

OUTLINE BUSINESS CASE (OBC)

A. GENERAL INFORMATION

A1. General

Project Title <i>(as per Voyager)</i>	Council House Complex Electrical Upgrade and Refurbishment Works		
Voyager code	TBC		
Portfolio /Committee	Leaders Portfolio	Directorate	Inclusive Growth
Approved by Project Sponsor	Peter Bishop	Approved by Finance Business Partner	Simon Ansell

A2. Project Description

- In December 2018 Cabinet took the decision to pause a potential comprehensive refurbishment of the Council House complex until after 2022 and instigated a testing and monitoring regime with a budget set aside to cover any essential works.
- In early 2020 the regular testing and inspection reports revealed further deterioration in the electrical circuitry which was reported to Property Services by Acivico.
- Property Services took a paper to Capital Board in April 2020 which resulted in a decision to bring forward the replacement of electrical installations on health & safety grounds resulting from the deteriorating condition of aged electrical infrastructure and installations within the complex and to develop an Outline Business Case.
- The scope of works is essentially limited to the replacement and modernisation of electrical installations across the complex to render them safe.
- There is a rationale for including within scope certain other ageing installations that are either linked to or share distribution routes with the electrical circuits e.g. fire alarms.
- While improvements and enhancements are excluded the scope includes the installation of energy efficient LED lighting on the basis that it will yield future revenue savings sufficient to justify the cost alongside carbon reduction benefits.
- The scope of work excludes heating, ventilation, plumbing, drainage, IT & communications and security systems although there is an interface with a separate project instigated by Partnerships, Insight and Prevention Directorate (PIP) to replace CCTV and security systems. The scope excludes work to the external fabric of the buildings and courtyards. Internally works to the building fabric will be restricted to builders work in connection with the new electrical installation and making good of any finishes disturbed as a result of the works.
- Limited improvements (including redecoration) are anticipated to the areas intended to host special events and functions such as the Banqueting Suite, Committee Rooms etc.
- Areas of the complex occupied by Birmingham Museum and Art Gallery (BMAG) are within scope of the project.
- The delivery strategy assumes a phased approach, the first phase being the Council House followed by the Council House Extension. Consultation has taken place with BMT

in order to establish a high level phasing and sequencing strategy. This needs further refinement at the next design stage.

- The programme also envisages the completion of specific areas to make them available for the Commonwealth Games (CWG) cultural programme from March 2022 e.g. primary Civic spaces within the Council House (Banqueting Suite, Council Chamber, Committee Rooms) and those areas within the Council House building occupied by BMAG (main entrance, Round Room, Industrial Gallery and Edwardian Tea Room collectively referred to within this report as the '1885 wing').
- At this stage it is assumed that where works require spaces to be vacated or the removal of artworks that cannot be adequately protected in-situ this will be managed by creating and utilising spaces within the complex. This has been discussed with BMT and is an agreed 'working assumption' at this point.
- A previous report considered whether a part disposal of Margaret Street offices could be realised. We will re-visit this again prior to submission of the FBC under the auspices of the NWOW (New Ways of Working) programme
- The overriding benefit delivered by the project is a modern, safe and energy efficient installation that removes the current risk to people, buildings and collections.

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 proposal outlined in the report will increase the operational life of the Grade II* listed buildings which are symbolic as the central hub from which the city is led and the home of the City's internationally significant art and museum collection. The proposal contributes to the City Council Plan 2018 - 2022, specifically supporting the 5 strategic outcomes:

Birmingham is an entrepreneurial city to, learn and work and invest in.

Birmingham is an aspirational city to grow up in.

Birmingham is a fulfilling city to age well in.

Birmingham is a great city to live in.

Birmingham residents gain the maximum benefit from hosting events such as the Commonwealth Games.

The improvements to the Council House Complex are in line with The Property Strategy 2018/19 – 2023/24 objectives which supports the provision of an operationally efficient, fit for purpose property portfolio. The financial investment and improvements to the buildings will enhance the physical condition of the assets whilst working towards protecting their Grade II* status.

The intended programme of works represents essential futureproofing works for the Council House complex and are necessary to ensure the continued safety for all those who work or visit these historic buildings, together with the valuable and important artefacts stored and displayed within them. As well as being Birmingham's centre of democracy, the complex also serves as a venue for many civic and private events and represents an important part of Birmingham's heritage and cultural offer.

