

C. ECONOMIC CASE - 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. Options reviewed

A full description and review of each option is in Section G1

Option 1 - recommended option - complete the programme of roof repairs and renovation

This is the only viable option given the roof has been condemned and the Council has liability for the external fabric of the building.

Option 2 – patch repairs

The professional advice is that the roof is beyond economic repair and in places is too dangerous to access therefore a full replacement is the only viable option.

Option 3 - do nothing

The City Council is legally and contractually liable for the works to be carried out, so this is not a viable option. Further, it would allow a BCC asset to fall into disrepair, deprive a local community of access to a valued facility that supports their physical, social and emotional wellbeing, and potentially cause reputational and political damage to the Council.

C2. Summary of Options Appraisal – Price/Quality Matrix

	Option score (out of 10)				Weight			Weighted Score		
Criteria	1	2	3		1	2	3			
1. Total capital cost	0	5	10	20%	0	1	2			
2. Upfront revenue cost	10	6	4		2	1.2	0.8			
3. Full year revenue consequences	6	0	4	30%	1.8	0	1.2			
4. Benefits: Council priorities	10	0	0	40%	4.0	0	0			
5. Benefits: Service priorities										
6. Deliverability and risks	8	0	4	10%	0.8	0	0.4			
7. Other impacts										
Total	34	11	22	100%	8.6	2.2	4.4			

G. SUPPORTING INFORMATION

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

G1. OBC OPTIONS APPRAISAL RECORDS (these are summarised in section C2)

The following sections are evidence of the different options that have been considered in arriving at the proposed solution. All options should be documented individually.

Option 1	<u>Recommended option</u> : complete the project to replace the flat roofs of the Community Centre
Information Considered	<p><i>What information was considered in evaluating the option – this must be the same for each option considered.</i></p> <ul style="list-style-type: none"> • Current condition of the facility • Capital and revenue funding e.g. affordability • Revenue operational/running costs • Opportunity to work with the current lease holder to manage and operate the facility. • Opportunity to extend and improve its service delivery offer to the local community • Views of customers, local community and elected representatives • Location of alternative facilities
Pros and Cons of Option	<p><i>What were the advantages/positive aspects of this option?</i></p> <ul style="list-style-type: none"> • The building already has a lease holder that will continue to manage and operate the service for the next 12 years • The Community Association has already and will continue to invest in the centre maintaining and improving a Council asset • Replacing will avoid on-going and escalating repair costs • Extends the life of the centre and associated facilities by 20 years • Supports health and wellbeing in the local community • Keeps an existing asset in use for the residents of Birmingham • Fulfils the Council's legal obligations as landlord <p><i>What are the Disadvantages/negative aspects of this option?</i></p> <ul style="list-style-type: none"> • Cost of repaying prudential borrowing • Investing in a building that is already leased to a third party
People Consulted	<p><i>Who was consulted regarding development of key elements of this option</i></p> <p>Ward Councillors Quinton Ward Quinborne Community Association Children's Services (Library)</p>
Recommendation	Proceed or Abandon this Option
Principal Reason for Decision	<p><i>What are the key reasons for the recommendation regarding this option</i></p> <p>Affordability to allow continued access to the facility</p>

APPENDIX 1 Attachment A

Option 2	Undertake patch repairs only – option explored but discounted on professional advice
Information Considered	<p>What information was considered in evaluating the option – this must be the same for each option considered.</p> <ul style="list-style-type: none"> • Current condition of the facility • Capital and revenue funding e.g. affordability • Revenue operational/running costs • Opportunity to work with the current lease holder to manage and operate the facility. • Opportunity to extend and improve its service delivery offer to the local community • Views of customers, local community and elected representatives • Location of alternative facilities
Pros and Cons of Option	<p>What were the advantages/positive aspects of this option?</p> <ul style="list-style-type: none"> • This option was not feasible and was therefore discounted <p>What are the Disadvantages/negative aspects of this option?</p> <ul style="list-style-type: none"> • This option was not feasible and was therefore discounted
People Consulted	<p>Who was consulted regarding development of key elements of this option</p> <ul style="list-style-type: none"> • This option was not feasible and was therefore discounted
Recommendation	Proceed or Abandon this Option
Principal Reason for Decision	<p>What are the key reasons for the recommendation regarding this option</p> <p>Professional advice that the roofs are beyond repair</p>

Option 3	Do Nothing
Information Considered	<p><i>What information was considered in making the decision</i></p> <ul style="list-style-type: none"> • Current condition of the facility • Capital and revenue funding e.g. affordability • Revenue operational/running costs • Opportunity to work with the current lease holder to manage and operate the facility. • Opportunity to extend and improve its service delivery offer to the local community • Views of customers, local community and elected representatives • Location of alternative facilities
Pros and Cons of Option	<p><i>What were the advantages/positive aspects of this option?</i></p> <ul style="list-style-type: none"> • There would be no long term commitment to repay borrowing <p><i>What are the Disadvantages/negative aspects of this option?</i></p> <ul style="list-style-type: none"> • On-going and escalating repairs costs that cannot be afforded from the service revenue budget • Reputational damage and potential risk of legal action being

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	<p>taken by tenant</p> <ul style="list-style-type: none"> • Political and public opposition • Impact on income generation for the centre and viability of community association • Loss of facility and services to local community • Deterioration in BCC asset value
People Consulted	<p><i>Who was consulted regarding development of key elements of this option?</i></p> <p>Ward Councillors Quinton Ward Quinborne Community Association Children's Services (Library)</p>
Recommendation	Proceed or Abandon this Option
Principal Reason for Decision	<p><i>What are the key reasons for the recommendation regarding this option</i></p> <p>Negative impact on community asset; defaulting on Council's legal liabilities as landlord.</p>