

**Sandwell Towns Fund Superboard  
West Bromwich Town Hall Quarter Full Business Case**

**20 January 2022**

<b>Subject:</b>	West Bromwich Town Hall Quarter Full Business Case
<b>Presenter:</b>	Chris Hinson – Chair for West Bromwich Local Board Jane Lillystone – SMBC, Paul Evans, SMBC, Mark Evans, SMBC
<b>Contact Officer:</b>	Jenna Langford Interim Towns Fund Programme Manager town_deal@sandwell.gov.uk

**1. Recommendations**

- 1.1. To receive and agree the final Full Business Case for West Bromwich Town Hall Quarter, including the project equality impact assessment, environmental impact assessment and monitoring and evaluation plan.
- 1.2. To recommend the submission of the Full Business Case to the Assurance Panel and subject to successful appraisal, submission of the Project Summary Document to DLUHC.
- 1.3. To note that in the event that the Full Business Case appraisal leads to minor amends/ points of clarity being required, these will be addressed by the Project Lead in conjunction with the Chair of the Local Board, the Chair of the Superboard and the Assurance Panel.
- 1.4. To note that in the event that the appraisal leads to a recommendation of substantial changes to the Full Business Case, these will be addressed by the Project Lead in conjunction with the Chair of the Local Board, the Chair of the Superboard and the Assurance Panel.

**2. Purpose of the Report**

- 2.1. To present the Full Business Case for the West Bromwich Town Hall Quarter project for agreement including an equality impact assessment, environmental impact assessment and monitoring and evaluation plan.



### **3. Background and Main Considerations**

- 3.1. On 3 March 2021, Heads of Terms for a Town Deal for West Bromwich were offered by Government. This included an offer of an overall funding package of £25m. The Heads of Terms offer is subject to the appraisal and approval of a Full Business Case for each project and the submission of a Summary Document (one per project) by March 2022.
- 3.2. The Town Deal for West Bromwich was signed on 24 March 2021.
- 3.3. Details of the projects put forward for West Bromwich Town Deal were re-confirmed with Government in the form of a Project Confirmation Table. These were considered by Superboard on 17 May and submitted following approval from the Council's S151 Officer.

### **4. Full Business Case Contents**

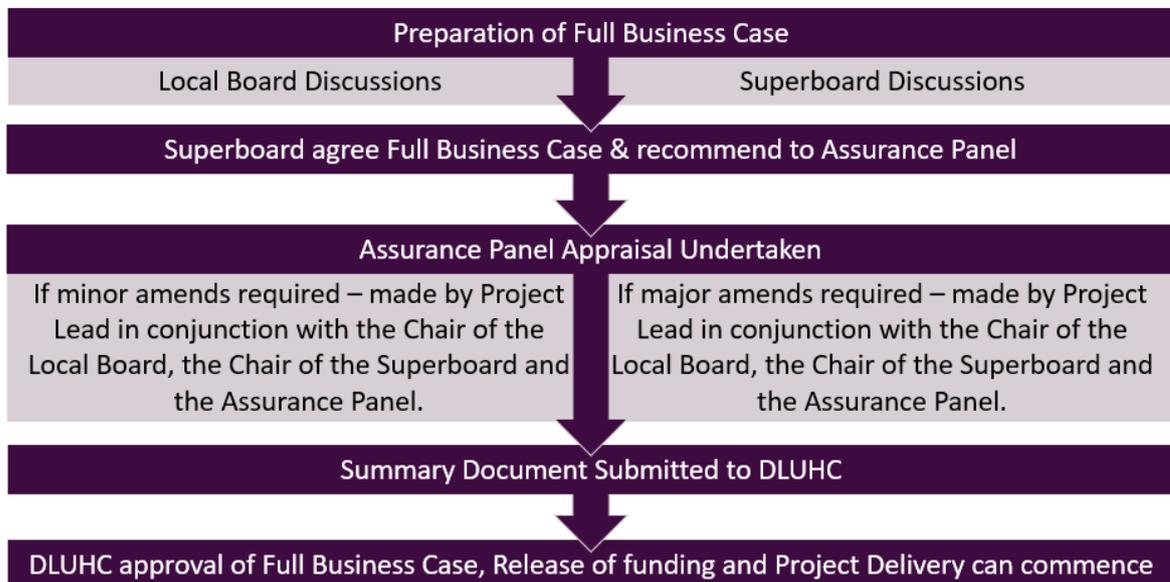
- 4.1. The Towns Fund Business Case Guidance, December 2021, outlined that Towns Fund Full Business Cases should be compliant with the HMT Treasury Green Book (2020). This sets out that Full Business Cases should address five cases; Strategic Case, Economic Case, Commercial Case, Financial Case and Management Case.
- 4.2. Preparing a project business case using the five-case model provides decision makers and stakeholders with a proven framework for structured thinking and assurance that the project: Provides strategic fit and is supported by a compelling case for change, will maximise public value, is commercially viable, is affordable and is funded and can be delivered successfully by the organisation and its partners
- 4.3. Sandwell's Towns Fund Full Business Cases have been prepared according to this model.
- 4.4. Following Cabinet approval on 24 November 2021, an Assurance Panel has been established comprising the Town Deal Board Chair, Director of Regeneration and Growth, Director of Finance (Section 151 Officer) and Cabinet Member for Regeneration and Growth, to appraise Full Business Cases.

