

FULL BUSINESS CASE (FBC)

A. GENERAL INFORMATION

A1. General

Project Title <i>(as per Voyager)</i>	KINGS NORTON BOYS' SCHOOL – FULL BUSINESS CASE AND CONTRACT AWARD		
Voyager code	CA-02073-02-2-053 1BA0 3R0		
Portfolio /Committee	Education and Skills	Directorate	Education, Skills & Culture
Approved by Project Sponsor	Jaswinder Didiaily 17.06.2019	Approved by Finance Business Partner	Paul x Stevenson 19.06.2019

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

The project consists of

- Demolition of existing 1 court Sports Hall
- Refurbishment of 2 classrooms for SEN use.
- Removal of dilapidated porta-cabins
- Construction of a New 4 Court Sports Hall with changing rooms and toilets also intended for community use.

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

- A new sports hall of 877m2 including changing rooms to be used by the school and the community
- 120m2 of refurbished classrooms space specifically for SEN use.
- 1038 m² of external play space
- 772 m² of access road and parking

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 high 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 places.	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.
<i>For major projects and programmes over £20m:</i> N/A	

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 meetings to be 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 site carried out to establish site specifics to confirm programme and costs
- Planning permission for the project has been obtained

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 would fail to meet its statutory obligation in providing appropriate provision to meet the needs of the children.

The option to refurbish the sports hall / gym was considered but ruled out on the basis of the cost and the impact on educational continuity.

The preferred option was to provide a new facility which is more cost effective and will ensure that the current hall continues to be used to provide the curriculum and facilitate exams. The new provision will be provided first in a new location and the existing hall will then be demolished.

C2. Evaluation of key risks and issues

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

- Planning Permission is in place for the construction and location of the new sports hall ref 2017/10199/PA.
- Monthly 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. Where costs are seen to escalate, a value engineering exercise is undertaken to ensure that the costs do not exceed the approved budget
- Extensive work on a live site – Safeguarding and educational continuity will be of paramount importance throughout the life of this project.

C3. Other impacts of the preferred option

Describe other significant impacts, both positive and negative

- Does not adversely affect pupil places
- New Sports Hall – will provide appropriate accommodation to meet education standards for 21st Century teaching provision.
- Delivery expected by late 2020.

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 Kings Norton Boys' School
- Contractors have tendered, and they will be advised after Cabinet approval.

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 .
- 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 site have already been carried before tendering and used as tender documents. The surveys have letters of reliance given.

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).

An open procurement process was undertaken advertised on www.finditinbirmingham.com and Contracts Finder only as the value of the contract was below the EU threshold for works. Competitive tenders were invited and 5 tenders were received. Tenders received were assessed using price (40%), quality (50%) and social value (10%) criteria. Acivico will provide Project Management and Cost Checking to ensure value for money is achieved throughout delivery.

D3. Staffing and TUPE implications:

No TUPE implications via the capital project

APPENDIX A

Capital Costs & Funding	Voyager Code	Financial Year	Financial Year	Totals
		2019/20	2020/21	
Expenditure				
Construction costs	CA-02073-02-2-053	£491,108	£1,802,284	2,293,392
Design, Professional Fees Surveys, Investigations, Planning & Statutory Fees	1BA0 3R0	£42,452	116,498	158,950
EdSI capitalisation		£24,967	50,000	74,967
ICT & Loose Furniture			46,557	46,557
Total Project Cost		£558,527	£2,015,339	£2,573,866
Funding sources				
DfE	CA-02073-02-2-053	£465,705	£1,669,646	£2,135,351
School Condition Allocation	1BA0 3R0	£92,822	£345,693	£438,515
Totals		£558,527	£2,015,339	£2,573,866

Consequential revenue costs arising, including additional staffing and any on-going day- to-day repair and maintenance of the asset, will be the responsibility of the School and funded from the school's delegated budget

E2. Evaluation and comment on financial implications:
<p>The current costs for the project are based on a design build fixed tender cost provided by the first ranked tenderer, following a price/quality/social value assessment of tenders submitted. The ICT has been costed separately by the schools ICT provider and accepted by the ESFA in a business case.</p> <p>Most of the funding is coming from the ESFA. Additional funding from the Local Authority's School Condition Allocation has been allocated to cover capitalisation and ensure that a reasonable risk contingency is allocated for unknowns to the project as it includes demolition and connections to existing live services within a school environment. These are elements that the ESFA do not fund via the PSPB programme.</p>
E3. Approach to optimism bias and provision of contingency
<p>The current costs for the project are based on a feasibility design developed and have been reviewed and assessed against current construction industry values.</p> <p>A contingency has been included which will be allocated from the LA's school condition allocation should it be required.</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>	
Full planning application approved	November 2017
Cabinet Approval	30th July 2019
Planned start date for delivery of building works	21st November 2019
Practical completion	10th September 2020
Date of Post Implementation Review	September 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. • Site investigation reports have shown no abnormal conditions. • Programme and costs developed. • Funding is in place. • The successful tenderer has 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) have successfully delivered similar projects 	
F3. Dependencies on other projects or activities	
<ul style="list-style-type: none"> • Placing orders with Contractor. 	

F4. Officer support		
Project Manager:	Zahid Mahmood 07860906126	Capital Programme Manager, Education Infrastructure zahid.mahmood@birmingham.gov.uk
Project Accountant:	Nadia Majid 07766922478	Contracts Manager Education Infrastructure Nadia.majid@birmingham.gov.uk
Project Sponsor:	Jaswinder Didiaily 07825 117334	Head of Education Infrastructure jaswinder.didiaily@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

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

G1. PROJECT PLAN
<i>Detailed Project Plan supporting the key milestones in section F1 above</i>
Attached pre-construction and construction programme

G2. SUMMARY OF RISKS AND ISSUES REGISTER			
<i>Risks should include Optimism Bias, and risks during the development to FBC</i>			
<i>Grading of severity and likelihood: High – Significant – Medium - Low</i>			
		Risk after mitigation:	
Risk or issue	Mitigation	Severity	Likelihood
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
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 including additional staffing, utility costs and any on-going day to day repair and maintenance of the asset will be the responsibility School.	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)

ESFA Funding Agreement Attached

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
Planners – Planning permission already given						
Education and Skills Funding Agency (ESFA)	Providing majority of funding	High	Funding available	Compliance and reporting required to EFA	Provide cashflow forecast to stakeholder identifying when funding will be required to be drawn down and regularly update stakeholder	EDI
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

APPENDIX A

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:			

Other Attachments <i>provide as appropriate</i>	
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