While the overriding principle will be to limit capital expenditure and replace installations without enhancements selective investment is recommended in certain areas where there is a clear and obvious business case that generates revenue savings e.g. LED low energy light fittings.

- Objectives
 - To replace time expired installations with a modern, safe installation to meet current legislation: 18th Edition IEE Wiring Regulations (BS 7671)
 - To undertake the works safely, minimising risk to people, buildings and museum artefacts
 - To minimise disruption to both the Council's and BMT's operations
 - To carry out the works in a cost-effective manner
 - To complete parts of the complex that are integral to the hosting of the Commonwealth Games, such as the cultural programme, by the end of March 2022
- Outcomes
 - The buildings will be safe and no longer pose unacceptable levels of risk to people, heritage buildings and the museum collections (much of the collection is designated by Arts Council England (ACE) as being of national importance and many collections are of international significance)
 - Refurbishment of areas such as the Banqueting Suite, used to host a range of civic and private functions (the latter of which generate income for the Council) such as those that will be linked to the Commonwealth Games in 2022.
 - Future revenue savings will be realised through reduced energy consumption and maintenance
 - Asset value will be protected as a result of the works in the event of any future proposals to revision the use of the Council House complex
 - Generation of social value arising from the successful contractor's Social Value Action Plan

B2. Project Deliverables

The main output will be the replacement of electrical installations to comply with the 18th Edition IEE Wiring Regulations BS 7671 to create:

- A safe working environment for Council and BMT staff
- Safe public access for users of the complex including c 800,000 visitors annually to BMAG
- Safe conditions for storage and display of the museum collections to protect Arts Council accreditation
- Continued commercial hire of spaces (e.g. Banqueting Suite)
- A reduction in running costs of an estimated £0.081m per annum

B3. Project Benefits	
Measure	Outline 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</i>
Safety – comply with legislation	Avoidance of potentially catastrophic loss of life, buildings and collections
Ongoing disruption to operations is reduced/eliminated	Less time lost due to electrical faults and building closures
Deliver revenue savings – reduced maintenance and energy consumption	Avoids on-going testing costs; reduces future maintenance bill; lowers future electricity bills
Generate income	Enables commercial hires to continue
Cost effectiveness	Compares favourably with industry cost benchmarks
B4. Property implications	
<i>Describe any implications for Council properties and for the Council's property strategies</i>	
<p>The proposal will ensure that the electrical wiring in the Council House Complex is replaced and brought up to current statutory standards to meet the 18th Edition IEE Wiring Regulations BS 7671. This will minimise/eliminate power outages which impact on service delivery in the building. The current wiring poses a high risk to Health and Safety for visitors/building users, the contents and the complex itself. As per the Property Strategy 2018/19 – 2023/24 this proposal will contribute towards the effective management of the Central Administrative Building estate ensuring that the electrical services are fit for purpose and can support the day to day operations of a key city centre landmark building. The investment will also contribute to the longevity of a Grade II* listed building.</p>	
C. ECONOMIC CASE - OPTIONS APPRAISAL	
<i>This sets out the options that have been considered to determine the best value for money in achieving the Council's priorities</i>	
C1. Options reviewed	
<p>Option 1 - Do Nothing (Business as Usual): This is not a feasible option as the existing electrical infrastructure is outdated, unreliable and a health and safety issue. Further failings could lead to the closure of the Council House Complex.</p> <p>Option 2 - Reduced Cost Option: This would omit associated installations e.g. fire alarms and would not address replacing the electrical infrastructure throughout all of the Council House Complex. This option would be a false economy as it is not possible to guarantee the life expectancy of the existing infrastructure that would remain, and all the risks associated with retaining it. This could result in a further phase of work and disruption to the operations of the building.</p> <p>Option 3 – Comprehensive Refurbishment: This would bring some economies in implementation but the timing of securing external funding to address the museum is incompatible with the urgent need to address health and safety issues and the future use and occupation of the Council House Complex is under review so this could prove to be an unnecessary expense.</p> <p>Option 4 – Proposed option: Replacement of Electrical Installations and Associated Works: This is the preferred option. This provides a fit for purpose, affordable solution and addresses the health and safety risk of the current electrical infrastructure.</p>	

	Option score (out of 10)				Weight	Weighted Score			
Criteria	1	2	3	4		1	2	3	4
Capital costs	10	7	0	5	10%	100	70	0	50
Future Revenue costs (maintenance & running costs)	3	3	7	5	10%	30	30	70	50
Health & safety risk to people, buildings, collection	0	7	10	8	50%	0	350	500	400
Deliverability/Fundability	10	6	0	5	10%	100	60	0	50
Disruption to operations during the works	8	5	0	5	10%	80	50	0	50
Benefits (Council Priorities)	3	7	7	7	10%	30	70	70	70
Total					100%	340	630	640	670

Further details are given in the Options Appraisal Records attached at the end of this OBC.

