

# CAPITAL APPRAISAL FORM (FULL APPRAISAL - 2015/16 PROCESS)

SCHEME TITLE:

Creative Quarter

START  
YEAR:

2015/16

BRIEF DESCRIPTION OF PROJECT:

Tamworth Enterprise Quarter offers a unique opportunity to transform an important part of the town centre, injecting much needed economic vibrancy and helping to re-define Tamworth as a place to work, do business, visit and live. The project includes improvements to the Tamworth Assembly Rooms to reinvigorate it as a major cultural, social and economic asset; the transformation of the Philip Dix building into a Business Enterprise Centre and improvements to the Carnegie Centre, Tamworth Library and the neighbouring public realm. The Creative Quarter will include the creation

PROJECT LEADER:

Rob Mitchell

PROJECT SCORE

120

2015/16      2016/17      2017/18      2018/19      2019/20

## SECTION 1

### CAPITAL COSTS (Please attach supplementary information/ quotations in support of your estimates)

EXPENDITURE (describe)	CASHFLOW £000					
	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
Assembly Rooms	200.0	2,202.8	2,068.1	-	-	4,470.9
Phil Dix Centre	-	-	-	575.9	-	575.9
Carnegie Centre	-	-	110.0	-	-	110.0
Library	-	-	190.8	220.8	-	411.6
<b>Total Capital Cost</b>	<b>200.0</b>	<b>2,202.8</b>	<b>2,368.9</b>	<b>796.7</b>	<b>-</b>	<b>5,568.4</b>
<b>INCOME (EXTERNAL FUNDING)</b>						
Assembly Rooms						-
Heritage Lottery Funding	(200.0)	(613.1)	(90.3)	-	-	(903.4)
Staffordshire County Council	-	(567.5)	-	-	-	(567.5)
Single Local Growth Fund	-	(841.9)	(1,114.1)	(144.0)	-	(2,100.0)
Dontations, Sponsor and Small Grants	-	(25.0)	(25.0)	-	-	(50.0)
<b>Phil Dix Centre</b>						-
Single Local Growth Fund	-	-	-	(431.9)	-	(431.9)
<b>Carnegie Centre</b>						-
Single Local Growth Fund	-	-	(10.0)	-	-	(10.0)
Private Sector Investment	-	-	(100.0)	-	-	(100.0)
<b>Library</b>						-
Single Local Growth Fund	-	-	(190.8)	(220.8)	-	(411.6)
<b>Total Capital Income</b>	<b>(200.0)</b>	<b>(2,047.5)</b>	<b>(1,530.2)</b>	<b>(796.7)</b>	<b>-</b>	<b>(4,574.4)</b>
<b>Net Capital Cost</b>	<b>-</b>	<b>155.3</b>	<b>838.7</b>	<b>-</b>	<b>-</b>	<b>994.0</b>

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## SECTION 2

### ADDITIONAL REVENUE IMPACT

Element	2015/16	2016/17	2017/18	2018/19	2019/20	
	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	ONGOING
<b>EXPENDITURE / (-) REDUCTION IN EXPENDITURE</b>						
<b>Employee Costs (describe purpose)</b> <i>(Design/ project supervision costs should be included in the capital expenditure in Section 1)</i>						
Assembly Rooms - Figures from FMG report	0	-233	-39	85	85	6
Phil Dix						
Operations	0	0	0	0	0	0
Carnegie Centre						
Operation	0	0	0	-30	-30	-30
<b>Total Additional Revenue Costs for Project</b>	<b>0</b>	<b>-233</b>	<b>-39</b>	<b>55</b>	<b>55</b>	<b>-24</b>
<b>(-) INCOME / REDUCTION IN INCOME (describe)</b>						
Assembly Rooms - Figures from FMG report	0	268	114	-152	-195	-160
Phil Dix - Rents	0	0	0	0	-50	-50
Carnegie - Rents	0	0	0	0	0	-30
<b>Total Additional Revenue Income for project</b>	<b>0</b>	<b>268</b>	<b>114</b>	<b>-152</b>	<b>-245</b>	<b>-240</b>
<b>Net Additional Revenue Impact</b>	<b>0</b>	<b>35</b>	<b>75</b>	<b>-97</b>	<b>-190</b>	<b>-264</b>

