

FULL BUSINESS CASE (FBC)

A. GENERAL INFORMATION

A1. General

Project Title <i>(as per Voyager)</i>	Repair of Handsworth Wellbeing Centre (WBC) Roof		
Voyager code	RLBBG		
Portfolio /Committee	Health & Social Care	Directorate	City Operations
Approved by Project Sponsor	Chris Jordan 23.02.22	Approved by Finance Business Partner	Carl Tomlinson 23.02.22

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

Due to the urgency of these works a Full Business Case and Options Appraisal has been prepared to support the Cabinet report.

A3. Project Description

The project seeks to repair the roof above the large swimming pool at Handsworth WBC to:

- protect a Council asset from deterioration and, potentially, escalating repair costs; and
- allow the local community and local schools to continue to access the social and health benefits of regular swimming.

Handsworth WBC is a large purpose-built leisure centre dating to the late 1970's located off Holly Road within the footprint of Handsworth Park. The roof above the swimming pool area had begun to deteriorate and the service was in the process of obtaining quotes for repairs when adverse weather caused one the roof panels to slip from its fixings presenting an immediate health and safety issue resulting in the pool being closed to the public in November 2021.

The proposal is to remove the existing translucent sheeting roof system, replace with corrugated metal roofing sheets profile matched with the rest of the existing roof, apply waterproof coating to damaged areas above the main swimming pool (the smaller pool having previously been repaired, due to same issue), and to upgrade the lighting to an energy efficient LED system to improve the customer experience and reduce energy consumption, at a cost of £0.386m.

The cost of the work will be funded via the Corporate Capital Contingency budget.

In order not to delay the project and re-open the facility as soon as possible Cabinet approval is sought to progress with Option 3. However, authority will be sought from Cabinet to explore a cost benefit analysis of extending the project to include weather proofing the entire roof area (ie option 4) at an additional cost of £0.129m and, if it is

shown to be cost effective, to include this element of work in the project whilst contractors are on site and scaffolding is in place.

A4. Scope

- Take off existing Perspex sheet panels and replace with steel profile sheeting to blend with existing gauge, thickness, colour etc.
- Replace all defective fixing bolts/rubber washers to the whole roof
- Prepare/apply edge corrosion to defective areas, apply 'Girosil' Roof Waterproofing Coating system to lap joints, gutters, and naked areas of the roof. To be applied in nearest match to existing colour and to the pitched areas only.
- Clear all drainage outlets on flat roofs and fit bird cage covers to outlets.
- Upgrade the lighting in the pool area with 195W LED lights incorporating emergency lighting
- *Potentially extend the project to include applying a waterproof covering to the remainder of the roof area.*

A5. Scope exclusions

- No work to the adjoining roof area above the main swimming pool
- No cosmetic works

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

The Wellbeing Centre is located in Handsworth Ward which records some of the highest levels of deprivation in the country (top 10% IMD) and where residents experience the poorest health outcomes. The 2019 profile of Perry Barr shows male life expectancy is 5.5 years less than the national average, and 2.1 years less for women. The customer base reflects the surrounding locality with most customers living within 1 mile of the Centre, and 90% being from BAME groups.

The Wellbeing Centre incorporates a large swimming pool, a smaller children's/learner pool, gyms, sports hall, steam and sauna room, dance studio, an adjacent play centre, and a function/conference room. The Centre is a major hub for people within the local community and provides a wide range of activities, including gym, swimming, aqua aerobics, badminton, club sports and group fitness classes.

The Be Active programme offers free access to facilities and classes, including the pool, for local residents from 09.00 until 17.00 on weekdays and at specified times at weekends. The programme, along with other externally delivered schemes on site, targets those sections of the community who are traditionally least physically active with a view to supporting their social, mental, and physical wellbeing through exercise and group activities.

Covid19 highlighted health inequalities in communities such as this and the importance of having opportunities to maintain physical and mental wellbeing is critical to community recovery post pandemic.

The proposal supports the Birmingham City Council Plan 2018-2022 (as updated in 2019)

by contributing to the Council's Key Priorities, specifically :

Outcome 2 Birmingham is an aspirational city to grow up in :

Learning to swim is a key target within the schools' curriculum and the Centre offers access to school swimming lessons, normally accommodating 21 local primary and secondary schools, averaging nearly 2,000 lessons annually, for an estimated 60,000 children; in addition to free swimming for all under 18's.

