

FULL BUSINESS CASE (FBC)

A. GENERAL INFORMATION

A1. General

Project Title <i>(as per Voyager)</i>	KINGS HEATH BOYS SECONDARY SCHOOL FULL BUSINESS CASE AND CONTRACT AWARD		
Voyager code	CA-01903-02-1-220 1CA0 3R0		
Portfolio /Committee	Education, Skills and Culture	Directorate	Education and Skills
Approved by Project Sponsor	Jaswinder Didially	Approved by Finance Business Partner	John Betts

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

Cabinet Report April 2020 – Schools Capital Programme – School Condition Allocation, Basic Need Allocation 2020-21 + Future Years

A3. Project Description

The proposed works will include

- Demolition of existing section of main school building including kitchen, Head Teacher's office, staff wc's and staff room,
- Construction of 3 storey extension including
 - Science lab
 - Food technology room
 - Music room and music practice rooms
 - IT/Media Room and server room
 - General Classrooms
 - Lift to all levels
 - Staffroom
 - Offices
 - Staff toilets
- Construction of single storey kitchen extension and increased dining adjacent to existing dining hall.
- Refurbishment of areas of existing main building to provide an additional teaching space, to provide access throughout building and works to pupil toilets to provide sufficient toilets for increased numbers
- Minor refurbishment to Design and Technology Block to provide additional Art Room.
- Minor refurbishment to Administration Block off Chamberlain Road.

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

- Birmingham, an entrepreneurial city to learn, work and invest in
- Birmingham, an aspirational city to grow up in
- Birmingham, a fulfilling city to age well in
- Birmingham, a great city to live in
- Birmingham residents gaining the maximum benefit from hosting the Commonwealth Games; and
- Birmingham a city that takes a leading role in tackling climate change.

B2. Project Deliverables

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

- Expansion of the school by two forms of entry to become an 840 place secondary school for pupils aged between 11 and 16
- 1193m² new gross internal floor area
- Wheelchair accessible entrance and lift access to all floors and fully accessible

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.

A number of options were considered as part of the options appraisal:

- Do nothing – this option would mean the necessary additional 2 forms of entry to the school which the area needs would not be provided
- Refurbishment of existing building – there is insufficient space in the existing building to provide the additional 2 forms of entry required
- The preferred option is the demolition of section of existing school building which is currently used for staff, administration and kitchen. The building is of 1960s construction with fragile roof and single glazing containing asbestos. A new 3 storey extension will be constructed in its place linked to and accessible on all floors of the existing building with fully accessible entrance and construction of single storey kitchen and additional dining extension adjacent to the existing dining facility.

C2. Evaluation of key risks and issues

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

- Planning Permission – ongoing engagement with BCC Planning Department to ensure that planning considerations are fully incorporated into scheme proposals.
- 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 - regular meetings have been set and regular engagement of End User representatives to ensure that they 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 Kings Heath Boys
- Contractor will be Morgan Sindall procured through BCC CWM Framework

APPENDIX A

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.

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- 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

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 Morgan Sindall 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:

No TUPE implications via the capital project

APPENDIX A

Capital Costs & Funding		Financial Year	Financial Year	Financial Year	Financial Year	Totals
		2019/20	2020/21	2021/22	2022/23	
Expenditure						
King Heath Boys						
Construction costs, incl. ICT, Surveys, Investigations, Planning & Statutory Fees	CA-01903-02-1-220 1CA0 3R0		£2,386,047	£3,433,579		£5,819,626
Acivico Professional Fees		£9,850	£218,768	£103,134	£21,706	£353,458
FF&E Fees				£20,000		£20,000
EDSI capitalisation			£78,441	£106,701	£651	£185,793
Total Project Cost		£9,850	£2,683,256	£3,663,414	£22,357	£6,378,877
Funding sources						
Basic Need	CA-01903-02-1-220 1CA0 3R0	£9,850	£2,683,256	£3,663,414	£22,357	£6,378,877
Totals		£9,850	£2,683,256	£3,663,414	£22,357	£6,378,877

E2. Evaluation and comment on financial implications:

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.

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.

In the final stage, to Contract Award, Morgan Sindall will tender construction work within the market to ensure that best value is achieved and provide 3 quotes for all necessary packages.

E3. Approach to optimism bias and provision of contingency

A contingency sum of £203,750 has been included in the overall project cost

E4. Taxation

Describe any tax implications and how they will be managed, including VAT

N/A

F. PROJECT MANAGEMENT CASE

This considers how project delivery plans are robust and realistic

F1. Key Project Milestones

The summary Project Plan and milestones is attached at G1 below

Planned Delivery Dates

Planning application submitted for kitchen

11/05/2020

Planning Application for kitchen approved

13/07/2020

Planning Application for extension

12/06/2020

Planning application approved for extension

21/09/2020

Cabinet Approval

23/06/2020

Main construction works

17/07/2020

Practical completion

23/12/2021

F2. Achievability

Describe how the project can be delivered given the organisational skills and capacity available

- 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

- Placing orders with Contractor.
- Planning Permission

F4. Officer support

APPENDIX A

Project Manager:	Zahid Mahmood 07860906126	Capital Programme Manager, Education Infrastructure zahid.mahmood@birmingham.gov.uk
Project Accountant:	Jaspal Madahar 07766922478	Finance & Resources Manager jaspal.madahar@birmingham.gov.uk
Project Sponsor:	Jaswinder Didially 07825 117334	Head of Education Infrastructure jaswinder.didially@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

Detailed Project Plan supporting the key milestones in section F1 above

Attached Programme

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 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 end user	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 School and funded from School's delegated budget.	Low	Low
Problems with contract procurement process	Work closely with Partners to ensure compliance with City Council standing orders.	Low	Low
Covid 19	Regularly monitor situation. BCC, Acivico, Contractors and end-users' staff working on project remotely and having virtual meetings to keep project moving. It may be that Covid 19 is no longer a significant issue when works start on site, however if it is still an issue then BCC and Acivico would work closely with Contractor Partners to minimise impact on project.	High	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)

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:	£		
Best value can be optimised as this scheme is part of a wider programme of works. Acivico and the Contractor can achieve volume discounts on certain materials and through standardisation maximise value to the city council.			
(B) Other quantified benefits:			
Expansion of the school by two forms of entry to become an 840 place secondary school for pupils aged between 11 and 16			
Provision of new kitchen and additional dining facilities			
Provision of new 3 storey extension to replace existing 1960s block providing additional Science Labs, IT Music (including practice rooms) and Food Technology teaching spaces.			
Improved accessibility across the whole school building including wheelchair access to front entrance and lift providing access to all floors.			
Improved street presence of school with improvements to entrance to main school teaching block.			
(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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•	
•	