

FULL BUSINESS CASE (FBC)

A. GENERAL INFORMATION

A1. General

Project Title <i>(as per Voyager)</i>	SKILTS SCHOOL FULL BUSINESS CASE AND CONTRACT AWARD		
Voyager code			
Portfolio /Committee	Education and Skills	Directorate	Education, Skills & Culture
Approved by Project Sponsor	Jaswinder Didially	Approved by Finance Business Partner	Paul x Stevenson

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

Cabinet Report 26th March 2019 – Schools Capital Programme – School Condition Allocation, Basic Need Allocation 2019 -20 + Future Years

A3. Project Description

Skilts School is one of 27 Birmingham special schools and can offer up to 64 places for pupils with a statement of need or Education and Health Care Plan (EHCP) for Social, Emotional and Mental Health needs, (SEMH). Prior to September 2019 Skilts School could offer up to 12 residential places. Proposals were approved in June 2019 to remove the boarding provision.

The school is subject to a directive academy order which means it must convert from a community school to academy status. The target date for conversion is on or after 1st September 2021 to the Forward Education Trust. Members of the trust are supporting the school with their educational improvement until the conversion to academy status is complete.

This proposal is being developed due to the condition of the school buildings at the current site which is outside the city boundary at Gorcott Hill, Redditch Worcestershire. Buildings at the current site are beyond economical repair and the recommendation is to replace the buildings in entirety. Repairs are continuing to be carried out to keep the current site and buildings operational. If new accommodation is not provided, the school buildings will eventually have to close as they will be beyond repair and no longer be a safe environment for learning.

The proposal will be to build new accommodation which will be within the city boundary on land already owned by Birmingham City Council education department at Hallmoor Road, Birmingham B33 9QY. There is a need for more SEMH places in the city and the proposed new site provides the opportunity to increase the number of pupils. The new build will accommodate 120 places to meet the City's demand.

The majority of classrooms will be at ground floor level and single storey. The design is therefore seen as domestic in style with traditional brick facing materials and pitched roofs in the main. For robustness all lower level elevations will be in brick work with any other cladding materials at high level only for damage limitation.

The external requirements include sufficient hard, soft play areas and a MUGA. All external play areas will be suitably fenced especially to boundary situations with a suitably high (suggested 2.4m high) fencing that will be a non-climbable type.

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

- Council Business Plan and Budget 2019+;
- 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
- Compliance with the principles of the 'Birmingham Business Charter for Social Responsibility'.

B2. Project Deliverables

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

The proposal is to demolish all of the existing buildings on the application site, and to re-build. Key metrics include:

- 3,704m² new build area
- 2,388m² hard external play space
- 685m² sports MUGA
- 78 new parking spaces
- 10 bay on site mini bus holding area
- Creation of new forest school
- Sprinkler installation

The current Skilts SEMH School near Redditch is outside of the Birmingham borough and the aim of the project is to bring the school back within the Birmingham borough.

Electric vehicle charge point bays are also included as well as 5 motorbike spaces and a covered bicycle store.

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>
The students will be taught in modern fit for purpose accommodation allowing for the delivery of a quality education.	Providing appropriate accommodation addresses identified demand and fulfils the Authority's statutory obligations to provide sufficient pupil places
The project delivers new teaching spaces.	Raised standards, improved behaviour, staff well-being and reduced turnover, mobility, facilitation of the sharing of good practice.
Support and enrich community and family learning e.g. positive parenting programme, basic skills, opportunities to address worklessness.	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.	Creating 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

Project will be managed by EDI and Acivico with the Contractor and End User throughout the duration of the project development and delivery to ensure that project deliverables are achieved.

- Project deliverables established and being developed with End User
- Regular 2 – 4 weekly meetings held with Project Team
- Engagement meetings held with End User
- Programme monitored and developed to ensure that required timescales are achieved.
- Scheme costs assessed, developed and monitored
- Surveys as required carried out to establish site specifics to confirm programme and costs
- Dialogue with Planners established to ensure that planning considerations are included within proposals and conditions are minimal.

