

BIRMINGHAM CITY COUNCIL

PUBLIC REPORT

Report to:	CABINET
Report of:	Interim Corporate Director for Children & Young People
Date of Decision:	27th June 2017
SUBJECT:	PROVISION OF PERMANENT ACCOMMODATION TO MEET BASIC NEED - FULL BUSINESS CASE/CONTRACT AWARD
Key Decision: Yes	Relevant Forward Plan Ref: 003720/2017
If not in the Forward Plan: (please "tick" box)	Chief Executive approved <input type="checkbox"/> O&S Chairman approved <input type="checkbox"/>
Relevant Cabinet Member:	Cllr Brigid Jones - Cabinet Member, Children, Families and Schools Cllr Majid Mahmood – Cabinet Member - Value for Money and Efficiency
Relevant O&S Chairman:	Cllr Susan Barnett - Schools, Children and Families Cllr Mohammed Aikhlaq– Corporate Resources and Governance
Wards affected:	Various

1. Purpose of report:

- 1.1 To inform Members of the proposed capital schemes at the nine schools listed in Appendix A, at a total estimated capital cost of £45.2m of which £373,836 has already been funded from 2016/17 budget for development costs in accordance with the Schools' Capital Programme 2016-17. The requirements for additional places that make up the schemes were included in the Schools' Capital Programme 2017-18 report approved by Cabinet on 18th April 2017.
- 1.2 Schemes are a mixture of new build accommodation and refurbishments which will provide 1,819 new or replacement pupil places. Proposed works will address condition related issues as well as expansions to fulfil the Council's statutory obligation to provide sufficient pupil places, promote diversity and increase parental choice (Section 14 Education Act 1996, Education & Inspections Act 2006).

2. Decision(s) recommended:

That Cabinet:

- 2.1 Notes the content of this report.

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3. Consultation

3.1 Internal

The current picture regarding sufficiency of mainstream school places in Birmingham and the impact of net migration on school place planning was presented to the Schools, Children and Families Overview and Scrutiny Committee in September 2016.

An updated Education Sufficiency document was subsequently published in November 2016 detailing the Office of National Statistics (ONS) latest birth rate predictions and the impact of in year cohort growth on the demand for school places across Birmingham.

The Leader, Ward Councillors and Executive Members for the Wards and Districts concerned have been consulted in relation to the proposals and no adverse comments have been received. Officers from City Finance, Procurement and Legal and Governance have been involved in the preparation of this report.

3.2 External

Where relevant - and for community and foundation schools - pupils, parents, governors, teaching and non-teaching staff have been sent information regarding expansion proposals. Responses received during School Organisation consultation periods are fully considered during the evaluation stage. In addition Teaching Associations, Trade Unions and neighbouring authorities are advised of the consultations and how to feedback. Information advising of the proposals was uploaded to the Education Noticeboard for head teachers and Governing Bodies of Birmingham schools. For academy schools, the Academy Trust and/or their consultants have carried out the relevant consultations. Further details in 5.12.

4. Compliance Issues:

4.1 Are the recommended decisions consistent with the Council's policies, plans and strategies?

4.1.1 These works are required to enable the Local Authority to meet its statutory duty to not only provide pupil places but also to promote diversity and increase parental choice in planning and securing the provision of school places (Section 14 Education Act 1996 and Education & Inspections Act 2006). The spending priorities proposed are in accordance with the Schools' Capital Programme 2017-18 and the Council's Vision and Forward Plan priorities for Children, particularly 'A great place to grow up in: Making the best of our diversity and creating a safe and secure city for our children and young people to learn and grow' by providing an environment where children have the best start in life and are able to realise their full potential through great education. The provision of these school places is also beneficial to the safeguarding of children.

4.1.2 Birmingham Business Charter for Social Responsibility (BBC4SR)

The selected contractor is a certified signatory to the BBC4SR. Prior to contract award, commitments proportionate to the contract sum, and relevant to the school and local community, will be agreed with the contractor for inclusion into their Action Plan. These commitments will be monitored and managed for each school during the contract period.

4.2 Financial Implications

4.2.1 The current estimated capital cost of the proposed nine schemes is £45.2m. The schemes will be funded from the Department for Education (DfE) School Condition Allocation and Basic Need grants (Additional Primary Places [APP7 Stage 4], Special School Additional Places [SSAP4 Stage 4] and Additional Secondary Places [ASP3 Stage 5]). The total cost also includes development costs of £373,836 that were released in the Schools' Capital Programme Report 2016-17 approved by Cabinet on 28th June 2016.

4.2.2 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 individual schools/academies and funded from their respective delegated budgets or Academy's General Grant (received by Academies from the EFA).