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## SECTION 3

Has an Equalities Impact Assessment been completed for this project ? (YES/ NO)

Yes

If NO reason why it has not been completed:

To be considered for financing from Prudential Borrowing ? (YES/ NO)

No

If YES Section 4 must be completed in consultation with Corporate Finance otherwise go to Section 5

## SECTION 4 (Section to be completed in consultation with Corporate Finance)

**PRUDENTIAL / TREASURY IMPLICATIONS - assumes borrowing undertaken at start of year**

Borrowing Required £000					
Payback Period/ Period of Loan (years)					
Assumed Loan Interest Rate					

Revenue impact:	YEAR 1 £000	YEAR 2 £000	YEAR 3 £000	YEAR 4 £000	YEAR 5 £000
Interest Payable					
Additional Minimum Revenue Provision (MRP)					
Change in Item 8 Dr (Charge to HRA re share of debt)					
Voluntary Revenue Provision for Repayment of Debt					
Project Savings (-) / Costs (detailed above)					
<b>Total Additional Revenue Impact</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## SECTION 5

**HUMAN RESOURCES IMPLICATIONS**

Purpose	Potential grade / Salary	FTE (+ / -)
Reduction in hours worked by casual staff - potential for redundancies but expected to be minimal		

## SECTION 6

**ALTERNATIVES CONSIDERED (must complete 'Do Nothing'. If appropriate attach appraisal)**

Alternative	Risk (H/M/L)	Net Costs		Reasons for Rejection
		Capital £000	Revenue £000	
Do Nothing - Phil Dix / Carnegie	H	0	0	Continued subsidy of the 2 buildings for voluntary sector hubs by £72,000 pa
DO NOTHING - Assembly Rooms	M	0	50	Building will continue to fall in to disrepair, ticket sales will decline, increase of costs for authority of £50,000 per year due to declining income.
Move Service	M	2,500	TBC	Still require large capital input as new build required and ongoing maintenance costs.
Close Service	H	400	TBC	Capital required to bring to sellable standard. Redundancy costs unknown. Arts and Events are proven to be a source of regeneration and improvement to the Town. In addition to wide range of services delivering and supporting councils objectives.

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## SECTION 7

### CONSULTATION

It is vital that all appropriate managers are consulted.

ALL ICT schemes to be submitted via Information & Communication Technology Section

Name/ Job Title	Comments	Signature <i>(must be provided on Printed Copy)</i>
Barry Curtis - Facilities Manager Property Services		
Matt Bowers - Head of Strategic Planning and Development		
Matt Fletcher - Economic Development Officer		
Richard Stewart - Senior Planning Officer		
Karen Clancy - External Funding Officer		
Anica Goodwin - Director Transformation and Corporate Performance		
Tracey Tudor - Head of Customer Services		
Deb Lewis - Customer Services		
Andrew Barratt - Director Assets and Environmental Services		
Sarah McGrandle - Head of Environmental Services		
Joe Sands - Neighbourhood Services Manager		
John Lees District Commising Lead Tamworth- County Council		
Chris Evans - Landscape Architect SCC		
Sally Plant - Principal Architect Entrust		
Zoe Wolicki- Human Resources		

## SECTION 8

### PROJECT PLAN

Key Stages for Monitoring:	Month / Year
Award Tender (if applicable)	February-16
Start of Contract / Works	April-16
Completion of Contract / Works	September-19
Post Implementation Review (PIR)	December-19

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## SECTION 9

METHOD OF EVALUATION (FOR PIR)			
Success/ Evaluation Factor	Target	Target Date	Source of Information
Useage Figures	40% Increase	01/01/20	Duty Manager Log Books and Door Counters
Income	20% Increase	01/01/20	Actual Income Received and Budget Books
Public Feedback	95% Good to Excellent Rating	01/01/20	Arts and Events Current Evaluation System
Town Centre Visitor Figures	10% Increase	01/01/20	Economic Assesment
% occupancy of PDC	75%	01/01/21	Building manager
Value of PDC virtual office hire	£10,000 pa	01/01/21	Building manager
Value of PDC annual hire charges	£5,000 pa	01/01/21	Building manager
Value of Carnegie centre lease	£30,000 pa	2018/2019	Property services lease agreement

