

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

**17 February 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, 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, monitoring and evaluation plan and project adjustments.
- 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, monitoring and evaluation plan including the project adjustments.



### **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**

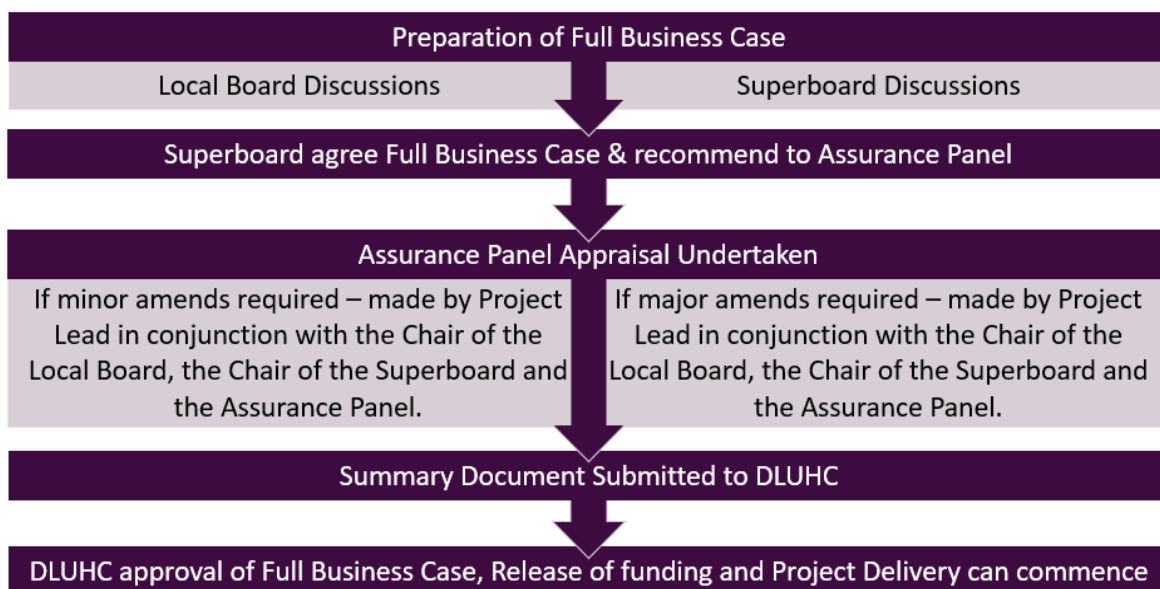
- 4.1. The Towns Fund Business Case Guidance, December 2020, outlined that Towns Fund Full Business Cases should be compliant with the HMT Treasury Green Book (2020). This sets out that Full Business Cases should address five cases; Strategic Case, Economic Case, Commercial Case, Financial Case and Management 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 and Sandwell Council's S151 Officer 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

<b>Lead Organisation</b>	Sandwell Council
<b>Towns Fund Ask</b>	£6.93m
<b>Match Funding</b>	£0.628m
<b>Total Project Value</b>	£7.558m
<b>Project Description</b>	<p>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.</p> <p>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.</p>
<b>Project Start Date</b>	24 October 2022
<b>Project End Date</b>	31 July 2024



<b>Outputs</b>	<ul style="list-style-type: none"> <li>• Refurbishment of over 4,120 sqm</li> <li>• Creation of enterprise and external and community workshops</li> <li>• New performance space</li> <li>• 2 Heritage buildings renovated/ restored</li> </ul>
<b>Outcomes</b>	<ul style="list-style-type: none"> <li>• Improved Town Hall and Central Library with estimated 184,500 visitors a year</li> <li>• Delivery of IT: Employability, Digital &amp; Family Learning</li> </ul>
<b>BCR Calculation</b>	The Benefit Cost Ratio (BCR) calculation for this project is 2.66, meaning this scheme offers high value for money.
<b>Key Risks</b>	<p>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: -</p> <ul style="list-style-type: none"> <li>• Delays due to Covid-19</li> <li>• Construction costs over-runs</li> <li>• Funding shortfall</li> <li>• Delays/ slippages as a result of approvals and DLUHC approvals</li> </ul>
<b>Equality Impact Assessment</b>	<p>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.</p> <p>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.</p>
<b>Environmental Impact Assessment</b>	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.
<b>Project Adjustment Form Required</b>	Project Adjustment Form required. Details of changes outlined below.

## 7. Town Hall Quarter Project Adjustment

- 7.1. 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.
- 7.2. 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.
- 7.3. 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.

7.4. A Project Adjustment Form has been prepared for the Town Hall Quarter project to record the following: -

Project Detail	Original Proposal	Adjusted Proposal
<b>Towns Fund Ask</b>	£6.93m	No changes to record
<b>Match Funding</b>	£0.552m	£0.628m
<b>Total Project Value</b>	£7.45m	£7.558m
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• Over 700 sq. m expansion to Town Hall Town Hall and Library.</li> <li>• Refurbishment of over 4,120 sqm</li> <li>• Creation of enterprise and external and community workshops</li> <li>• New performance space</li> </ul>	<ul style="list-style-type: none"> <li>• Refurbishment of over 4,120 sqm</li> <li>• Creation of enterprise and external and community workshops</li> <li>• New performance space</li> <li>• 2 Heritage buildings renovated/ restored</li> </ul>
<b>Outcomes</b>	<ul style="list-style-type: none"> <li>• Improved Town Hall and upgrades to both Library with c40,000-60,000 the Town Hall and visitors.</li> <li>• A concert hall with a capacity of 1.000 anticipated to host c.30,000 attendees annually.</li> <li>• Private sector investment into adjacent vacant land.</li> </ul>	<ul style="list-style-type: none"> <li>• Improved Town Hall and Central Library with estimated 184,500 visitors a year</li> <li>• Delivery of IT: Employability, Digital &amp; Family Learning</li> </ul>
<b>Changes to project description noted within the Project Adjustment Form</b>	This project will see extensive external and internal works to both the Town Hall and Central Library, an anchor building in West Bromwich's conservation area. Following this, selected demolition of poor-quality outbuildings will allow for a major new extension, over 700m2, to the existing complex of buildings.	This project will see extensive external and internal building upgrades to both the Town Hall and Central Library, an anchor building in West Bromwich's conservation area.



## Appendices

Town Hall Quarter Full Business Case document including:

- Equality Impact Assessment
- Environmental Impact Assessment
- Consultation and Engagement Plan
- 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 2022