### **5. Submission of Project Summary Documents to DLUHC**

- 5.1. Once a Full Business Case has been approved by the Assurance Panel, a Summary Document will be prepared and submitted to DLUHC for review before funding is released. At which point Terms and Conditions of the grant will be provided.



- 5.2. The Summary Document contains an overview of each Business Case, how it has been appraised, and confirmation that key conditions from the Heads of Terms have been addressed (where applicable).
- 5.3. The Chair of the Superboard will be a signatory on the Summary Document.
- 5.4. An outline of the process for approval of a project Full Business Case is as follows:



## 6. Town Hall Quarter Full Business Case Summary

### Project Description

- 6.1. The Town Hall Quarter project is located in West Bromwich Town Centre on West Bromwich High Street. The project will restore and renovate the Grade II listed West Bromwich Town Hall and Central Library buildings, internally and externally and provide a new Equalities Act compliant entrance from West Bromwich High Street.
- 6.2. This Towns Fund project will kickstart the wider Town Hall and Central Library vision of which includes a new entrance, extension and infill link between both buildings, subject to further funding.

### Summary of Strategic Case

- 6.3. Refurbishment of both West Bromwich Town Hall and Central Library is required at a structural level, including internal and external works to future proof the buildings.
- 6.4. Sandwell has a young and diverse population and limited scale of a cultural offer within the local area, including within its major towns such as West Bromwich. To



consider Sandwell local authority in a wider context the local authority has one of the lowest levels of cultural engagement in England as shown by its ranking of 324 out of 325 local authorities in terms of cultural engagement.

- 6.5. Engagement with residents has demonstrated clear demand for investment, improvements and modernisation to improve the Town Hall and Central Library. There is desire for improved venues in West Bromwich for live performance spaces, community groups and workshops, skills and enterprise opportunities, access public services, open café facility and exhibition spaces. Engagement also demonstrated the need to create a thriving place and an improved night time economy.
- 6.6. The project has been bought forward as part of the West Bromwich Town Deal through its contribution to the town priority of Reinvigorate the town centre and Stimulate Covid recovery.
- 6.7. The Town Hall Quarter project links to the wider West Bromwich Masterplan and its vision for ambitious and transformational change within the Town Centre.

### **Summary of Economic Case**

- 6.8. The Town Hall Quarter project will provide local people with a renovated Town Hall and Central Library and improve the appearance and people's perceptions of the buildings.
- 6.9. The physical works on both buildings will have a major positive impact on the street scene and add considerable aesthetic value from a visual, amenity and heritage point of view.
- 6.10. The restoration will enable delivery of shared services and multi-agency partnership working, improved delivery of Cultural and Arts offer and improved access, facilities, community workshops, live performances and exhibitions.
- 6.11. The Benefit Cost Ratio (BCR) calculation for this project is 2.66. The Green Book advises that a BCR of above 2.0 is high Value for Money (VfM), meaning this scheme offers high VfM.
- 6.12. The main risks have been identified for the project and are being proactively managed through regular risk review and escalation, as required. The main risks are as follows: -



- *Delays due to Covid-19*
- *Construction costs over-runs*
- *Funding shortfall*
- *Delays/ slippages as a result of approvals and DLUHC approvals*

### **Summary of Management Case**

- 6.13. The project management is resourced through existing capacity within the Local Authority and will be overseen by the Project Manager who will report frequently to the Programme Management Office, West Bromwich Local Board and Sandwell Superboard.
- 6.14. The delivery of this project is not dependent upon the delivery of any other TIP projects but will complement the West Bromwich Digital Den Project, supporting a longer-term skills strategy through the creation of new and improved community spaces, by enhancing the outputs of the Digital Den itself and improving digital skills for residents across the town.

