

# BIRMINGHAM CITY COUNCIL

# PUBLIC REPORT

<b>Report to:</b>	<b>The Leader and Cabinet Member for Children, Families and Schools jointly with the Corporate Director Economy and the Interim Corporate Director for Children &amp; Young People</b>
<b>Report of:</b>	<b>Assistant Director Education &amp; Infrastructure</b>
<b>Date of Decision:</b>	<b>1 June 2017</b>
<b>SUBJECT:</b>	<b>APPROPRIATION OF SPARKHILL COUNCIL HOUSE, 641 STRATFORD ROAD TO PROVIDE ADDITIONAL PUPIL PLACES</b>
<b>Key Decision: No</b>	<b>Relevant Forward Plan Ref: N/A</b>
<b>If not in the Forward Plan: (please "X" box)</b>	Chief Executive approved <input type="checkbox"/> O&S Chairman approved <input type="checkbox"/>
<b>Relevant Cabinet Member(s):</b>	<b>Councillor John Clancy, The Leader Councillor Brigid Jones, Cabinet Member, Children Families and Schools</b>
<b>Relevant O&amp;S Chairman:</b>	<b>Councillor Susan Barnett – Schools, Children and Families</b>
<b>Wards affected:</b>	<b>Springfield</b>

<b>1. Purpose of report:</b>
<p>1.1 To seek approval for the appropriation of Sparkhill Council House (including the space occupied by Sparkhill Library) as shown in Appendix 1, currently part of the Central Administrative Building (CAB) estate within the Economy Directorate, into the Children &amp; Young People Directorate.</p> <p>1.2 In line with the Schools Capital Programme 2016-17, approved by Cabinet on 28<sup>th</sup> June 2016, the appropriation is required to provide suitable provision to meet current education sufficiency requirements. The initial use will be by a primary Free School until their permanent premises are ready for occupation.</p> <p>1.3 To note the arrangements for shared use of the building with the Library Service and education provision.</p>

<b>2. Decision(s) recommended:</b>
<p>That the Leader together with the Cabinet Member for Children, Families and Schools jointly with the Corporate Director Economy and the Interim Corporate Director for Children &amp; Young People:</p> <p>2.1 Approve the appropriation of Sparkhill Council House, currently held as part of the Central Administrative Building portfolio by the Economy Directorate under S121 of the Local Government Act 1972, to the Children &amp; Young People Directorate for the educational purposes set out in 4.1 of this report.</p> <p>2.2 Authorise the City Solicitor to negotiate, execute and complete all necessary documentation to give effect to the above recommendation.</p>

<b>Lead Contact Officer(s):</b>	Jaswinder Didially, Head of Education Infrastructure
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### **3. Consultation**

#### **3.1 Internal**

Ward Councillors for Springfield and the Executive Member for Hall Green have been consulted in relation to the proposal and no adverse comments have been received. Officers from City Finance, Birmingham Property Services and Legal and Governance have been involved in the preparation of this report.

#### **3.2 External**

The proposed appropriation of the building does not require external consultation. However, the change of use to Education use was the subject of a Planning Application submitted by the Education Funding Agency, approved on 21<sup>st</sup> July 2016.

### **4. Compliance Issues:**

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

This appropriation is 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).

This appropriation will contribute to the Council's priorities particularly with reference to Safety and Opportunity for all Children and a Great Future for Young People by ensuring that children have access to suitable school places within their neighbourhood. The provision of these school places is also beneficial to the safeguarding of children.

#### **4.2 Financial Implications**

4.2.1 The premises are currently held by the Economy Directorate as part of the Central Administrative Building (CAB) portfolio. Up until April 2016 the running costs were funded by the CAB budget but were identified as a saving as part of the Full Business Case (FBC) for the transformation of the Council's CAB portfolio through the Working for the Future Programme. All savings, including the revenue budget for the property, were included in the Business Case and built into the Council's long term financial strategy.

4.2.2 The FBC recognised that a number of the existing CAB offices were not required or compatible to provide office space in the transformed portfolio. However, a number of these, including Sparkhill Council House, were thought to be suitable for delivering "Cross Portfolio" services and it was proposed that, if required, these could be transferred to a service directorate at nil cost.

4.2.3 Sparkhill Library currently occupies the first floor and has its own running cost budget. Since April 2016 running costs for the ground floor have been funded by Education Infrastructure. When the building is transferred to the Children & Young People Directorate, it is intended that the Library remains on the first floor and continues to make an appropriate contribution towards running costs. As a former CAB no rent is payable by the Library.

4.2.4 The entire ground floor has been occupied by The Olive Free School, part of the Tauheedul Trust, since September 2016. Refurbishment of the ground floor to make

suitable for education purposes was entirely funded by the Education Funding Agency (EFA).

4.2.5 A Lease Agreement, signed and dated 2<sup>nd</sup> September 2016, is in place between the Tauheedul Trust and the Council. Revenue costs and obligations of the Free School are captured within the lease which also states that the Council reserves the right to charge a peppercorn rent of £1 per annum. Running costs have been apportioned respectively between the two users and will be funded from their respective revenue budgets.

