

PROJECT DEFINITION DOCUMENT (PDD)			
1. General Information			
Directorate	Place	Portfolio/Committee	Skills, Learning & Culture
Project Title	RECONFIGURATION & REFURBISHMENT OF CIVIC HOUSE, ERDINGTON FOR BIRMINGHAM ADULT EDUCATION SERVICE	Project Code	(as per Voyager)
Project Description	<p>Birmingham Adult Education Service (BAES) as a service is required to make savings of £1million from the academic year 2015/16 onwards. due to a reduction in the Skills Funding Agency grant. This represents reduction of approximately 10% on the 14/15 grant allocation.</p> <p>A series of measures will need to be implemented in order for the service to achieve these reductions including a rationalisation of the BAES building portfolio. This proposal supports the rationalisation of BAES property that is no longer deemed fit for purpose, relocating the service into a hub facility that can offer a more streamlined efficient service in a central location in the north of the city.</p> <p>BAES currently occupies two buildings in the north of the city; Boldmere Centre in Sutton Coldfield and the Osborne Centre in Erdington. Both centres deliver British Sign Language, Art and Crafts, IT, Counselling Skills, Languages and courses for people with learning difficulties. In addition, Osborne Centre delivers English, Maths, Pottery and Woodwork and Textiles. BAES deliver course which support unemployed people back into work. English, Maths and IT skills are all essential skills for the work place and BAES provides course up to and including level 2 (GCSE). The service also delivers vocational skills which can support people into work, for example Business Administration and Floristry and Sugar Craft. Some learners from subjects such as Floristry and Sugar Craft will go on to a business enterprise course and start up their own businesses.</p> <p>There is a strong need to continue to provide service provision in both Boldmere and Erdington. This is illustrated by recent census data which shows 17.7% of the population of Sutton Vesey do not have Level 2 qualifications, compared with 28.7% of the population of Erdington. August unemployment data shows by constituency that unemployed claimants represent 0.8% of the population of Sutton Coldfield and 4.9% of the population of Erdington. Erdington District has a significant number of unemployed people (6.2%).</p> <p>1. Boldmere Centre This building is a former school building and is owned freehold by BAES. It requires a significant level of repair internally and externally. There is a nursery based in an annexe on site. This is leased to Boldmere Nursery on a 10 year lease with a break clause that comes into effect on the 26th June 2017; notice can be served 12 months prior to this date. The land adjacent to Boldmere Centre was sold by BCC for residential development approximately 14 years ago. It is anticipated that there would be significant interest in the site if it were to be sold.</p> <p>2. Osborne Centre This building forms part of the Osborne Junior and Infant school campus. It is an old Victorian brick school building. Regular repairs, in particular to the roof which has to be patch repaired to keep the building open, are required. Whilst BAES do not pay for occupation they are responsible for the utility bills and repairs and maintenance of the building. While the rooms are a good size complete refurbishment would be required for it to be deemed fit for purpose and to continue to accommodate the service. There is a demand by Education for further accommodation in the Erdington area as part of their Additional Pupil Placement (APP) requirements.</p>		

