

Birmingham City Council

Report to Cabinet Member Finance and Resources

June 2020



Subject: Outline Business Case: Extension to Nechells Pod, Oliver Street

Report of: Acting Director Neighbourhoods and Director Education and Skills

Relevant Cabinet Member: Councillor Tristan Chatfield, Cabinet Member Finance and Resources

Relevant O &S Chair(s): Councillor 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): Nechells		
Is this a key decision?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, add Forward Plan Reference:		
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: N/A		

1 Executive Summary

- 1.1 To seek approval to the Outline Business Case (Appendix 1) to deliver an extension at Nechells Pod, Oliver Street together with some internal reconfiguration and refurbishment of the existing building.
- 1.2 To progress the proposal in line with both the redesign of the library service as outlined in the Community Library Service Tiered Delivery Model and the Community Hub programme.

2 Recommendations

The Cabinet Member Finance and Resources :

- 2.1 Approves the Outline Business Case (Appendix 1) for the proposal to deliver an extension at Nechells Pod, Oliver Street together with some internal reconfiguration and refurbishment of the existing building at an estimated total cost of £580,000 inclusive of fees, contingency and furniture and equipment.
- 2.2 Authorises the placing of an order with Acivico Limited not to exceed £30,000 to progress the proposal to RIBA (Royal Institute of British Architects) Plan of Work stage 4 (Technical Design).

3 Background

- 3.1 Nechells Pod on Oliver Street is located within the Nechells Ward. This is situated in the inner city with a multicultural community made up of 28.4% white, 25.2% Asian and 29.8% Black ethnicity. It is ranked 8th most deprived ward out of 69 in Birmingham and in the top 5% of the most deprived wards nationally.
- 3.2 Nechells Pod is approximately 0.2 miles from Bloomsbury Library. Bloomsbury Library was the local community library in Nechells Ward until 26th November 2013. Due to health and safety reasons resulting from the theft of lead from the roof the library was closed. The cost of repairs was unaffordable and following its closure it was sold at auction on the 23rd October 2014.
- 3.3 Nechells POD is owned freehold by the city council. It is a single storey 1960s former Education building currently operated by a registered charity, SHINE@NechellsPOD CIO . It offers a resource for the Nechells community by providing a safe and welcoming space in which residents can get together to participate in a wide range of activities and access services that empower them to lead self-determined, fulfilled lives and engenders a sense of belonging to their community. Nechells Pod hosts ESOL (English for speakers of other languages) pre entry training, fitness for the over 50s, walking groups, a Job Club, Debt and Benefit Advice. Talking Tots as some examples of how they support the local community. SHINE@NechellsPOD Charitable Incorporated Organisation (CIO) offer a range of services and activities that will support, help, inspire, nurture and empower Nechells residents. Nechells Pod is supported by a team of community volunteers who ensure the activities and sessions run smoothly. They are also working in partnership with a vast network of other community, statutory and voluntary agencies and organisations. This model is consistent with the developing Public Hubs Programme.
- 3.4 Following the closure of Bloomsbury Library, the library service operated out of the mobile library bus sited at Nechells Pod, Oliver Street 4 days a week from May 2014 until April 2017 until a more permanent solution could be established within Nechells Pod.

- 3.5 Nechells Pod has permitted utilisation of some of its circulation space for library provision. Due to the limited space available, the library service can only offer book borrowing hence the proposal to extend the building to provide additional space to support a fuller library service offer.
- 3.6 A report was approved at Cabinet on the 14th February 2017 which introduced a new approach to service delivery via the 'Community Library Service Tiered Delivery Model'. The library proposal at Nechells Pod would be designated as a Tier 3 library operated by the SHINE@NechellsPOD CIO and volunteers from the local community but supported by the library service with a worker for 15 hours a week together with the provision of books and investment in self-service ICT equipment. Access to the library in the main, will mirror the opening hours of Nechells Pod unless the space has been booked out for a specific activity, but users should still be able to access books.
- 3.7 The nearest libraries to Nechells Pod are Ward End Library which is 2.4 miles away and Birchfield Library which is 2 miles away.
- 3.8 In order to formalise the occupation a Community Asset Transfer (CAT) is being discussed between BCC and SHINE@NechellsPOD CIO who, as a sitting tenant, get a priority interview subject to the relevant due diligence associated with the CAT process.
- 3.9 As part of the Budget 2018/19 the Council set out ambitious plans to redesign its front facing service delivery points in order to offer improved services to its residents and produce efficiencies. As part of this programme, and fitting in with the policy drive on localisation, the Council intends to also work closely with community organisations. Alongside the public hubs, which will predominantly be a co-location of council run services, there will be community hubs, led by third sector organisations. These community hubs will be places based within the heart of local communities, away from the main public hubs, and delivering services targeted to meet the needs of that area and bridge any gaps in the public hub provision. The Pod will be the first building operating in this way, located in the centre of Nechells, and away from any sites being considered for a public hub. In fact, the area has proactively released properties i.e. former library, play centre, community centre in order to create co-located facilities. The community led hub will deliver a range of community services but importantly will deliver a Tier 3 Library function as agreed in the 2016 Cabinet Report on the future of Library Services.
- 3.10 A feasibility study (RIBA Plan of Work stage 2) has been developed to look at the viability and cost of extending Nechells Pod. The feasibility study established a budget estimated build cost of £421,000 (excluding fees, inflation, contingency and furniture and ICT equipment fit out) together with outline designs for the scheme for a single storey modular extension with extended office and toilet facilities; however client consultation has determined that whilst the floor layout is acceptable the preference is for a traditional build rather than modular construction. A total capital budget of £580,000 has been earmarked

for the project, which is inclusive of the build cost, fees, contingency and fit out costs.