### **Summary of Financial Case**

- 6.15. The project value is £7.558m comprising £6.93m from Towns Fund and match funding of £0.628m from Sandwell Council.
- 6.16. Long term running costs will be met by Sandwell Council.

### **Summary of Commercial Case**

- 6.17. The Town Hall Quarter Project requires the appointment of a qualified and experienced Heritage and Construction contractor. The current intention is to procure works through a competitive tender using JCT or NEC4 Building Contract. However, discussions will take place with Historic England to determine if they have any preferred Heritage Framework or procurement routes.
- 6.18. Once design work is complete, a Principal Contractor with sub-contractors will be appointed via a competitive tender process through an existing SMBC Framework.
- 6.19. Specific social value targets and/ or requirements to be included as part of the contract evaluation. Conditions will include activities/ positions/ roles that would deliver social value including work experience placements, school engagement, apprentices and graduate employment opportunities.



## Equality Impact Assessment

- 6.20. An equality impact assessment has been conducted and is appended. The refurbishment and redevelopment of the project is likely to have positive impacts for older people, children, students, disabled people, and those from lower socio-economic backgrounds through a combination of improved physical accessibility and the new cultural and public sector services that will be on offer.
- 6.21. However, some groups may experience negative impacts from the redevelopment during the construction period. Actions to mitigate impacts have been recorded within the Equality Impact Assessment.

### Construction

- 6.22. Age: potential negative impacts of the redevelopment, particularly around the potential for blocked access routes and parking facilities
- 6.23. Disability: potential negative impacts of the redevelopment, particularly around the potential for blocked access routes, parking facilities and through the effect of noise and air pollution on existing health conditions
- 6.24. Race, Sex, Gender Reassignment and Sexual Orientation: potential negative impacts of the redevelopment, particularly around the potential for blocked or redirected access routes, which may impact upon access to community facilities

### Operational

- 6.25. Age: improving social, cultural and educational benefits for young people and adults
- 6.26. Disability: through improving mobility and accessibility to buildings
- 6.27. Race, Sex, Gender Reassignment and Sexual Orientation: through creating a welcoming environment for all residents, creating and maintaining a cultural and community focused space within the town centre

## Environmental Impact Assessment

- 6.28. An Environmental Impact Screening has been undertaken and is appended. The screening has identified that Schedule 1 and 2 of the EIA regulations do not apply to this project and therefore a full assessment is not required.



## Project Adjustment

- 6.29. Any project changes within the Towns Fund need to be formally submitted to DLUHC as a project adjustment request, following discussion with Sandwell's allocated Towns Fund Area Lead. Changes are recorded via a Project Adjustment Form outlining the changes made, rationale and detail of consultation to communicate changes.
- 6.30. Following the detailed costings exercise, the project has refined its scope due to the increased construction costs. The project has removed Phases 2 and 3 (demolition of out-buildings and extension) and will proceed to deliver Phase 1 - Renovation and Refurbishment of Town Hall and Central Library.
- 6.31. As part of the wider Town Hall and Central Library Project there will be a need to attract additional funding towards the design, planning and delivery of Phases 2 and 3 – aligned to the successful start/completion of Phase 1. Due to the significant level of capital required, the Project Team are in the process of identifying new funding sources and techniques to ensure sustainable (external) funding levels can be secured.
- 6.32. A Project Adjustment Form has been prepared for the Town Hall Quarter project to record the following changes: -

Original Output/ Outcome	Revised Output/ Outcome
Over 700 sq. m expansion to Town Hall Town Hall and Library.	Removed from project scope.
Refurbishment of over 4,120 sq.	No changes
Creation of enterprise and external and community workshops	No changes
New performance space	New performance/events and exhibition spaces
Improved Town Hall and upgrades to both Library with c40,000-60,000 the Town Hall and visitors.	Improved Town Hall and Central Library with estimated 184,000 visitors a year
A concert hall with a capacity of 1.000 anticipated to host c.30,000 attendees annually.	Removed from project scope
Private sector investment into adjacent vacant land.	Removed from project scope
	2 Heritage buildings renovated/ restored



## Appendices

Town Hall Quarter Full Business Case document including:

- Consultation and Engagement Plan
- Equality Impact Assessment
- Environmental Impact Assessment
- Risk Register
- Monitoring and Evaluation Plan

## Source Documents

- Town Hall Quarter Project Confirmation Table
- West Bromwich Town Deal Heads of Terms
- MHCLG Business Case Guidance, December 2020
- MHCLG Monitoring and Evaluation Guidance, April 2021