Project Description	<p><i>Civic House is a substantial three storey Birmingham City Council owned 1970s office building located in the centre of Erdington. It is next door to 67 Sutton New Road office building also owned by the council and is part of the Central Administration Buildings (CAB) portfolio.</i></p> <p><i>As part of the CAB transformation it was anticipated that Civic House would transfer back to the Place Directorate to be utilised as an adult education hub for the north of the city. This project forms part of the Council's LoCAL programme focusing on improving and rationalising the customer facing building portfolio and this specific proposal has been endorsed by the LoCAL Board. The CAB business case identifies the savings from releasing the building as being revenue. Adult Education will become responsible for the revenue running costs for the building as of April 2016.</i></p> <p><i>The building appears not to have any major defects, although upon approval of the Cabinet report and Project Definition Document (PDD) extensive surveys will be carried out to determine the extent of any repairs/refurbishment necessary.</i></p> <p><i>The building is a 3 minute walk from the Osborne Centre and is well located for access by public transport. It is also served by a good road network and public car parking. BAES will use a variety of social media to publicise the move, including internal information to existing learners, BAES website and local networks.</i></p> <p><i>It is proposed that BAES appropriate the building at nil capital cost in April 2016 from Corporate Landlord, whose portfolio it currently sits in. The building would be refurbished and reconfigured to provide 11 classrooms. The proposal will see the existing open plan layouts of the first and second floors of Civic House converted into classrooms with the ground floor being utilised for reception and back office. Planning permission is not required.</i></p> <p><i>Consultation has commenced with staff in the format of briefings on the logistics of the proposed new location and on the initial draft layout plans for Civic house, specifically classroom sizes and classroom layouts. User consultation has also commenced in the format of surveys and posters.</i></p> <p><i>Procurement – It is proposed that the contract will be administered by Acivico and procured via the Constructing West Midlands (CWM) Framework (Lot 7). The contractor allocation will be determined from an 80:20 price: quality ratio matrix.</i></p> <p><i>A report and full business case and contract award will be presented in March 2016 with a start on site anticipated at the end of April 2016. Construction works will be completed by the end of July 2016 to allow for the furniture and equipment and commissioning of the building to take place in August. The building will be operational in September 2016.</i></p> <p><i>The proposed amalgamation of the service provision currently offered at the Boldmere and Osborne Centres will allow BAES to identify future savings associated with operating two buildings and consolidating the service into one building. This will include reviewing staffing, reduced utility costs and nominal repairs and maintenance costs related to a refurbished building.</i></p>
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Links to Corporate and Service Outcomes	<i>BAES is the largest Community Learning and Skills provider nationally and makes strong contributions to the Councils objectives set out in the Council Plan 2015+ specifically 'A Prosperous City' – focusing on 'Learning, skills and local employment' and 'A Democratic City' – offering modern services that serve our citizens</i>		
	<i>In the academic year 2013/14 19,137 qualifications were achieved through adult education.</i>		
Project Benefits	<ul style="list-style-type: none">• Opportunity to consolidate the BAES into one key building in the north of the city and to secure ongoing revenue savings.• Retention of a valuable and well used BAES in Erdington and Sutton Coldfield• Potential to attract more service users to a newly refurbished fit for purpose facility plus improved programming of the timetable to ensure the facility operates at capacity.• Release the Council from ongoing maintenance requirements on buildings which are not fit for purpose.• Building is in a prime location with excellent transport infrastructure		
Project Deliverables	<ul style="list-style-type: none">• One refurbished and reconfigured building from which all of the retained classes can be taught• A building which will require less frequent repairs and extend its life by 15 years +• Potential reduction in revenue costs as it will only cover one building.		
Key Project Milestones		Planned Delivery Dates	
<i>Project Definition Document approval</i>		November 17th 2015	
<i>Surveys and design work undertaken and completed</i>		November 2015 - January 2016	
<i>Full Business Case approval</i>		22 nd March 2016	
<i>Start on site</i>		April 2016	
<i>Completion on site</i>		29th July 2016	
<i>Furniture and equipment fit out and commissioning</i>		August 2016	
<i>Building operational to the public</i>		1 st September 2016	
Dependencies on other projects or activities	<ul style="list-style-type: none">• <i>Progression of this scheme will be dependent on the outcome of the proposed surveys and target cost.</i>• <i>Finalisation of funding package</i>• <i>Appointment of contractors</i>• <i>Outcome of on-going consultation</i>• <i>Serving notice on the nursery</i>		
Achievability	<ul style="list-style-type: none">• <i>Birmingham Property Services (Project Management), Acivico (contract administration) have all got extensive experience and knowledge of working on large successful refurbishment projects similar to this proposal e.g. Saltley Centre</i>• <i>The project team will include and involve the client Service Managers in the delivery of this project.</i>		
Project Manager	<i>Lesley Steele BCM Operational Projects 0121 303 8857, Lesley.Steele@birmingham.gov.uk</i>		
Project Accountant	<i>Steve Vaughan, Senior Business Analyst, 0121 675 5831, Steve.vaughan@birmingham.gov.uk</i>		
Project Sponsor	<i>Ifor Jones, Service Director Place,0121 303 4595, ifor.jones@birmingham.gov.uk</i>		
Proposed Project Board Members	<i>Lesley Steele (details as above), Steve Vaughan (details as above), Liz Stearn, BAES, Sara Smith ACIVCO Project Manager, Sara.Smith@Acivico.co.uk, 0121 303 6704 , Contractor;</i>		
Head of City Finance (HoCF)	<i>Parmjeet Jassal</i>	Date of HoCF Approval	<i>6 November 2015</i>
Other Mandatory Information			
<ul style="list-style-type: none">• Has project budget been set up on Voyager?			<i>no</i>