C3. Option recommended, with reasons

Which option is recommended and the key reasons for this decision.

Option 4 is the top scoring and preferred option as it achieves the desired outcome of removing the current unacceptable levels of risk at an affordable level of cost while generating future revenue savings.

C4. Risks and Issues of the preferred option

An Outline Risks and Issues Register is attached at the end of this OBC, including risks during the development to Full Business Case stage.

The risks identified are all considered capable of being mitigated to reduce likelihood of occurrence to medium to low residual risk levels. In terms of severity of impact should the risk occur despite mitigation measures, listed building consent refusal and programme slippage impacting upon the availability of space for events such as CWG related activity are rated highest with discovery of asbestos being rated as potentially significant.

During the development stage to Full Business Case (FBC) the risks identified are rated as medium or low post mitigation measures with programme slippage rated High in terms of severity and lack of agreement with BMT and tender returns in excess of budget both being rated as potentially significant.

C5. Other impacts of the preferred option

Describe other significant impacts, both positive and negative

- Contributes to successful hosting of future events
- Helps protect asset value in the event of future disposals

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

Although not a formal partnership arrangement the Council will seek to work collaboratively with BMT as a key stakeholder, to deliver the project. The relationship is that of Landlord and Tenant with BMT occupying their demised areas under a 25 year lease as part of the overall

management agreement between the City Council and Birmingham Museum Trust for management of the collection and historic premises.

The lease contains standard clauses that entitle the Council as Landlord to undertake essential works but given the nature of the relationship, potential for disruption and sensitivity in terms of the museum collections it is intended that BMT will be an active participant in the project with representation at the Project Board.

D2. Procurement implications:

What is the proposed procurement strategy and route? Which Framework, or OJEU?

In order to develop the scheme and proposal to FBC stage it will be necessary to engage the following external resource to support the project:

- Acivico Ltd has been engaged via the Council's Design Construction Facilities Management contract
- Hoare Lea LLP, as a sub-contractor to Acivico Ltd, to deliver the design services and support the procurement process for the award of the electrical installation contract
- A conservation architect, as a sub-contractor to Acivico Ltd, is in the process of being appointed to provide advisory services for working on a Listed Building.

The proposed route is to use Acivico Ltd's CWM2 Framework Agreement that is due to be awarded in late October 2020. The Council is entitled to access this Framework Agreement. The Council, in collaboration with Acivico Ltd, will be involved in selecting the most appropriate contractor for the project based on a price, quality and social value matrix as provided for in the Framework Agreement. The Council will be able to amend clauses or add clauses to the call off contract specific to the project. Alternative frameworks agreements were considered. However, they tend to be single contractor led which does not provide the competitiveness required to evidence best value.

If the award of CWM2 cannot be completed within the anticipated timescale, the alternative procurement strategy is to commence a tender process using the OJEU restricted procedure; this will result in a slight elongation of the project timeline.

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

	2020/21 £000s	2021/22 £000s	2022/23 £000s	2023/24 £000s	Total £000s
CAPITAL EXPENDITURE					
Capital costs already incurred	75	0	0	0	75
Development costs to proceed to FBC	600	0	0	0	600
Other costs to complete:					
Fees	0	350	350	100	800
Works	0	8,650	8,650	4,600	21,900
Decant costs incurred by BCC	0	250	0	0	250
Decant costs incurred by BMT	0	250	250	0	500
Contingencies	0	650	650	400	1,700
Total Capital Expenditure	675	10,150	9,900	5,100	25,825
CAPITAL FUNDING:					
Development costs funded by:					
Policy Contingency	675	0	0	0	675
Other costs funded by:					
Corporate Capital Resources	0	10,150	9,900	5,100	25,150
Total Capital Funding	675	10,150	9,900	5,100	25,825