## SECTION 10

### RISK ASSESSMENT (4 = High, 1 = Low)

(Capital Costs, Revenue Impact, Project Delivery etc)

Risk (Threat/ Opportunity to achievement of objective)	Impact (Severity) [I]	Likelihood (Probability) [L]	Risk Score [ I x L ]	Risk Treatment Measures	Impact (Severity) [I]	Likelihood (Probability) [L]	Residual Risk Score [ I x L ]	Responsible	Timescale/ Review
Heritage Lottery funding not granted or forthcoming	4	4	16	Work closely with funder to ensure application meets their requirements.	4	1	4		
Failure of partners to work together	4	2	8	Regular project steering groups meetings with all partners involved. Regular communication between partners.	4	1	4		
Impact on car parking inadequately assessed and dealt with	3	3	9	Review car parking in the local area. Communicate with current car park users and stakeholders. Create a car parking strategy for the area including mitigation for loss of disabled spaces.	3	1	3		
Relocation of Philip Dix and Carnegie Centre tenants and users not managed	4	3	12	Philip Dix and Carnegie Centre Management part of Project Steering Group. Engage and communicate with Carnegie Centre users appropriately. Develop a robust relocation timetable / strategy. Work closely with Agile Working Project.	3	1	3		
Surface Water Sewers unfit for purpose	2	4	8	Define legal responsibility between South Staffs water and landowner. Design and cost new scheme	1	3	3		
SCC Local Growth Fund funding not granted or forthcoming	4	4	16	Work closely with funder to ensure application meets their requirements.	3	2	6		

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Political change at May elections	4	2	8	Get cross-party support	4	1	4		
Faculty Permission for works in the churchyard extends project timetable	2	4	8	Devise contingency for works to be carried out after the main project / Amend design specification to minimise requirement for Faculty	2	2	4		
Archaeological site investigation finds significant evidence	4	1	4	Minimise requirement for archaeological site investigation through works specification and site investigation.	3	1	3		
Contractor financial problems due to emerging from recession	4	2	8	Carry out financial due diligence on Contractor tender list	3	1	3		

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## SECTION 11

PROJECT SCORING (EACH SECTION MUST BE COMPLETED)

### CORPORATE PRIORITIES

Score = 10

(please tick)

1. Aspire and prosper in Tamworth - to create and sustain a thriving local economy and make Tamworth a more aspirational and competitive place to do business

- Raise aspiration and attainment levels of young people
- Create opportunities for business growth through developing and using skills and talent
- Promote private sector growth and create quality employment locally
- Brand and market "Tamworth" as a great place to "live life to the full."
- Create the technology and physical infrastructure necessary to support this primary outcome

2. Be healthier and safer in Tamworth - to create a safe environment in which local people can reach their full potential and live longer, healthier lives

- Address the causes of poor health in children and young people
- Improve the health and well being of older people
- Reduce consequences of alcohol abuse on individuals, families and society
- Tackle crime and anti-social behaviour
- Tackle youth crime and anti-social behaviour
- Protect those most vulnerable in our local communities

### CORPORATE CAPITAL STRATEGY

Score = 4

Corporate Capital Strategy Objectives: a) Invest to Save  
b) Maintenance of Services & Assets  
c) Protection of Income Streams  
d) Avoidance of Cost

Impact of capital project (please tick one):

- High
- Medium/ High
- Medium/ Low
- Low

### GOVERNMENT PRIORITIES

Score = 3

(please tick one):

- Government Initiative/ Priority
- Grant/ Other Funding
- None of the above

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## SECTION 12

Required Signatures for hard copy print

Appraisal submitted by:

Corporate / Deputy / Assistant Director:

Corporate Finance:

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