- Issues and Risks updated

Yes Appendix 1A

2. Options Appraisal Records

Option 1	<i>Do Nothing</i>
Information Considered	<p><i>The condition of the existing buildings that the service is delivered from.</i></p> <p><i>The cost of delivering the service from these buildings including staff and running costs.</i></p> <p><i>A joined up service delivery approach.</i></p> <p><i>Location and infrastructure including links to public transport</i></p> <p><i>Capital funding.</i></p>
Pros and Cons of Option	<p>Advantages:</p> <p><i>The service will continue to operate as it does currently for the foreseeable future until either of the buildings becomes unusable due to the level of repair/refurbishment required.</i></p> <p><i>No capital funding will be required and disposal of Boldmere Centre will not be necessary.</i></p> <p><i>Both centres are well established within the communities they serve.</i></p> <p>Disadvantages:</p> <p><i>The service will continue to have to pay utility bills, repair and staffing costs for both sites.</i></p> <p><i>Service delivery from two sites is segmented.</i></p> <p><i>Poor learning environment which may put off potential new learners.</i></p> <p><i>Education has expressed an interest in taking back the Osborne Centre to provide extra school places. This puts the service provided from this location at risk.</i></p> <p><i>Little scope for rationalising the service provision to remove duplication of learning modules to condense the timetable and secure savings to contribute to budget pressures.</i></p>
People Consulted	<i>Principal BAES, Cabinet Member Skills, Learning & Culture, Ward Members, existing users, BAES staff</i>
Recommendation	<i>Abandon</i>
Principal Reason for Decision	<i>The level of repair required on both buildings will increase to the point where either a large capital investment is required to improve the building or the building in closed and the service closed or relocated. Costs to maintain two buildings within a mile of each other is high</i>

Option 2	<i>Refurbish Boldmere Centre and transfer the service from Osborne Centre</i>
Information Considered	<p><i>The condition of the existing buildings that the service is delivered from.</i></p> <p><i>The cost of delivering the service from these buildings including staff and running costs.</i></p> <p><i>A joined up service delivery approach.</i></p> <p><i>Location and infrastructure including links to public transport</i></p> <p><i>Capital funding.</i></p>
Pros and Cons of Option	<p>Advantages:</p> <p><i>Adult Education already own and occupy the Boldmere Centre site.</i></p> <p><i>Revenue savings identified from vacating the Osborne Centre.</i></p> <p><i>The Centre is established within the community</i></p> <p><i>Easier to manage the service from one building</i></p> <p><i>On site car parking.</i></p> <p><i>Close to a main bus route and within walking distance of the train station.</i></p> <p><i>Scope to rationalise the lesson time tables and reduce staffing costs</i></p> <p>Disadvantages:</p> <p><i>A large capital sum would be required to complete the works to the standard required to make the building fit for purpose. There is no capital funding available to AE to undertake this work.</i></p> <p><i>The location of Boldmere Centre may make it less accessible for some members of the public to access especially of an evening when public transport is less frequent.</i></p> <p><i>The building has limited capacity.</i></p>

People Consulted	<i>Principal BAES, Cabinet Member Skills, Learning & Culture, Ward Members, existing users, BAES staff</i>
Recommendation	<i>Abandon</i>
Principal Reason for Decision	<i>There is no capital funding available for any works of that size to be undertaken on Boldmere Centre. The building is not fit for purpose.</i>

Option 3	<i>Refurbish Osborne Centre and close and transfer services from Boldmere Centre</i>
Information Considered	<i>The condition of the existing buildings that the service is delivered from. The cost of delivering the service from these buildings including staff and running costs. A joined up service delivery approach. Location and infrastructure including links to public transport Capital funding.</i>
Pros and Cons of Option	<p>Advantages: <i>The existing building would be refurbished to increase its capacity and reduce repair costs/running costs. Revenue savings would be identified from vacating the Boldmere Centre. The Centre is established within the community There is onsite car parking. A capital receipt would be generated from the sale of Boldmere Centre which would contribute towards the capital works. The Osborne Centre has out buildings on site which provide the opportunity to offer pottery, woodwork and upholstery in an appropriate environment. Scope to rationalise some of the services and eliminate duplication</i></p> <p>Disadvantages: <i>The Osborne Centre is owned by Education and makes up part of the Osborne Primary School site. There is requirement to provide extra school places. Education has expressed an interest in taking the building back to address this requirement. A large capital sum would be required to complete the works to the standard required to make the building useable and fit for purpose. BAES would be investing in a building that is not in their property portfolio and hence there would be no return for their investment if they ever vacated the premises. The building layout would need reconfiguring as access to some classrooms is via other classrooms plus the site is split into two buildings which is more difficult to manage.</i></p>
People Consulted	<i>Principal BAES, Cabinet Member Skills, Learning & Culture, Ward Members, existing users, BAES staff</i>
Recommendation	<i>Abandon</i>
Principal Reason for Decision	<i>The building would need considerable capital investment to make it fit for purpose. This would require BAES to invest in a building which they don't own. Education require the building to be handed back to provide extra school places</i>