APPENDIX 1

	2021/22	2022/23	2023/24	Total
	£000	£000	£000	£000
REVENUE CONSEQUENCES - PROJECT DELIVERY Refurbishment of Publicly Accessible Areas	1,200			1,200
REVENUE FUNDING: Funding Source to be Identified at FBC Stage	1,200			1,200
	2021/22	2022/23	2023/24	2024/25+
	£000	£000	£000	£000
REVENUE CONSEQUENCES - CAPITAL FINANCING Revenue Cost of Prudential Borrowing	142	564	911	1,053
REVENUE FUNDING: Corporate Capital Programme Funding	142	564	911	1,053

	2021/22	2022/23	2023/24	2024/25 & Later Years (Full Year Effect)
	£'000	£'000	£'000	£'000
REVENUE CONSEQUENCES - PRUDENTIAL BORROWING Interest on Prudential Borrowing	142	564	911	1,053
REVENUE FUNDING: Corporate Resources	-142	-564	-911	-1,053

E2. Evaluation and comment on financial implications:

The estimated capital cost of the preferred option provided by Acivico Ltd and their subject matter experts is £25.825m, including a contingency element, to be funded through corporate capital resources (£25.150m) and revenue policy contingency (£0.675m).

The cost of progressing the design to support the Full Business Case is no more than £0.675m (including cost incurred to date of £0.075m), funded through the existing revenue allocation of £2.000m from policy contingency approved in the December 2018 Cabinet report "Council House

Complex Works Phase 3a” for Health & Safety and other works required ahead of any future transformational refurbishment of the complex.

Expenditure to the end of March 2020 of £0.119m has been incurred in ongoing fixed electrical testing and any arising remedial work which has been funded from the existing £2.000m revenue policy contingency allocation.

Works to refurbish those areas intended to host events such as the Banqueting Suite, Committee Rooms etc have been initially estimated at £1.200m. The costs and identification of a suitable funding source will be confirmed for submission of the FBC.

The incorporation of LED lighting and modern features such as movement detection systems will result in reduced power consumption in the future. This is expected to generate savings of £0.081m a year upon completion of the scheme through a reduction in current levels of expenditure.

The revenue implications associated with prudentially borrowing for the corporate capital funding of £25.150m are estimated at a cost of £1.053m a year (full year effect). Funding costs will be further developed for FBC submission and the final costs will be factored in as part of the Council’s ongoing capital programme and funding within the Council Financial Plan.

In order to carry out the works it will be necessary to vacate spaces. The intention is that decant operations take place within the complex if this is feasible. Should it become evident that there be is a need for off-site storage the costs of transportation and storage will need to be factored in. Temporarily re-locating BCC and BMT staff is assumed to take place within the complex or wider BCC property portfolio. Any off-site accommodation, if required, will also need to need to be factored in. These areas will be noted as risks and any costs will be identified and a suitable funding source confirmed for submission of the FBC.

Discussions are taking place between BCC and BMT about the financial issues associated with the loss of trading due to the proposed re-wiring works. This is part of a wider discussion about the impact of Covid-19 and re-opening of BMAG. The implications of any change to BMT’s trading position directly attributable to the proposed re-wiring works are currently excluded from the costs within this OBC pending further discussions.

E3. Approach to optimism bias and provision of contingency

Optimism bias calculations have not been made in accordance with Green Book methodologies. The QS cost plan includes allowances for specific known risks such as asbestos and a client contingency of 7.5% which is considered realistic. The contingency will be re-assessed for the Full Business Case based on a costed project risk register.

E4. Taxation

Describe any tax implications and how they will be managed, including VAT

The health and safety electrical upgrade of the Council House complex will be subject to VAT. BCC can reclaim VAT on these works. Any VAT exempt use of the Council House complex, e.g. lettings, will need to be factored into BCC’s annual partial exemption calculations as any VAT on BCC’s costs associated with that use will count against BCC’s 5% partial exemption de minimis limit. Based upon the current expenditure forecast for the upgrade, this VAT is not expected to

threaten BCC's 5% limit. However, this will be reviewed by BCC's VAT Team within the ongoing monitoring of BCC's partial exemption position. Any necessary protective action that may be required will be discussed accordingly.