- 3.11 The £30,000 funding requested as part of this proposal will be used to revisit the Concept Design (RIBA Stage 2) and amend the build from a modular construction to a traditional build and then progress through to Developed Design and Technical Design (RIBA stages 3 and 4) including a procurement tendering exercise.
- 3.12 On receipt of tenders a Full Business Case and a further Cabinet Member report will be presented to award the contract and progress the proposal to delivery.

4 Options considered and Recommended Proposal

Alternative options were considered as part of the property strategy prior to agreeing that the option to extend Nechells Pod at Oliver Street was the preferred option.

- 4.1 Do nothing (business as usual) – this does not allow for the delivery of an efficient and effective library service for the community. Currently the library provision is limited to the loan of books with no support services i.e. public use personal computers, homework clubs, reading groups, storytelling. Also, the current operation with shelves in the entrance corridor creates a safeguarding/security risk for other users of the centre as the public need to be managed and monitored.
- 4.2 A high-level options appraisal has been carried out which reviewed 8 locations including shared occupation, and standalone provision; consideration was given to location, revenue and capital funding and partnership working. The option that is recommended to be taken forward is to extend Nechells Pod, Oliver Street to provide an extended range of library and community services.

5 Consultation

- 5.1 The Leader of the Council, Cabinet Member for Education, Skills and Culture and local elected members have all been consulted on this proposal and support it going forward. The report was presented to members of the Capital Board on the 2nd June 2020 with no objections.
- 5.2 Consultation has been carried out with SHINE@NechellsPOD CIO and the existing building users and volunteers of Nechells Pod who are supportive of the opportunity to see the centre expand and offer a more extensive range of activities.

6 Risk Management

- 6.1 A risk register is appended to the Outline Business Case Appendix 1.

7 Compliance Issues:

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

7.1.1 This proposal supports the Birmingham City Council Plan 2018-2022 specifically:

Outcome 2 Birmingham is an aspirational city to grow up in. Nechells Pod provides a range of activities to support children both during term time and the school holidays.

Outcome 3 Birmingham is a fulfilling city to age well in. Nechells Pod offers support to families and individuals on healthy lifestyles providing fitness activities for all ages.

Outcome 4 Birmingham is a great, clean and green city to live in. Nechells Pod enriches the lives of those from deprived backgrounds by providing training and learning for qualifications and further education, debt advice and a place for social interaction.

It also supports the Property Strategy 2018/19 – 2023/24 by putting forward a solution whereby with the support of a partner organisation, an existing building can be improved and extended. It also fits the agenda for Community led Hubs supplementing the Public Hub programme. The relationship between BCC and SHINE will be formulated by a Community Asset Transfer rather than the current Management Agreement

The proposal supports the Community Library Service Tiered Delivery Model; Nechells Pod would be designated as Tier 3 which would operate as a Supported Community Library for 15 hours per week. The City Council's library service will work in partnership to support the organisation through the provision of books and investment in self-service equipment. Library provision would be delivered by SHINE@NechellsPOD CIO with 15 hours of support from the Library Service as per a Tier 3 Library.

The draft Ward Plan 2018-2022 (yet to be adopted) for Nechells highlights the need for extended library services and more use of community rooms to support older people. The proposal would contribute towards supporting these requirements in one of the most deprived wards in the city with the lowest average income of all the 69 wards.

Legal Implications

7.1.2 This report exercises powers contained within the Public Libraries and Museums Act 1964 by which the local authority for the area is under a duty to provide a comprehensive and efficient library service for that purpose to provide and maintain such buildings and equipment to do such other things as may be requisite.

- 7.1.3 Under Sec 111 Local Government Act 1972 the Council is empowered to do anything which is calculated to facilitate, or is conducive or incidental to, the discharge of any of their functions

7.2 Financial Implications

- 7.2.1 The estimated total capital cost of the proposal is £580,000 (inclusive of fees, contingency, furniture and equipment). This is to be funded from a capital receipt of £80,000 generated from the sale of the Nechells Play Centre CA-02809-03. Nechells Play Centre sold for £215,000; the service had an earmarking of £80,000 for 'The Bloom' and 8% revenue benefit of the remaining receipt which was actioned in 2015/16. There is a current remaining balance of £56,834.
- 7.2.2 A further capital receipt was generated from the sale of Nechells Community Centre which sold for £1.3m of which £500,000 is earmarked for the delivery of this proposal.
- 7.2.3 The Library Service currently contribute the full cost of providing a grade 2 member of library staff for 15 hours a week this equates to a financial revenue contribution of approx. £9,698 p.a. plus a £5,000 p.a. contribution for the operational running costs. Both these financial contributions will continue whilst the library has a presence in the building. They also contribute £2,000 until 2021 towards the provision of Wi-Fi.
- 7.2.4 SHINE@NechellsPOD CIO are currently responsible for all the revenue running costs including repairs and maintenance of the building. This equated to approximately £18,350 in 2017/18 This arrangement would continue as part of the CAT arrangements, whereby a full repairing and insuring lease will be in place.

7.3 Procurement Implications

- 7.3.1 The scope of work proposed will be tendered competitively on the open market via Find it in Birmingham. The contract will be administered by Acivico Ltd.

7.4 Human Resources Implications (if required)

- 7.4.1 Acivico Limited will lead on the development and procurement of the proposal and administer the construction contract on receipt of a successful tendering process.

7.5 Public Sector Equality Duty

- 7.5.1 A copy of the Equality Act 2010 – Public Sector Duty statement together with the initial equality assessment screening are appended – Appendix 2 (ref EA002485). A full assessment is not required.

8 Appendices:

- 8.1 Appendix 1 Outline Business Case (OBC)
- 8.2 Appendix 2 EINA