Option 4	<i>Refurbish Civic House Erdington, sell Boldmere Centre and vacate Osborne Centre and move into Civic House.</i>
Information Considered	<i>The condition of the existing buildings that the service is delivered from. The cost of delivering the service from these buildings including staff and running costs. A joined up service delivery approach. Location and infrastructure including links to public transport Capital funding.</i>
Pros and Cons of Option	<p>Advantages: <i>The service will have a fit for purpose hub type building on the north of the city providing a better environment for learners. The location of Civic House is central and served well by public transport, a good road network and the area is well served by free/cheap public car</i></p>

	<p>parking.</p> <p>A capital receipt would be generated from the sale of Boldmere Centre which would fund the capital works.</p> <p>Central location will attract users from a wider area.</p> <p>Revenue costs are reduced operating from one building</p> <p>Easier to manage the service from one building</p> <p>Disadvantages:</p> <p>The cost of the refurbishment will be significant</p> <p>Staff parking is limited.</p> <p>Some classes that are currently offered at the existing centres may be lost e.g. Pottery.</p>
People Consulted	Principal BAES, Cabinet Member Skills, Learning & Culture, Ward Members, existing users, BAES staff
Recommendation	Proceed
Principal Reason for Decision	<p>The sale of Boldmere Centre will generate a capital receipt to support the refurbishment cost of Civic House.</p> <p>This option provides an opportunity to join up service delivery and offer an improved timetable of classes.</p>

Option 5	Exit both sites (Boldmere Centre and Osborne Centre) and operate a reduced learning offer out of community rooms.
Information Considered	<p>The condition of the existing buildings that the service is delivered from.</p> <p>The cost of delivering the service from these buildings including staff and running costs.</p> <p>A joined up service delivery approach.</p> <p>Location and infrastructure including links to public transport</p> <p>Capital funding.</p>
Pros and Cons of Option	<p>Advantages:</p> <p>A capital receipt would be generated from the sale of Boldmere Centre.</p> <p>Reduced repairs and maintenance costs as BAES would have no liability for the buildings.</p> <p>BAES could access a wider area of users.</p> <p>Disadvantages:</p> <p>Difficult to manage the service from a lot of different venues scattered over a larger radius.</p> <p>Difficult to sustain a service when there is no long term security of venues.</p> <p>It does not offer BAES any long term stability of longevity for service provision making it difficult to forward plan future learning offers.</p> <p>The needs of local areas cannot be fully met.</p> <p>Hire costs would be high limiting number of classes offered.</p> <p>Staffing costs would be higher with some duplication due to service being devolved over a larger area.</p> <p>No control over hire/rental costs of rooms/venues which would impact on the budgets and also the BAES offer to the local community each year.</p> <p>.</p>
People Consulted	Principal BAES, Cabinet Member Skills, Learning & Culture, Ward Members, existing users, BAES staff
Recommendation	Abandon
Principal Reason for Decision	No long term stability for the service provision. Revenue delivery costs would be high. Reduced learning offer to the local communities.

3. Summary of Options Appraisal – Price/Quality Matrix											
Criteria	Options					Weighting	Weighted Score				
	1	2	3	4	5		1	2	3	4	5
Total Capital Cost	8	6	6	5	8	15	1.2	0.9	0.9	0.75	1.2
Upfront Revenue Cost	2	4	4	5	6	15	0.3	0.6	0.6	0.75	0.9
Full Year Revenue Consequences	2	4	4	8	3	15	0.3	0.6	0.6	1.2	0.45
Quality Evaluation Criteria											
1) Council Plan 2015 +	4	6	6	8	5	20	0.8	1.2	1.2	1.6	1
2) Service Provision	2	4	4	8	3	25	0.5	1	1	2	0.75
3) Sustainability	2	4	4	6	2	10	0.2	0.4	0.4	0.6	0.2
Total						100%	3.3	4.7	4.7	6.9	4.5