4.2.3 There will be a 'Condition of Investment' agreement between the City Council and the Academy Trust for St Mary's Primary Academy, the Washwood Heath Multi-Academy Trust for Washwood Heath and Brownmead Schools and with Moor Hall Foundation School. These agreements ensure that the additional accommodation will be used for the agreed purpose of creating additional pupil places.

4.3 Legal Implications

This report exercises legal powers which are contained within Section 14 of the Education Act 1996 and Section 22 of the School Standards and Framework Act 1998, by which the Authority has a responsibility to provide places and maintain schools.

4.4. Public Sector Equality Duty

An Equality Analysis full assessment has been carried out (EA0001202). The Equality Analysis highlighted that the strategic approach outlined in the Education Development Plan and Schools' Capital Programme 2015-2017 makes a positive contribution to supporting positive outcomes for children and young people in Birmingham. Their life chances will be enhanced by access to education, and numbers of children out of school will be significantly reduced by investment in developing sufficiency of places for all.

5. Relevant background/chronology of key events:

5.1 The Local Authority has a statutory duty to not only provide pupil places but also to promote diversity and increase parental choice in planning and securing the provision of school places (Section 14 Education Act 1996 and Education & Inspections Act 2006).

5.2 The latest Education Sufficiency Requirements, published in November 2016 indicate that, in addition to sustained birth rate, most cohorts of children are increasing annually because more young people are moving into the city than leaving: this is particularly evident during primary school years. Detailed reports regarding the impact of the birth rate and projections for in-year growth have regularly been made to the Schools, Children and Families Overview Scrutiny Committee and an updated Education Sufficiency document is published annually.

5.3 Since 2010 the Education Infrastructure Team has been developing a phased programme approach to meet the additional places requirement. To date around 15,000 additional primary places have been created in mainstream schools and 714 special educational needs places in special schools.

5.4 APP7, SSAP4 and ASP3 projects were included in the Schools' Capital Programme 2017-18 approved by Cabinet on 18th April 2017. The proposed capital works at these schools will increase Birmingham City Council schools' capacity by 735 new and 750 replacement primary places, 40 new and 84 replacement Special Education Needs (SEN) places and 210 secondary places from September 2017 onwards to help address the current shortfall in mainstream, special and secondary provision. This fulfils the Authority's statutory obligation to provide pupil places and promote diversity and increase parental choice.

5.5 The Schools' Capital Programme was subject to the Council's lean review of its non-housing Construction and Building Related Services. The Lean Review was commissioned in 2016 to help develop more efficient methods for delivering capital projects focussing on the end to end process from client brief to build completion. Seven pilot projects were initially identified as per the Provision of Permanent Accommodation to Meet Basic Need - Full Business Case/Contract Award report, approved by Cabinet on 17th May 2016. One contractor was appointed on the basis that they were committed to delivering to Education Funding Agency (EFA) guidelines. A Strategic Partnering

Board has been set up to monitor the ongoing impact of the lean review and a full evaluation of the process will be reported to the Board once the pilot scheme projects are at final accounts stage. However, target savings have already been achieved and lean skills developed with more effective collaboration between partners. This is evidenced in the draft Improved Delivery to Schools document dated May 2017 which details the number of new jobs and work placements created, the cost savings at each RIBA stage and the commitment to delivering against the m² benchmark rate. Once finalised this document will be updated and used to form part of the final report to the Strategic Partnering Board.