Priority 3 Birmingham is a fulfilling city to age well in :

The Centre also delivers the Be Active Plus initiative whereby GP refer clients with long term health conditions such as asthma, diabetes and depression for one to one support to enable people to manage their chronic conditions better, and improve or even relieve their symptoms altogether.

Outcome 5 Birmingham residents gain the maximum benefit from hosting the Commonwealth Games :

Priority 2 We will encourage citizens of all abilities and ages to engage in physical activity and improve their health and wellbeing

The swimming pool provides local residents with the opportunity to gain the social, physical and mental health benefits of physical exercise. Pre Covid, the Centre recorded a 12 month attendance figure of 49,000 attendances at the pool for swimming, aquacise and lessons for adults, in addition to swimming and water polo clubs.

The proposal also supports the **Property Strategy 2018/19 – 2023/24** by putting forward a solution whereby a Council asset is maintained, and an operational property is re-opened to the public.

Birmingham Business Charter for Social Responsibility (BBC4SR)

The value of the works is below the threshold for works for the BBC4SR. However, the payment of the Real Living Wage will apply and form part of the conditions of the contract

B2. Project Deliverables

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

- Roof repaired protecting the building from further deterioration to the fabric and fittings
- Large swimming pool re-opened allowing school children and adult swimming lessons, and recreational swimming, to recommence
- Customer experience enhanced with upgraded lighting which will also be more energy efficient thus reducing carbon emissions

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>
Maintain public access to a community facility and a wide range of activities and services	Improved physical, mental and social health of local residents. Pre C19 12 month attendance figures at the pool :

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	<ul style="list-style-type: none"> • Children aged under 5 years – 1,123 • Children aged 6 -15 years – 11,358 • Adults aged 16 – 69 years – 28,340 • Adults aged 70 years plus – 4,882 • Unknown – 3,189 • Swimming and Water Polo Clubs
Pool re-opened responding to local community needs	Organisational reputational risk avoided
Maintenance of BCC owned asset	Asset life extended and ad hoc R&M costs reduced

B4. Benefits Realisation Plan

Set out here how you will ensure the planned benefits will be delivered

A “lessons learnt” will be held with the client, contractor and Acivico Ltd at the end of the project to review successes and failures.

A project implementation review will be held with the end user after 12 months + of the project being operational to learn what impact the repairs have had on service provision.

B5. Stakeholders

A summary of consultation responses is included in the covering Executive report.

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.

Option 1 – Replace Like for Like Panels

Complete the programme of roof repairs removing the translucent roof light damaged panels and **replacing them with like for like panels** and apply waterproof coating to damaged areas at a cost of £317k, including fees and contingency

Option 2 – Replace with Rigid Steel Panels

Complete the programme of roof repairs removing the translucent roof light damaged panels and **replacing them with rigid steel profile panels** matching the rest of the roof and apply waterproof coating to the damaged areas at a cost of £342k, including fees and contingency.

Option 3 – Replace with Rigid Steel Panels and Upgrade Internal Lighting

Recommended Option

Complete the programme of roof repairs removing the translucent roof light damaged panels and replacing them with rigid steel profile panels matching the rest of the roof, apply waterproof coating to the damaged areas, and **upgrade the internal lighting to LED** at a cost of £386k, including fees and contingency.

Option 4 – Replace with Rigid Steel Panels, Upgrade Internal Lighting and Waterproof Entire Roof

Complete the programme of roof repairs removing the translucent roof light damaged panels and replacing them with rigid steel profile panels matching the rest of the roof, **apply waterproof coating to the entire roof**, and upgrade the internal lighting to LED at a cost of £515k, including fees and contingency. **This option will be explored further to establish if there is a business case to complete this additional work whilst the contractors are on site to avoid potential further repair costs in the longer term.**

Option 5 – Do Nothing

Pending repairs being completed the swimming pool cannot be re-opened to the public. To do nothing 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 financial damage to the Council.

C2. Evaluation of key risks and issues

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

The main risk is that current inflationary pressures in the building sector will drive prices up; and that the physical deterioration in the fabric of the roof will worsen resulting in escalating costs and an increasing health and safety risk.

C3. Other impacts of the preferred option

Describe other significant impacts, both positive and negative

Overall, the project delivers positive benefits to the current and potential service users as set out in section B1.

