

CAPITAL INVESTMENT BUSINESS CASE

(Insert Project Title)



EXECUTIVE SUMMARY

The Executive Summary is a short summary of the Business Case and should be the last section you complete, this will enable you to extract or only the key facts from relevant sections i.e. 'project on a page'. The summary is a 'snapshot' of the business case which will need to tell the story and sell the proposal.

This business case seeks to utilise £866,000 (incl. £56,000 contingency) of Capital investment to complete a programme of work to address urgent Health and Safety lifecycle issues within the listed corporate estate.

Condition surveys have determined works required, to date some of which have already started delivery due to time sensitive nature of the severity.

The programme covers three areas:

Plymouth Guildhall – Water proofing and tower condition works

Elliott Terrace – replacement ceilings to floors 1 and 2 following a near miss collapse

Commercial Wharf – Sea Hole Wall repair

Decision Required

- Approves the Business Case
- Allocates £866,000 for the project into the Capital Programme funded by Corporate Borrowing across the Improvements to Corporate Estate (ICE) and Health and Safety funds.

SECTION I: PROJECT DETAIL

Project Value (indicate capital or revenue)	£866,000	Contingency (show as £ and % of project value)	£56,000 10% on Guildhall Project only
Programme	Improvements to Corporate Estate and Health and Safety	Directorate	Customer & Corporate
Portfolio Holder	Cllr Mark Shayer	Service Director	Kim Brown
Senior Responsible Officer (client)	Andy Ralphs	Project Manager	Dan Williams
Address and Post Code		Ward	Citywide

Current Situation: *(Provide a brief, concise paragraph outlining the current situation and explain the current business need, problem, opportunity or change of circumstances that needs to be resolved)*

Plymouth Guildhall

Following a Quadrennial inspection multiple areas of water ingress, and structural disrepair, were identified as high priority items. These include water ingress to the north (Royal Parade) elevation and disrepair to the north west (Guildhall Carpark) tower. Immediate making safe works have been ongoing with some water ingress remedial works taking place to half of the northern elevation. The next phase of this programme is to complete the northern elevation in entirety by June 2023 in order to handover a more water tight property to the Future Highstreets project/ refurbishment of the Guildhall.

Elliott Terrace

Following a water leak the ceiling on floor one was identified as at risk and failing/ collapsing. Initial capital works have been undertaken to replace the ceiling under strict conditions in relation to the listed building status.

Upon further inspection and survey of the building, the ceiling on floor two was also identified as end of life at significant risk of collapse. Making safe has taken place and works are largely complete owing to the time sensitive nature of the risk. Works are due to complete by March 2023.

Commercial Wharf

Significant bulging within the sea wall at Commercial Wharf indicated voiding behind the limestone faced all. Initial investigation dismantled the sea wall which revealed a significant void which has been caused by wash out of the base material. The void was located below public realm and a significant risk to public safety and the integrity of the sea wall. Works are largely completed and risk to public safety has been removed.

Proposal: *(Provide a brief, concise paragraph outlining your scheme and explain how the business proposal will address the current situation above or take advantage of the business opportunity) and (What would happen if we didn't proceed with this scheme?)*

Plymouth Guildhall - £616,000 Incl. Contingency of £56,000 – Improvements to Corporate Estate Capital Programme

Continuation of water tightness works and repair to north west tower including repointing and removal of carbon deposits to return building back to original colour.

Elliot Terrace - £90,000 – Health and Safety Fund

Replacement of two level ceilings and replacement bathroom and carpets. Re-plaster of rooms where required owing to water damage and returning to original decorative order.

Commercial Wharf – £160,000 – Improvements to Corporate Estate Capital Programme

Removal of debris to expose full issue

Underpinning of public footpath

Rebuild wall reusing suitable reclaimed limestone and additional locally sourced limestone

Remaining void to be filled with concrete and fixed with steel ties

Milestones and Date:

Contract Award Date	Start On Site Date	Completion Date
Existing contracts		June 2023

SECTION 2: PROJECT RISK, OUTCOMES AND BENEFITS

Risk Register: *The Risk Register/Risk Log is a master document created during the early stages of a project. It includes information about each identified risk, level of risk, who owns it and what measures are in place to mitigate the risks (cut and paste more boxes if required).*

Potential Risks Identified	Likelihood	Impact	Overall Rating
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Risk	Risk of delays to works due to disruption of events within Guildhall & Council House that forces works to stop and result in claims from the contractors.	Medium	Medium	Medium
Mitigation	Full condition surveys carried out and contingency included	Low	Low	Low
Calculated risk value in £ (Extent of financial risk)	£0			
Risk	Insufficient contractor capacity leading to delays in work/ further deterioration	Low	Medium	Medium
Mitigation	Most developmental works have been undertaken and resources confirmed. Commercial Wharf scheme complete.	Low	Low	Low
Calculated risk value in £ (Extent of financial risk)	£0			

Outcomes and Benefits

List the outcomes and benefits expected from this project.