- 5.6 This Full Business Case (FBC) covers the second phase of the lean review with nine schemes identified as pipeline projects.
- 5.7 In line with the recommendations of the Lean Review, a Constructing West Midlands partner, was selected via a mini-competition for the pilot schemes using approved criteria to achieve best value for money based on DfE education space guidelines and industry benchmark rates. The contract award allowed for the original pilot schemes and for follow-up pipeline projects. Acivico will provide Project Management for the schemes.
- 5.8 The design teams have worked closely with the schools to develop designs which support the delivery of a great education offer. Designated members of school teams have participated in the design process, as strategic partners of the City Council and as representatives of the end users. This design approach was the same as that undertaken for previous phases of the additional places programme, delivering high quality classroom accommodation which has a positive impact on pupils' learning whilst securing best value for money. The development costs are contained within the overall funding as approved in the School's Capital Programme 2017-18. The scope of works for the six primary schools, one all-through proposal and two special schools are detailed in Appendix A.
- 5.9 The project team, in close consultation with the client, has discussed and agreed arrangements in order to ensure absolute health and safety provisions are in place and disruption is minimised. These arrangements have been agreed by Acivico's Construction, Design and Management (CDM) Co-ordinator. All parties are also committed to ensuring that the educational outcomes for the children will not be adversely affected whilst construction work is in progress. In order to best achieve keeping teaching staff and pupils isolated from work in progress there may be some decanting within the schools as classrooms are completed and others started. Any costs associated with decant will be contained within the overall construction costs. Although there may be minor variations in the indicative costings as individual schemes develop, the project as a whole is expected to come within budget. Any unexpected increase in costs will be dealt with in line with the solutions identified in Appendix B (Risk Assessment). If it is not possible to contain costs within this overall budget a further report will be made to the relevant decision maker.
- 5.10 Washwood Heath and Brownmead schools are academies that occupy the land and buildings under a 125 year lease entered into between the Academy Trust and the City Council. The City Council, as landlord, retains the freehold interests. The Multi-Academy Trust (MAT) has agreed to the proposed build works. There will be a 'Condition of Investment' agreement between BCC and the MAT to ensure that the additional accommodation will be used for the agreed purpose of creating additional pupil places. A Form of Authority was raised in November 2016 in order for temporary accommodation to be provided at Brownmead Primary to enable the school to take a bulge class as part of its expansion to a 2 form entry primary.
- 5.11 St Mary's CE Primary Academy is a former VA school and, therefore, the land is owned by the Diocese. The Academy has agreed to the proposed build works. There will be a 'Condition of Investment' agreement between BCC and the Academy to ensure that the additional accommodation will be used for the agreed purpose of creating additional

pupil places.

- 5.12 Moor Hall is a Foundation School and, as such, owns the land and buildings. The school has agreed to the proposed build works (subject to a decision from the Schools' Adjudicator). There will be a 'Condition of Investment' agreement between BCC and the School to ensure that the additional accommodation will be used for the agreed purpose of creating additional pupil places.
- 5.13 Birmingham City Council owns the land freehold for the five remaining schools (Benson, Meadows, The Bridge, West Heath, and Victoria schools). The Meadows and West Heath school projects are to address condition issues and will provide replacement places only. Due to asset failure at West Heath Primary School, temporary accommodation was provided in September 2016 via a Form of Authority (FoA) for £198,938. Urgent enabling works are required at The Meadows Primary School and a FoA for £200,000 has been raised in order to ensure that the temporary accommodation is in place for September 2017.
- 5.14 In all cases, 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 respective academy or school and funded from either the Academy's General Annual Grant (received by Academies from the EFA) or, in the case of schools, from their own delegated budget.
- 5.15 School Organisation consultation has been carried out and approved by the Regional Schools Commissioner for Washwood Heath Academy and by the Local Authority for The Bridge School; School Organisation consultation for Brownmead Primary Academy is currently being undertaken by the Academy Trust with a decision expected in June 2017. Similarly St Mary's Primary Academy is in the process of School Organisation consultation with a decision expected in September 2017. Moor Hall School was granted School Organisation approval on 15th June by the School's Adjudicator. The remaining schools do not require School Organisation as any increase in numbers are within 10% of their Published Admission Number, or the proposed works are to provide replacement school places.
- 5.16 Pre-planning discussions have taken place and planning applications will be submitted from June 2017 onwards.
- 5.17 Subject to FBC, School Organisation and Planning approvals, works will commence from October 2017 onwards and complete from October 2018 onwards.

6. Evaluation of alternative option(s):

- 6.1 The option of not providing additional/replacement places would mean the City Council would fail to meet its statutory obligation in providing sufficient appropriate school places.

7. Reasons for Decision(s):

- 7.1 To ensure that the City Council is able to continue to meet its statutory duty to provide all pupils of compulsory school age living in the City of Birmingham with a school place.
- 7.2 To ensure that parents have access to a local school for their children.

Signatures

Cabinet Member Children Families and Schools: Cllr Brigid Jones

..... Date

Cabinet Member - Value for Money and Efficiency: Cllr Majid Mahmood

..... Date

Interim Corporate Director for Children & Young People: Colin Diamond

..... Date

List of Background Documents used to compile this Report:

Provision of Permanent Accommodation to Meet Basic Need – Full Business Case/Contract Award - Cabinet 17th May 2016
Education Sufficiency Document – November 2016
Schools' Capital Programme 2017-18 - Cabinet 18th April 2017
Improved Delivery to Schools document (Draft) May 2017

List of Appendices accompanying this Report (if any):

Appendix A FBC
Appendix B Risk Assessment
Appendix C Stakeholder Analysis
Appendix D Milestones and Resources
Appendix E Ward Councillors Consultation

Report Version	V5	Date	15/06/17
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