However, the work may involve temporary disruption to service provision and access to the swimming pool area which will be discussed prior to any works commencing and managed during the work.

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

Acivico Ltd will manage the project on behalf of the client (the Wellbeing Service Programme Manager and the Handsworth WBC manager)

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 strategy for the works to undertake a further competition exercise using Acivico Ltd's Constructing West Midlands Building Fabric Framework Agreement was approved in the Planned Procurement Activities report to Cabinet dated 22nd March 2022.

D3. Staffing and TUPE implications:

N/A

E. FINANCIAL CASE**This sets out the cost and affordability of the project****E1. Financial implications and funding**

Capital Expenditure:	Financial Year 22/23 £'m	Financial Year 23/24 £'m	Financial Year 24/25 £'m	Later Years £'m	Totals £'m
Voyager capital code:	RLBBG				
Capital costs already incurred:					
Other costs to complete project :					
Fees	0.038				
Land Acquisition Works					
Works	0.284				
Contingencies	0.064				
Total Capital Expenditure	0.386				
Capital Funding:	Financial Year 22/23 £'m	Financial Year 23/24 £'m	Financial Year 24/25 £'m	Later Years £'m	Totals £'m
Development costs funded by: <i>(Please itemise)</i>					
Other Costs Funded by: Corporate Capital Contingency	0.386				
Total Capital Funding Must fund all the costs	0.386				
Revenue Consequences	Financial Year 21/22 £'m	Financial Year 22/23 £'m	Financial Year 23/24 £'m	Later Years £'m	Totals £'m
Voyager rev. budget code:					
Development costs (revenue)					
Operating period expenditure					
Income					
Savings					
Total Revenue Consequences					
Revenue Funding:					
Current Budgetary					

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Provision					
Other revenue resources identified:					
<i>Corporate Funding assumed additional 20 year life to facility</i>					
Total revenue funding					

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

Cabinet Decision Report/FBC approved

April 2022

Start on site

June 2022

Practical completion

October 2022

Handover of site

October 2022

Date of Post Implementation Review

December 2022

F5. Project Management

Describe how the project will be managed, including the responsible Project Board and who its members are

The construction contract will be administered via Acivico Ltd and the client will be represented by the Client PM who will be responsible for ensuring the governance process and project methodology is adhered to.

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

A detailed project plan will be agreed between the contractor and the client but will include :

- Pre-start site meeting with Contractor, Acivico Ltd, Wellbeing Service and Handsworth Centre Managers
- Risk Assessment for site users
- Communication with users
- Progress monitoring reports/meetings

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
1. Unforeseen additional works arise in course of refurbishment	Comprehensive surveys have been carried out. All known risks will be evaluated, and a contingency sum allocated to mitigate overall project	Low	High

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causing additional funding requirement	risk.		
2. Work not completed on time	Contractor will work to an agreed programme of scheduled activities that will be reviewed at each progress meeting. Slippage of activities will be highlighted at an early stage and activities rescheduled/adjusted to mitigate any delays	Medium	Low
3. Inflation – the construction industry is experiencing exceptional increases in certain material costs	A specific inflation contingency amount of £10k has been included in the estimated costs, in addition to the contingency sums referred to in 1 above. Total contingency provision is 19% of the cost of the works.	Medium	High
4. Work delayed by inclement weather	Risk built into contingency planning and cost	Medium	Medium
5. Impact on existing service provision whilst works are progressing on site.	Health & Safety Assessments will be undertaken and access prohibited as appropriate/programmes of activity amended accordingly; arrangements are already in place for users to use alternative centres.	Medium	Medium

G4. STAKEHOLDER ANALYSIS		
Stakeholder	Role and significance	how stakeholder relationships will be managed
Customers	Service Users/High	Liaison between contractor, ACIVICO and service management (as per C3)
Ward Councillor	Represents the Ward and constituents/High	Service manager to manage communications
Assistant Director Neighbourhoods	Overall responsibility of the asset/ High	Briefed through line management arrangements
Acivico Ltd/Contractor	Responsible for managing and carrying out the work/High	Regular progress review on-site and broader liaison meeting with Acivico Ltd

Other Attachments <i>provide as appropriate</i>	
• Options Appraisal Appendix 1 A	
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