F. PROJECT MANAGEMENT CASE

This considers how project delivery plans are robust and realistic

F1. Key Project Milestones	Planned Delivery Dates
Outline Business Case approval	October 2020
Appoint contractor under new CWM framework (Stage 1 pre-construction services agreement)	December 2020
Listed Building consent	February 2021
Contractor's proposals and contract price	April 2021
Full Business Case approval	May 2021
Contract award (Stage 2 – NEC Option A contract)	June 2021
Commence Phase 1 works (Council House building)	June 2021
Complete Phase 1a works (Civic spaces & BMAG '1885')	March 2022
Complete Phase 1b works (Remainder Council House building)	August 2022
Commence Phase 2 works (CH Extension)	September 2022
Complete Phase 2 works (CH Extension)	December 2023
Date of post implementation review	TBC

F2. Achievability

Describe how the project can be delivered given the organisational skills and capacity available

A project team has been set up with representation from Property Services (client), Acivico Ltd (lead consultant/contract administrator), Hoare Lea LLP (lead Engineering designer), TBC (conservation architect); Birmingham City Laboratories (asbestos surveys/removal) and representatives from other BCC Directorates: Corporate Procurement, Finance, Legal

- Property Services has worked successfully with Acivico Ltd on similar heritage projects e.g. Birmingham Town Hall, Aston Hall,
- Due to the Grade II* listed status of the Council House Complex early engagement with the Conservation Planner has commenced,
- Birmingham City Laboratories (BCL) have been invited to tender for carrying out a Demolition and Refurbishment Asbestos survey.
- Hoare Lea LLP appointed via Acivico using CCS framework securing continuity and knowledge of buildings and installations
- Conservation Architect also to be appointed via Acivico to lead on listed building consent application
- All consultants and contractors will be appointed subject to evidencing a proven record of working on similar projects and listed buildings.

F3. Dependencies on other projects or activities

- Listed Building consent will be required
- Asbestos surveys will need to be carried out
- The interface with the proposed CCTV renewal project initiated by PIP will need to be carefully managed
- BMT's agreement will be needed to a phased programme of works including measures to protect the collection
- A consultation exercise is proposed with regard to the future use of the complex. The re-wire works will proceed as planned given the health & safety priority. Should the consultation exercise conclude in sufficient time that re-wiring certain parts of the complex in their current configuration is likely to prove abortive or unnecessary the contract could be varied accordingly.

Lessons learned from the previous work undertaken on a potential comprehensive redevelopment of the complex will be taken into account.

F4. Products required to produce Full Business Case

This should be a full list of the items required in order to produce a Full Business Case.

- Overall budget including QS cost plan
- Detailed designs (to RIBA Stage 4)
- Asbestos surveys (to primary distribution routes with further surveys pre construction)
- Listed Building consent
- Tender returns from contractors with preferred bidder identified
- Consultation/Stakeholder analysis
- Appropriate written agreement/Notice relating to works within BMT leasehold demise
- Project Execution Plan

F5. Estimated time to complete project development to FBC

Give an estimate of how long it will take to complete the delivery of all the products stated above, and incorporate them into a Full Business Case.

The above products will be developed between October 2020 and April 2021

F6. Estimated cost to complete project development to FBC

Provide details of the development costs shown in the financial implications above (capital and revenue). This should include an estimate of the costs of delivering all the products stated above, and incorporating them into a Full Business Case. The cost of internal resources, where these are charged to the project budget, should be included. A separate analysis may be attached.

Budget Heading	Estimated Cost to FBC
Acivico Fees (PM/QS/CDM)	£190,000
Consultants sub-contracted via Acivico:	
• Hoare Lea LLP (Electrical Engineer)	£175,000
• Conservation Architect (TBC)	£ 40,000
• Structural Engineer (TBC)	£ 20,000
Asbestos Surveys (BCL)	£ 30,000
Other surveys and investigations	£ 25,000
Allowance BMT Decant costs (Phase 1 works)	£ 50,000
Allowance BCC Decant costs (Phase 1 works)	£ 20,000
Contingency	£ 50,000
TOTAL	£600,000

F7. Funding of development costs

Provide details of development costs funding shown in Section F1 above.

The cost to progress this proposal to FBC is £0.675m (including cost incurred to date of £0.075m), funded from policy contingency of £2.000m awarded through the 2018 Cabinet report "Council House Complex Works Phase 3a"

F8. Officer support

Project Manager: Martin Painter

Project Accountant: Rob Pace

Project Sponsor: Kathryn James, Assistant Director Property

F9. Project Management

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

A project board has been established in line with the Council's Financial Control Standard. The board includes Birmingham Museum Trust to reflect the impact on the trading position of BMAG.