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.

Five options were considered as part of the options appraisal:

1. Do nothing
2. Keep the school on the current site by carrying out the works identified in the condition report
3. Redistribute pupils to other special schools, closing the current site and the school
4. Redistribute pupils to other mainstream schools.
5. Re-development of a new SEMH school on the former old Hallmoor site

Each of these options are considered in detail in the Cabinet report (section 4).

The preferred option is the redevelopment of the old Hallmoor site, to provide provision for a new SEMH school. The proposed solution is in close vicinity to the preferred academy sponsor. A feasibility was also carried out at Leaford Unattached School Playing Field as an alternative site for the Skilts relocation. The site is in the North East area of the city and within the education portfolio. However, the land investigation revealed that the site is situated in the flood plain and is also within the designated green belt area. As a result the site was ruled out on the basis of constraints.

C2. Evaluation of key risks and issues

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

- Planning Permission - Regular meetings are being held with planners and transportation colleagues to ensure that the application was submitted in addressing comments provided by officers.
- Timescales to deliver required places for academic year 2021/2022 - detailed programme prepared and surveys ongoing to identify site specific requirements and ensure these are factored into works programme.
- Engagement of End User Trust – now that the tender process of appointing a trust has been completed and recommendation is being made to the Head Teachers Board, regular meetings have been set and regular engagement of End User Trust representative to ensure that the are fully supportive of proposals

C3. Other impacts of the preferred option

Describe other significant impacts, both positive and negative

- Facilities will provide appropriate accommodation to meet education standards for 21st Century teaching provision.

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 Education and Infrastructure
- Project Manager, Quantity Surveyor and Principal Designer services will be provided by Acivico
- End User will be Forward Education Trust
- Contractor will be Balfour Beatty procured through BCC CWM Framework

Project will be managed by EDI and Acivico with the Contractor and End User throughout the duration of the project development and delivery to ensure that project deliverables are achieved.

- Project deliverables established and being developed with End User Trust
- Regular 2 – 4 weekly meetings held with Project Team
- Engagement meetings held with End User
- Programme monitored and developed to ensure that required timescales are achieved.
- Scheme costs assessed, developed and monitored
- Surveys of both sites carried out to establish site specifics to confirm programme and costs

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 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.

D3. Staffing and TUPE implications:

In the Academy conversion process TUPE applies (please refer to Academy Act 2010 for details). Currently all staff are under Birmingham Contracts so will transfer to the new site.

APPENDIX A

Capital Costs & Funding	Financial Year		Financial Year	Financial Year	Totals
	2019/20		2020/21	2021/22	
Expenditure					
Skills School					
Demolition of Former Hallmoor School approved FOA		£499,765			£499,765
Construction costs, incl. Surveys, Investigations, & Statutory Fees		£2,292,978	£7,707,022	£3,852,391	£13,852,391
Skills additional accommodation approved FOA		£142,625			£142,625
Acivico Professional Fees		£150,000	£294,569	£236,828	£681,397
ICT				£100,000	£100,000
FF&E Fees & Planning			£20,000	£30,000	£50,000
EDSI capitalisation		£50,000	£195,257	£195,257	£440,514
Total Project Cost		£3,135,368	£8,216,848	£4,414,476	£15,766,692
Funding sources					
School Condition Allocation		£1,378,394	£4,789,763	£4,414,476	£10,582,633
Special Provision Fund		£1,756,974	£906,368		£2,663,342
Basic Need			£2,520,717		£2,520,717
Totals		£3,135,368	£8,216,848	£4,414,476	£15,766,692

