
Town Hall Upgrade Works

Relevant Portfolio Holder	Councillor Ashley – Portfolio Holder for Finance and Enabling
Portfolio Holder Consulted	Yes
Relevant Head of Service	Claire Felton Peter Carpenter
Report Authors	Head of Legal, Democratic and Property Services c.felton@bromsgroveandredditch.gov.uk Interim Section 151 Officer Peter.carpenter@bromsgroveandredditch.gov.uk
Wards Affected	Abbey Ward
Ward Councillor(s) consulted	
Relevant Strategic Purpose(s)	All
Key Decision	
If you have any questions about this report, please contact the report author in advance of the meeting.	

1. RECOMMENDATIONS

The Executive Committee is asked to RESOLVE that:

- 1) subject to the agreement of the Town’s Fund Library Business case, which itself is subject to the required public consultation, the Town Hall be repurposed as a Community Hub;**
- 2) subject to approval of recommendation 3 below, authority be delegated to the Section 151 Officer and the Head of Legal, Democratic and Property Services to finalise and implement the community hub business case and to procure and appoint contractors to undertake and deliver the works;**

The Executive Committee is asked to RECOMMEND that

- 3) building works on the Town Hall of up to £5.2m, (or reduced amount in the event that for any reason the Town’s Fund Library Business Case does not proceed to fruition) to be funded from Capital Receipts, for the purpose of remodelling the Town Hall in accordance with the Town’s Fund Library business case, be approved; and**
- 4) the capital programme is increased by £5.2m to deliver these works.**

Executive
2022

11th October

2. BACKGROUND

- 2.1 This report sets out how the Town Hall will be repurposed (this has already started with the closure of the cashiers' service) as a community hub, reducing overall operational costs to the Council for the building and facilitating the use of £4.2m of Towns Funding at the existing Library site.

3. DETAILED PROPOSAL

- 3.1 The C-19 Pandemic has resulted in significant changes to how Public Sector Services (Local Government/NHS) are provided. Prior to the pandemic, One Public Estate (OPE) initiatives were suggesting a change in delivery for Public Services with multiple agency services being delivered from one location. Indeed this has been the subject of a separate study considered by the Council.
- 3.2 The closure of the Cashiers in September (Executive Report "Future Use of the Town Hall and Customer Access" on the 12th July) set out that the Town Hall would be turned into a "public sector hub".
- 3.3 In assessing the best use of the building as a result of implementing more agile working, the Council's office space requirement has reduced significantly and can now be contained within the second and third floors of the Town Hall. This would include the Members' Suite, which would move from its present Ground floor location to the second floor in a new "future proofed" space which will be designed to facilitate agile and virtual working.
- 3.4 This would leave the Basement, Ground, First and Fourth floors available to other Public Sector Organisations.
- 3.5 As mentioned in the July report, the Council are in advanced negotiations with the NHS for use of the Cashiers side of the building, covering both the Ground and First Floors. As part of this arrangement, the NHS will invest a significant sum in the building to ensure it meets their standards.
- 3.6 For the remainder of the Ground Floor, First Floor and Basement the Council are in negotiation with the County Council on the possible move of services presently delivered in the library. This would obviously be subject to a public consultation but if it were to happen, it would open up the use of the existing Library space for wider Public Realm use for which £4.2m of "Towns Fund" financing is available. This is subject to a separate report on this agenda.

- 3.7 To move the projects forward, given Towns Fund funding deadlines, the Borough and County Council have agreed a draft Memorandum of Understanding (MOU), subject to the outcome of the consultation, whether a move of those services could take place. The County Council are not discussing the potential moves until their Cabinet Meeting in October but will supply the Borough Council with a letter of comfort based on the MOU in order to move both schemes forward.
- 3.8 Timing of delivery of both schemes, once approved, is a significant risk which will need careful coordination. The Towns Fund scheme has to be completed by 31st March 2026 giving both projects three and a half years to be fully delivered. Any delay to this delivery will result in the Council being responsible for all costs after this date.
- 3.9 Given these constraints, it would be prudent for the Council to move forward with a pre planning application on Town Hall changes now. The Town Hall will be used as a Community Hub what-ever the outcome of any consultation and moving this through the planning cycle now ensures that delivery timescales can be sped up.
- 3.10 The Council has draft plans and costings which have been discussed with the County Council. External artists impressions are set out in **Appendix A** and have an estimated cost of £5.2m. The Council would finance the building works through the use of Capital Receipts and some short-term borrowing (depending on receipts timing).
- 3.11 Tenants will have their own separate utilities and business rates costs and will pay a service charge. These income streams will reduce the Council's overall operational cost of the building (excluding Repairs and Maintenance) which is presently £878k. Through negotiations the Council are expecting to save between £325k - £375k a year and also reduce Repairs and Maintenance Budgets by circa £80k – an overall saving of £405k-£455k.
- 3.12 Whilst the proposals contained within this report will be subject to the County Council's required consultation process regarding the relocation of the library, members are advised that whilst it is recognised that the decision in this regard is yet to be determined that it will be necessary for officers to proceed with the necessary planning applications for the proposed changes to the Town Hall to enable the timeline for the consequential works to be achieved. It is, of course, understood that this work may be abortive if the library consultation does not for, any reason, result in the proposals being progressed.