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	<i>Business as Usual (Do Nothing)</i>
Information Considered	<p><i>What information was considered in evaluating the option</i></p> <ul style="list-style-type: none"> • Previous scheme electrical installations • Testing and monitoring results since Dec 2018 • CWG timetable • BMAG implications – disruption • BCC future (post Covid-19) occupancy model • CCTV project • Heritage constraints (LBC and Historic England) • Cost of delivery • Funding opportunities and sources • Timescale for implementation • Disruptive impact • Risk to occupants, buildings and collections
Pros and Cons of Option	<p><i>What were the advantages/positive aspects of this option?</i></p> <ul style="list-style-type: none"> • No capital expenditure requirement • No disruption in the short run <p><i>What are the Disadvantages/negative aspects of this option?</i></p> <ul style="list-style-type: none"> • Risk of partial or full building closure • Risk of injury or loss of life • Risk to museum collection • Reputational damage associated with above • On-going testing and monitoring costs • Increasing maintenance costs year on year • Reduced sale value in the event of future disposal of parts of the complex
People Consulted	<p><i>Who was consulted regarding development of key elements of this option</i></p> <ul style="list-style-type: none"> • Council Leadership • BMT • Conservation Officer • Cabinet Members • CPS • Legal • Finance <p><i>Note: Political Parties to be consulted via Cross Party Working Group</i></p>
Recommendation	Abandon
Principal Reason for Decision	<p><i>What are the key reasons for the recommendation regarding this option:</i></p> <p><i>Short term solutions with escalating issues and risks over time leading to eventual closure (at short notice) of part or all of the complex (Council and Museum) and potential risk of injury or loss of life. On-going testing costs and increasing maintenance bills.</i></p>

Option 2	Reduced Cost Option
Information Considered	<p><i>What information was considered in making the decision</i></p> <ul style="list-style-type: none"> • Previous scheme electrical installations • Testing and monitoring results since Dec 2018 • CWG timetable • BMAG implications – disruption • BCC future (post Covid-19) occupancy model • CCTV project • Heritage constraints (LBC and HE) • Cost of delivery • Funding opportunities and sources • Timescale for implementation • Disruptive impact • Risk to occupants, buildings and collections
Pros and Cons of Option	<p><i>What were the advantages/positive aspects of this option?</i></p> <ul style="list-style-type: none"> • Reduced capital cost <p><i>What are the Disadvantages/negative aspects of this option?</i></p> <ul style="list-style-type: none"> • Fails to deal with associated systems/installations such as fire alarms which could be dealt with simultaneously and share distribution cable trays, conduits etc • Does not deliver revenue savings from LED light fittings • On-going maintenance costs of associated systems/installations that have not been replaced
People Consulted	<p><i>Who was consulted regarding development of key elements of this option</i></p> <ul style="list-style-type: none"> • Council Leadership • BMT • Conservation Officer • Cabinet Members • CPS • Legal • Finance <p><i>Note: Political Parties to be consulted via Cross Party Working Group</i></p>
Recommendation	Abandon
Principal Reason for Decision	<p><i>What are the key reasons for the recommendation regarding this option</i></p> <p>Does not deal with systems that are associated with or closely linked to the electrical systems (e.g fire alarms) nor realise future revenue savings from LED light fittings</p>

Option 3	Comprehensive Refurbishment
Information Considered	<p><i>What information was considered in evaluating the option</i></p> <ul style="list-style-type: none"> • Previous scheme electrical installations • Testing and monitoring results since Dec 2018 • CWG timetable • BMAG implications – disruption • BCC future (post Covid-19) occupancy model • CCTV project • Heritage constraints (LBC and HE) • Cost of delivery • Funding opportunities and sources • Timescale for implementation • Disruptive impact • Risk to occupants, buildings and collections

Pros and Cons of Option	<p><i>What were the advantages/positive aspects of this option?</i></p> <ul style="list-style-type: none"> Deals comprehensively with all ageing systems within the complex <p><i>What are the Disadvantages/negative aspects of this option?</i></p> <ul style="list-style-type: none"> Level of borrowing required unacceptable at present time Significant external grant funding required for museum (timetable unlikely to be compatible with risks posed by electrics short term) Implementation timescale means continued and increasing risk Unable to be delivered for CWG Significant disruption to BCC and BMAG Off-site decant of collection required
People Consulted	<p><i>Who was consulted regarding development of key elements of this option</i></p> <ul style="list-style-type: none"> Council Leadership BMT Conservation Officer Cabinet Members CPS Legal Finance <p><i>Note: Political Parties to be consulted via Cross Party Working Group</i></p>
Recommendation	Abandon
Principal Reason for Decision	<p><i>What are the key reasons for the recommendation regarding this option</i></p> <p>Funding not available within a timeframe that enables risk posed by electrics to be addressed</p>