E2. Evaluation and comment on financial implications:
<p>The current costs for the project are based on a commit to design development with the selected CWM Framework Contractor and have been reviewed and assessed against current construction industry values.</p> <p>The scheme design is being further developed and costs will be updated and reassessed at key stages throughout the development period with a further gateway sign off following completion of detailed design.</p> <p>In the final stage, to Contract Award, Balfour Beatty will tender construction work within the market to ensure that best value is achieved and provide 3 quotes for all necessary packages. Contractors Proposals including fully costed Activity Schedule will be submitted and reviewed by Acivico and EDI and Contract Award will be made on agreed submission.</p>
E3. Approach to optimism bias and provision of contingency
<p>A contingency sum of up to £845,000 has been included in the construction cost, which is included in the overall contract sum.</p>
E4. Taxation
<i>Describe any tax implications and how they will be managed, including VAT</i>
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>	
Planning application submitted	30th May 2019
Planning application approved	13th September 2019
Approved FOA Skilts Additional Accommodation	23rd October 2019
Approved FOA Former Hallmoor demolition	23rd October 2019
Cabinet Approval	17th December 2019
Main construction works	4th January 2020
Practical completion	1st June 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. • Programme and costs developed. • Funding is in place. • Contractors have considerable previous experience. • Availability of resources. • Similar projects have been delivered on budget and to time by using experienced internal project managers, BCC recognised building experts and following BCC guidelines. • The project team (EdSI and Acivico) has successfully delivered similar projects 	
F3. Dependencies on other projects or activities	
<ul style="list-style-type: none"> • Placing orders with Contractor. 	

APPENDIX A

- Planning Permission

F4. Officer support

Project Manager:	Zahid Mahmood 07860906126	Capital Programme Manager, Education Infrastructure zahid.mahmood@birmingham.gov.uk
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Project Accountant:	Nadia Majid 07766922478	Contracts Manager Education Infrastructure Nadia.majid@birmingham.gov.uk
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Project Sponsor:	Jaswinder Didially 07825 117334	Head of Education Infrastructure jaswinder.didially@birmingham.gov.uk
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F5. Project Management

Describe how the project will be managed, including the responsible Project Board and who its members are

As per D1

G. SUPPORTING INFORMATION

(Please adapt or replace the formats as appropriate to the project)

G1. PROJECT PLAN

Detailed Project Plan supporting the key milestones in section F1 above

Attached Programmes

APPENDIX A

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
Stakeholders do not consider School Travel Plans and transportation issues prior to consultation	Review school travel plans in partnership with transportation prior to local consultation in order to mitigate possible objections.	Low	High
Stakeholders/ Trust do not engage in project and do not sign up to the solution	The Design Team will ensure regular meetings and consultation with stakeholders and Trust	Low	Medium
New Free Schools and Academies opening across Birmingham	Liaise closely with Free School Providers and Academies	Medium	Medium
Building costs escalate	The Design 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 Design 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 from additional places including additional staffing, utility costs and any on-going day to day repair and maintenance of the asset once transferred will be the responsibility of the Academy and funded from the Academy's General Annual Grant (received by the Academy from the EFA).	Low	Low
Problems with contract procurement process	Work closely with Partners to ensure compliance with City Council standing orders.	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)

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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	Ratification of BCC approach to TBN	Strategy not approved	Early Consultation and Regular Briefing on all aspects of Special Provision	BCC / EDI
School's Consultant Partners	Design and Delivery	High	Design of build Project management	Unable to design to budget Unable to deliver to timescales	Close working with other stakeholders Regular feedback	School Leadership Team / Governors
Planning Officers	Granting Planning Consent	High	Close Liaison with EDI to design a scheme that can receive planning approval	N/A	Frequent communication on all aspects of project design	School's Consultant Project Manager EDI Project Officer
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:			
Provision of the education offer will switch from 90 places to 120 places which will assist in meeting the needs of the local community for education offer.			
The existing school which is currently located in Redditch would be brought back into the borough, giving children shorter distances to travel to.			
(C) Non-quantified benefits:	n/a		
Apprentices employed from the local community to deliver project			
Local business used to provide materials and contractors to deliver project			

Other Attachments

provide as appropriate

• Delivery programme	
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•	
•	