4. Option Recommended	<i>Option 4 is the preferred option to progress to Full Business Case and target cost and contract award. This would provide a high profile BAES hub facility in a good location serving the north of the city.</i>
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8. Financial Information						
	Voyager Code	2015/16	2016/17	2017/18	Later Years	Totals
Capital Costs & Funding		£	£	£	£	£
<u>Expenditure</u>						
Development costs to proceed to Full Business Case		44,804	0	0	0	44,804
<u>Other Costs to complete project</u>		0		0	0	
Construction including fees and contingency		0	1,176,125	0	0	1,176,125
Furniture & Equipment		0	160,000	0	0	160,000
Total capital receipts		44,804	1,336,125	0	0	1,380,929
<u>Funding</u>						
Development costs funded by BAES Reserves		44,804	0	0	0	44,804
Other Costs Funded by : Prudential Borrowing/capital Receipts		0	1,336,125		0	1,336,125
Totals		44,804	1,336,125		0	1,380,929

Revenue Consequences						
Non-employee expenditure - Civic House		0	48,417	83,000	83,000	
Termination costs for nursery		0	0	50,000	0	
Prudential Borrowing *		0	0	98,305	98,305	
Loss Of BAES Income		0	43,510	74,588	74,588	
Totals		0	91,927	305,893	255,893	

Funded By						
Non-Employee Budget Osborne Ctre		0	44,274	106,257	106,257	
Non-Employee Budget Boldmere Ctre		0	32,906	106,974	126,974	
Revenue release from disposal		0	0	98,305	98,305	
Staff savings		0	51,000	102,000	102,000	
Totals		0	128,180	413,536	433,536	

(Savings)		0	(36,253)	(107,643)	(177,643)	
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* Borrowing £1.336m over 20 years at factor of 0.7358

6. Project Development Requirements/Information	
Products required to produce Full Business Case	<ul style="list-style-type: none"> • Detailed design • Structural survey • Floor loading assessment • Mechanical installation condition survey • Electrical installation condition survey • Thermal model • Acoustic survey • Drainage survey
Estimated time to complete project development	<i>It is anticipated that it will take 3 months to work the scheme up to target cost and circulate a Full Business Case and Contract Award report. .</i>
Estimated cost to complete project development	<i>Total cost £44,804 inclusive of the following:</i> <i>Roof condition survey £1,500</i> <i>Structural loadings survey £1,200</i> <i>Mechanical condition survey £1,000</i> <i>Electrical condition survey £1,000</i> <i>Thermal modelling £4,500</i> <i>Acoustic survey £1,000</i> <i>Drainage survey £3,500</i> <i>Acivico design fee to stage D £31,104</i>
Funding of development costs	<i>BAES revenue reserve budget</i>

Planned FBC Date	<i>22nd March 2016</i>	Planned Date for Technical Completion	<i>31st August 2016</i>
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Appendix 1A**Project Definition Document: Risk Register Civic House BAES**

No.	Description of risk	Impact	Probability	Existing Controls	Action Required	Lead Responsibility
1	Unforeseen additional works arise in course of contract causing additional funding requirement.	Medium	Low	All unknown elements of work will be costed as tier 1 and 2 risk and included as a contingency within the target cost	Revisit priorities and review scheme of works. Value engineering exercise to be carried out. Review activity schedule.	Acivico, Contractor, BPS
2	Work not completed on time	High	Low	Acivico & the Contractor will prepare a programme that will be reviewed at each progress meeting. Slippage of activities will be highlighted at an early stage.	Revisit programme to adjust/ reschedule activities.	Acivico Contractor BPS
3	Stakeholder expectations are undeliverable	Medium	Low	In depth consultation is being carried out with all stakeholders.	Consultation will be ongoing throughout the life of the project. Different consultation tools e.g. social media ,BAES website, meetings, display boards etc. will be used to ensure that the wider audience is included.	BAES
4	Departure of key staff members	Low	Low	Much work is done on a team basis so cover is in place	Recruit and replace	All
5	Revenue costs are unaffordable to operate the building	Low	Low	The existing revenue budget is for 2 x sites this will be transferred to one site; Civic House. Current estimated figures have identified a saving by consolidating the service into one building	The refurbishment works will look at ensuring lighting, heating etc. is designed to be sustainable and more cost effective to operate.	Corporate Finance BAES

6	New reconfigured floor layout does not get Building Regulations approval	High	Low	Acivico will consult with Building Control at an early stage of the design process to ensure that it meets all legislation	An ongoing dialogue will be maintained with Building Control throughout the delivery of the project and issues addressed as they arise.	Acivico
7	Demand for classes cannot be accommodated	Low	Low	A review will be carried out based on the classes offered at the existing centres and a new programme drafted for Civic House.	Need for classes will be reviewed and programmed accordingly	BAES