendices

- 8.1 Appendix 1 - Gilbertstone Primary School – Full Business Case (FBC)
- 8.2 Appendix 2 - Gilbertstone Primary School - Procurement Methodology

8.3 Exempt Appendix 3 - Gilbertstone Primary School

9 Background Documents

Schools' Capital Programme - School Condition Allocation 2023-24 report to Cabinet dated 16th May 2023.