

Birmingham City Council

Report to Cabinet

Date: 8th September 2020



Subject: ERDINGTON ACADEMY
FULL BUSINESS CASE AND CONTRACT AWARD

Report of: Dr Tim O'Neill
Director for Education & Skills

Relevant Cabinet Member: Cllr Jayne Francis - Education, Skills and Culture
Cllr Tristan Chatfield - Finance and Resources

Relevant O &S Chair(s): Cllr Kath Scott - Education & Children's Social Care
Cllr Sir Albert Bore - Resources

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Are specific wards affected?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No – All wards affected
If yes, name(s) of ward(s): Gravelly Hill		
Is this a key decision?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
If relevant, add Forward Plan Reference: 007918/2020		
Is the decision eligible for call-in?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, provide exempt information paragraph number or reason if confidential :		

1. Executive Summary

- 1.1 To seek approval for the Full Business Case attached as **Appendix A** and Contract Award for the capital scheme at Erdington Academy. The capital cost of the scheme will not exceed £ 6,825,463.

2 Recommendations

That Cabinet:

- 2.1 Approves the Full Business Case (**Appendix A**) for the capital works at Erdington Academy at a total project cost of up to £6,825,463, which includes Education Infrastructure (EdI) capitalisation of £198,071.
- 2.2 Authorises the Director for Education & Skills in consultation with the Cabinet Member for Finance & Resources to raise a works order up to the value of £5,785,742, with Balfour Beatty Construction, in order for works to commence and to release contingencies and place further orders up to £442,944 if required.
- 2.3 Authorises the Director for Education & Skills to place orders up to the value of £373,706 with Acivico for professional services.
- 2.4 Notes that loose furniture up to the value of £25,000 will be ordered directly by the school and costs will be reimbursed by EdI on production of evidence (paid invoices) which will be verified by EdI.
- 2.5 Authorises the City Solicitor to negotiate, execute and complete all necessary documents to give effect to the above recommendations.

3 Background

- 3.1 The Local Authority has a statutory duty to ensure that there are sufficient pupil places, secure diversity in the provision of schools and increase opportunities for parental choice through planning and securing additional provision (Section 14, Education Act 1996). This duty extends to our landlord responsibility to maintain the Education property portfolio to prevent school closure and asset failure, thus improving safeguarding for children.
- 3.2 A report on the changing demand and supply of school places was shared at the Overview and Scrutiny Committee for Learning, Culture and Physical Activity in September 2018.
- 3.3 Erdington Academy is a secondary school currently with 900 pupils between the ages of 11 and 16.
- 3.4 The proposal is for the school to expand by two forms of entry to become a secondary school with 1200 places for pupils aged between 11 and 16. There is a need for more secondary school places in the city and the proposed development provides the opportunity to fulfil some of that need.
- 3.5 The Local Authority is keen to ensure that future places are provided in the areas that they are needed; helping children to attend a school nearer to home and as part of their local community. The proposed changes at Erdington Academy are considered appropriate for the current pupils at the school and are part of a programme to enhance the overall school accommodation solution for both the current and future pupils.
- 3.6 The Full Business Case (FBC) for this scheme is included in **Appendix A**. The FBC details the works which will be undertaken for the new build.

- 3.7 A Planning Application for the 2-storey new block was submitted on 22nd May 2020 and is due to be determined on 1st September 2020.
- 3.8 Subject to FBC and statutory approvals (planning and building regulations), the new build works are due to start on site on 23rd November 2020 with a proposed completion date of 24th December 2021.

4 Options considered and Recommended Proposal

- 4.1 The option of doing nothing would mean the City Council would fail to meet its statutory obligation in providing suitable accommodation to meet the needs of the children.
- 4.2 Refurbishment of the existing building is not a viable option as there is not sufficient space in the existing building to provide the additional 2 forms of entry required.
- 4.3 The preferred option is to construct a new 2 storey teaching block and refurbish parts of the existing main school building to provide the required additional teaching space for the increased intake.