Option 4	Proposed option Replacement of Electrical Installations and Associated Alarm Systems including LED Light Fittings
Information Considered	<ul style="list-style-type: none"> Previous scheme electrical installations Testing and monitoring results since Dec 2018 CWG timetable BMAG implications – disruption BCC future (post Covid-19) occupancy model CCTV project Heritage constraints (LBC and HE) Cost of delivery Funding opportunities and sources Timescale for implementation Disruptive impact Risk to occupants, buildings and collections
Pros and Cons of Option	<p><i>What were the advantages/positive aspects of this option?</i></p> <ul style="list-style-type: none"> Addresses risk posed in the shortest possible timeframe Capable of being funded via Prudential Borrowing Deals with other linked systems (e.g. fire alarms) at the same time Dovetails with CCTV project Allows substantial parts of complex to be CWG ready Some disruption inevitable but tolerable Energy savings Eliminates further testing and monitoring costs

APPENDIX 1

	<p><i>What are the Disadvantages/negative aspects of this option?</i></p> <ul style="list-style-type: none"> Does not deal comprehensively with refurbishment and replacement of heating, ventilation, plumbing, drainage etc. Will involve some disruption to BCC and BMT
People Consulted	<p><i>Who was consulted regarding development of key elements of this option</i></p> <ul style="list-style-type: none"> Council Leadership BMT Conservation Officer Cabinet Members CPS Legal Finance <p><i>Note: Political Parties to be consulted via Cross Party Working Group</i></p>
Recommendation	Proceed
Principal Reason for Decision	<p><i>What are the key reasons for the recommendation regarding this option</i></p> <p>Minimum scheme to address H&S risks posed that delivers benefits in revenue costs and is capable of funding and delivers substantial parts of the Council House and BMAG for the CWG</p>

G2. OUTLINE RISKS AND ISSUES REGISTER <i>Risks should include Optimism Bias, and risks during the development to FBC</i> <i>Grading of severity and likelihood: High – Significant – Medium - Low</i>			
		Risk after mitigation:	
Risk or issue	Mitigation	Likelihood	Severity
1. Discovery of asbestos exceeds expectations	Surveys to be carried out during development stage and re-sequencing of works if necessary	M	S
2. Disruption and revenue loss to BMAG operations beyond expectations	Consultation with BMT over sequencing and timing of works to minimise. Compensation to be included within business case if appropriate.	L	M
3. Decant measures required prove greater than anticipated	Consultation with BMT over decant strategy to identify costs for inclusion within business case	L	M
4. Costs of implementation overrun	Adequate risk contingency and effective project and cost management with early warning and change control mechanisms	M	M
5. Programme overruns impacting upon CWG	Adequate programme float and effective project and programme management with early warning mechanisms	M	H
6. Quality of installation not to required standard	Development of specifications in sufficient detail to prevent shortcuts and close monitoring and inspection of works to ensure compliance	L	M
7. Listed Building consent refused	Pre-application consultation with conservation officer and Historic England and appointment of suitably qualified and experienced Conservation Architect	L	H
8. Failure to complete the new CWM2 Framework	Undertake a tender process using the OJEU restricted procedure.	L	H
9. Overspend on costs during development stage	Robust budget and adequate contingency allowance to cover risks	L	M
10. Programme slippage occurs that impacts overall programme	Adequate programme float and effective project and programme management with early warning mechanisms	M	H

APPENDIX 1

11. Agreement not achieved with BMT over scope and sequencing of works	BMT represented on Project Board and effective consultation during development stage	M	S
12. Tender for works exceeds budget	Market test to establish robust cost plan and adequate contingency provision to cover risks.	M	S
13. Covid impact upon future occupancy and use of complex	Anticipate and align as far as possible with Council New Ways of Working (NWOW) programme	M	M
14. Brexit impact upon delivery of project	Ensure supply chains are robust throughout the project with suitable alternative routes	M	M