(An **outcome** is the result of the change derived from using the project's deliverables. This section should describe the anticipated outcome)

(A **benefit** is the measurable improvement resulting from an outcome that is perceived as an advantage. Benefits are the expected value to be delivered by the project, measurable whenever possible)

Financial outcomes and benefits:

Reduced emergency maintenance costs

Non-financial outcomes and benefits:

To ensure that facilities are able to be continued to be used and services continue to be delivered. Also there would be reputational damage and potential loss of income, current and future, if the Guildhall repairs are not undertaken, which would also restrict wider initiatives to maximise the use of the building.

Low Carbon

What is the anticipated impact of the proposal on carbon emissions

Reduced carbon emissions for both Plymouth Guildhall and Elliott Terrace due to better insulated properties

How does it contribute to the Council becoming Carbon neutral by 2030

As above

Have you engaged with Procurement Service?

No

Procurement route options considered for goods, services or works

To be delivered via existing maintenance contracts

Procurements Recommended route.

Who is your Procurement Lead?

Is this business case a purchase of a commercial property

No

If yes then provide evidence to show that it is not 'primarily for yield'

Which Members have you engaged with and how have they been consulted (including

Cllr Mark Shayer – Meeting Wednesday 08th March 2023

the Leader, Portfolio Holders and Ward Members)

SECTION 4: FINANCIAL ASSESSMENT

FINANCIAL ASSESSMENT: *In this section the robustness of the proposals should be set out in financial terms. The Project Manager will need to work closely with the capital and revenue finance teams to ensure that these sections demonstrate the affordability of the proposals to the Council as a whole. Exact amounts only throughout the paper - not to be rounded.*

CAPITAL COSTS AND FINANCING

Breakdown of project costs including fees surveys and contingency	Prev. Yr. £	22/23 £	23/24 £	24/25 £	25/26 £	26/27 £	Future Yrs. £	Total £
Works		£605,000	£261,000					
Total capital spend		£605,000	£261,000					

Provide details of proposed funding: *Funding to match with Project Value*

Breakdown of proposed funding	Prev. Yr. £	22/23 £	23/24 £	24/25 £	25/26 £	26/27 £	Future Yrs. £	Total £
Improvements to Corporate Estate		515,000	261,000					
Health and Safety		90,000						
Total funding		605,000	261,000					

Which external funding sources been explored	N/A
Are there any bidding constraints and/or any restrictions or conditions attached to your funding	N/A
Tax and VAT implications	VAT Payable on works
Tax and VAT reviewed by	

REVENUE COSTS AND IMPLICATIONS

Cost of Developing the Capital Project (To be incurred at risk to Service area)

Total Cost of developing the project 0

Revenue cost code for the development costs	0
Revenue costs incurred for developing the project are to be included in the capital total, some of the expenditure could be capitalised if it meets the criteria	N
Budget Managers Name	Dan Williams

Ongoing Revenue Implications for Service Area							
	Prev. Yr. £	22/23 £	23/24 £	24/25 £	25/26 £	26/27 £	Future Yrs. £
Service area revenue cost							
Other (eg: maintenance, utilities, etc)							
Loan repayment (terms agreed with Treasury Management)							
Total Revenue Cost (A)							
Service area revenue benefits/savings							
Annual revenue income (eg: rents, etc)							
Total Revenue Income (B)							
Service area net (benefit) cost (B-A)							
Has the revenue cost been budgeted for or would this make a revenue pressure							
Which cost centre would the revenue pressure be shown						Has this been reviewed by the budget manager	Y/N
Name of budget manager							
Loan value	£	Interest Rate	%	Term Years		Annual Repayment	£
Revenue code for annual repayments							
Service area or corporate borrowing							
Revenue implications reviewed by							

Version Control: (The version control table must be updated and signed off each time a change is made to the document to provide an audit trail for the revision and update of draft and final versions)

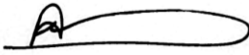
Author of Business Case	Date	Document Version	Reviewed By	Date
Dan Williams	06/03/2023	v 1.0	Lynn Walter	06/03/2023
	00/00/2023	v 2.0		00/00/2023

SECTION 6: RECOMMENDATION AND ENDORSEMENT

Recommended Decision

It is recommended that the Leader of the Council:

- Approves the Business Case
- Allocates £866,000 for the project into the Capital Programme funded by Corporate Borrowing across the Improvements to Corporate Estate (ICE) and Health and Safety funds.

Cllr Richard Bingley – Leader		Strategic Director - Andy Ralphs	
Either email dated:	<i>Date 22/03/2023</i>	Either email dated:	<i>date</i>
Or signed:		Signed: 	
Date:		Date: 09/03/2023	
Service Director			
<i>[Name, department]</i>			
Either email dated:		<i>date</i>	
Signed:			
Date:			