4.2.6 The investment that has gone into the building to ensure that it is fit for education purposes means that the building will remain for the benefit of the council once the primary Free School has moved into its permanent accommodation in 2018. The intention is that the building will continue to be used for education purposes with revenue costs captured in a lease agreement between the new users and the Council.

4.2.7 Consequential revenue costs arising (including staffing and any ongoing day to day repair and maintenance of the asset) will be the responsibility of the Library and the Free School and funded from their respective revenue budgets.

#### 4.3 Legal Implications

This report exercises powers contained within section 122 of the Local Government Act 1972 whereby the local authority may appropriate land; for the allocation of land held by a local authority from one function to another.

The Authority has statutory duties to secure sufficient school places and increase opportunities for parental choice (section 14, Education Act 1996); and to ensure fair access to educational opportunity (section 13A, Education Act 1996).

#### 4.4 Public Sector Equality Duty

A Full Equality Analysis (EA0001202) was carried out in May 2016 for Education & Skills Infrastructure's Education Development Plan and Schools' Capital Programme 2016-17. The outcomes from consultation demonstrate that provision of school places where they are required supports 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.

### **5. Relevant background/chronology of key events:**

5.1 Sparkhill Council House, 641 Stratford Road, is situated in the Hall Green District of Birmingham where there is a shortfall of primary places. It is a 1920s building of local historic interest. The ground floor of the main building used to house the district office (including neighbourhood office) and community space but has been vacant since 2015. The Library continues to occupy the first floor whilst the rear block is occupied by a Birmingham City Council operated gymnasium until the completion of the new build Sparkhill Leisure Centre in Summer 2017

5.2 The Business Case for the transformation of the Council's CAB, as mentioned in paragraph 4.2, was predicated on the rationalisation of the number of office buildings

occupied by the Council. Sparkhill Council House was identified as being no longer required as an office and was therefore to be released from the CAB portfolio; all savings, including revenue budget for the property, form part of the savings identified in the Council's long term financial strategy and are included in the Business Case.

- 5.3 The building was declared surplus on 17<sup>th</sup> November 2014 and as there were no internal expressions of interest, the premises were marketed on a long leasehold basis in 2015 but unfortunately no acceptable substantiated bids came forward.
- 5.4 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).
- 5.5 The Free School has been established in line with long-term projections of births provided by the Office of National Statistics (ONS) which showed a trend of increasing birth rate until the end of 2016. In addition to sustained birth rate increase, 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 on the impact of the birth rate and net-migration, including cohort growth, are regularly provided to the Overview and Scrutiny Committee for Schools, Children and Families. In addition an Education Sufficiency document detailing the impact of increased birth rates and cohort growth on the demand for school places across Birmingham is published annually, the last edition being November 2016.
- 5.6 The Council was approached by the Department for Education (DfE) in respect of a need to accommodate a new Free School which is due to be part of a larger development in the Yardley area of the City but completion is not anticipated until late spring 2018. In the meantime, the school required temporary accommodation for 180 pupils from September 2016.
- 5.7 A feasibility study was undertaken on the property and, with appropriate refurbishment, the building was deemed suitable for education provision. An interim agreement was put in place between Birmingham Property Services and Education & Skills Infrastructure for part of the building to be utilised for educational purposes with a view to appropriation in the long term. Planning Approval was subsequently sought and granted for education use of the ground floor. Refurbishment of the ground floor was funded by EFA.
- 5.8 The Free School currently have 180 pupils on roll but will require space for a further 90 pupils from September 2017. The gym, situated at the rear of the property, is shortly due to move into new accommodation being developed by the Council on an adjoining site. Once the building occupied by the gym has been vacated, the Free School will seek further Planning Approval in order to utilise the space for education use. All refurbishment costs will be funded by the EFA on behalf of the Free School. The Library will continue to occupy the first floor of the building.
- 5.9 The investment into the space to be temporarily occupied by the Free School will remain once the school has relocated to its permanent premises thus substantially increasing the City's asset for the benefit of future education use.

<b>6. Evaluation of alternative option(s):</b>
6.1 The option of doing nothing would mean the City Council would be in breach of its statutory obligation to provide appropriate school places.
6.2 It has not been possible to identify suitable alternative temporary accommodation in the locality for the primary Free School.

<b>7. Reasons for Decision(s):</b>
7.1 To enable the City Council to fulfil its statutory duty to provide sufficient and appropriate school places.

<b>Signatures</b>	
Cabinet Member, Children, Families & Schools, Cllr Brigid Jones	
.....	Date: .....
The Leader, Cllr John Clancy	
.....	Date: .....
Corporate Director Economy, Waheed Nazir	
.....	Date: .....
Interim Corporate Director for Children and Young People , Colin Diamond	
.....	Date: .....

<b>List of Background Documents used to compile this Report:</b>
Schools' Capital Programme 2016-17 – Cabinet Report approved 28 <sup>th</sup> June 2016

<b>List of Appendices accompanying this Report (if any):</b>
1. Site Plan of Sparkhill Council House
2. Ward Councillors & Executive Members Consultation

<b>Report Version</b>	<b>5</b>	<b>Dated</b>	<b>25/05/17</b>
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