5 Consultation

- 5.1 The Governing body fully supports the permanent expansion of the school. All pupils, parents, teaching and non-teaching staff, relevant Members of Parliament, Teaching Associations, Trade Unions and neighbouring authorities of Birmingham will be consulted on the permanent expansion (by the Academy) of the school via the school organisation process.
- 5.2 The Leader and Ward Member for Gravelly Hill have been consulted and are supportive of the proposals proceeding to an executive decision.

6 Risk Management

- 6.1 Regular stakeholder engagement is undertaken and programmed in as part of the pre-construction works to ensure that comments are addressed as the scheme progresses to ensure that Education Infrastructure mitigates against stakeholder non-buy in.
- 6.2 Fortnightly 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 (acceleration may be introduced where there is a risk) and the project is delivered on time. Where costs are seen to escalate, a value engineering exercise is undertaken to ensure that the costs do not exceed the approved budget.
- 6.3 Regular meetings have taken place and will continue to do so with transportation colleagues to mitigate the impact on the highway throughout construction and post construction with increased pupil numbers.
- 6.4 Additional risks and associated mitigation are highlighted in sub appendix B of the FBC.

7 Compliance Issues:

7.1 How are the recommended decisions consistent with the City Council's priorities, plans and strategies?

7.1.1 These works are required to enable the Local Authority to meet its statutory duty to not only ensure the provision of sufficient pupil places but also to secure diversity in the provision of schools and increase the opportunity for parental choice through planning and securing the provision of additional school places (Section 14 Education Act 1996). The spending priorities proposed are in accordance with the Schools' Capital Programme 2020-21 and the Council's Vision and Forward Plan priorities for Children, particularly 'A great place to grow up in 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.

7.1.2 Birmingham Business Charter for Social Responsibility

The selected CWM contractor is signed up to the principles of the Birmingham Business Charter for Social Responsibility and will develop a relevant and proportionate action plan, demonstrating how the principles of the Charter will be implemented to deliver social value outcomes for the school and local community. Some of the following outputs will be provided as part of the contract:

- Create a minimum of 2 full-time work experience and training placements during the life of the project.
- 55% of spend with SMEs to be within a 30-mile radius.
- Undertake 2 community engagement activities to support the school and the local community.
- 100% of all persons employed on the project will be paid above the living wage.
- 93% of construction waste recycled.
- 100% of payment terms with supply chain will be no later than the primary contract or framework.
- Presentations at school assemblies.
- Site tours with staff and pupils.
- Competitions held with pupils related to Ecowarriors and Health & Safety in construction.

7.2 Legal Implications

7.2.1 This report facilitates the discharge of the local authority's duty under section 14 of the Education Act 1996 to ensure that sufficient school places are available to provide for all pupils the opportunity of appropriate education.

7.3 Financial Implications

7.3.1 Cost details for the project are detailed in the attached FBC. The capital cost of the scheme will not exceed £6,825,463 and will be funded from the

Department for Education (DfE) Basic Need Grant and School Condition Grant.

- 7.3.2 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 will be the responsibility of Erdington Academy and funded via the school's delegated budget.

7.4 Procurement Implications (if required)

- 7.4.1 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 ensure value for money is achieved throughout delivery.

7.5 Human Resources Implications (if required)

- 7.5.1 N/A

7.6 Public Sector Equality Duty

- 7.6.1 A Full Equality Analysis (EA0001202) was carried out in May 2016 for Education Infrastructure's Education Development Plan and Schools' Capital Programme 2016-17. The outcomes from consultation demonstrate that proposed capital developments support 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.

The Local Authority has considered whether a full equality impact assessment should be conducted in relation to the decision to authorise the full business case at **Appendix A** and decided that the recommendations in this report were considered unlikely to have an adverse impact on those with a protected characteristic and therefore the current equality impact assessment remains relevant.

8 Appendices

- 8.1 Appendix A - Full Business Case

9 Background Documents

- 9.1 Schools' Capital Programme - School Condition Allocation 2020-21+ Future Years Cabinet Report – April 2020
- 9.2 Changing demand and supply of school places – Overview & Scrutiny Report September 2018.