4. FINANCIAL IMPLICATIONS

- 4.1 There are two aspects to the financial implications.
- Payment for the Building Works
 - Revenue savings from Tenants
- 4.2 Present estimated costs of the works are £5.2m. The Council will finance this through Capital Receipts which will recoup between £3.45m and £5.65m. Any timing differences will be financed through short term borrowing. For Farmore Lane, Easemore Road, and Web Heath we will receive a combined estimated Capital Receipt between £3.45m and £5.65m
- 4.3 As set out in 3.11 above, the revenue costs (excluding Repairs and Maintenance which will reduce significantly) is £878k a year. Through apportioning present costs based on expected floor space, the Council is expecting to save £325k to £375k a year and there will also be an expected £80k savings in Repairs and Maintenance budgets. These amounts will reduce the present budget deficit position which is circa £1.2m.
- 4.4 There are wider financial and social benefits of co-locating public sector organisations within one location. This includes saving running costs (including capital benefits) through the rationalisation and colocation of single delivery centres, which in turn add social value in terms of access and ease of use of multiple services at one location for stakeholders. There is also the opportunity to further transform services across different organisations in order to achieve better outcomes for people. It should also be noted that the creation of Community Hubs is in line with the County Council's vision for the future use of libraries.

5. LEGAL IMPLICATIONS

- 5.1 No direct legal implications have been identified within the report other than the proposals for the Towns Fund Library Business Case will be subject to Public Consultation (by the County Council) and as Accountable Body for the Redditch Town Deal the Council has several obligations, including to ensure that decisions made by the Town Deal Board are in accordance with good governance principles and to support transparent delivery arrangements for the Town Deal.

Individual projects identified as interventions within the Investment Plan will be subject to individual legal advice.

6. STRATEGIC PURPOSES - IMPLICATIONS

Relevant Strategic Purpose

- 6.1 This links to the Councils Strategic Purposes of
- Aspiration, Work and Financial Independence
 - Living Independent, Active and Healthy Lives
 - Finding somewhere to live
 - Run and Grow a Successful Business

Climate Change Implications

- 6.2 The green thread runs through the Council plan. The changes to the Town Hall will be to the latest Energy Efficiency standards which will be reviewed by climate change officers to ensure the correct procedures have been followed to ensure any impacts on climate change are fully understood.

7. OTHER IMPLICATIONS

Equalities and Diversity Implications

- 7.1 There are no direct equalities implications arising as a result of this report. The vision for the Community Hub will, by virtue of its design and digital connectivity solutions, provide a more accessible environment for our customers and as a consequence an improved customer journey.

Operational Implications

- 7.2 The works will ensure that the use of the building will be converted to that of a “community hub” will maximise its use for the medium to long terms.

8. RISK MANAGEMENT

- 8.1 The building projects will run its own Risk Management process – as governed by appropriate regulations and project management standards.
- 8.2 Members are advised that the timescales and interdependencies that govern the proposals within this report are challenging, and that consideration will need to be given to this and various critical points within the project planning and associated risk management process.

9. APPENDICES and BACKGROUND PAPERS

Appendix A – External Artists Impression of the Building

10. REPORT SIGN OFF

Department	Name and Job Title	Date
Portfolio Holder	Councillors Karen Ashley and Matt Dormer	27 th Sept 22
Lead Director / Head of Service	Pete Carpenter	23 Sept 22
Financial Services	Pete Carpenter	23 Sept 22
Legal Services	Claire Felton	23 Sept 22