
Town Hall Refurbishment Report – September 2024 Update

Relevant Portfolio Holder	Councillors Joe Baker and Ian Woodall
Portfolio Holder Consulted	Yes
Relevant Heads of Service	Claire Felton, Assistant Director of Legal, Democratic and Property Services Ruth Bamford – Assistant Director of Planning, Regeneration and Leisure Services
Report Author	Pete Carpenter Director of Resources/ Deputy Chief Executive peter.carpenter@bromsgroveandredditch.gov.uk
Wards Affected	All
Ward Councillor(s) consulted	No
Relevant Strategic Purpose(s)	The proposals detailed in this report have implications for a number of the Council's strategic purposes.
Non-Key Decision	
If you have any questions about this report, please contact the report author in advance of the meeting.	
This report contains exempt information as defined in Paragraph 3 of Part I of Schedule 12A to the Local Government Act 1972, as amended	

1. RECOMMENDATIONS

The Executive is asked to RESOLVE that:

- 1) The progress towards the new Town Hall Hub design be noted.
- 2) Revised works to RIBA stage 4 as per this report be agreed as the best route forward.
- 3) Work continues to determine the most effective alternative use of the Towns Funding as set out in this report.
- 4) Members continue to note and approve the consequential risks associated with the revised proposals detailed within this report.
- 5) Authority be delegated to the Interim Director of Finance and Resources and the Head of Legal, Democratic and Property Services to enter the consequential contractual arrangements following consultation with the Leader.

2. BACKGROUND

- 2.1 A detailed report was received and approved by the Executive Committee on the 29th July on the updated direction for the Town Hall Hub and the impact on the Towns Fund initiative of the Library not being part of the Town Hall initiative. That report set out

- The history of setting up the Community Hub
- The Position as at 29th July
- The implications of the proposed changes on the Council
- The implications of the proposed changes on the Towns Fund initiatives

- 2.2 This report updates members on movement since the report presented on the 29th July in terms of
- The updated design, direction and timescales on the delivery of the Town Hall Hub project.
 - The direction of travel in respect of Towns Funding.

3. OPERATIONAL ISSUES

Town Hall Update

- 3.1 As set out in the previous report, the Council already have a tenant in respect of the NHS.
- 3.2 That report set out that since the May elections, discussions have been undertaken within the design team on the revised makeup of the building. In summary this work has the following use of space:
- Lower Ground Floor – Commercial End User with RBC Storage/Archive Areas
 - Ground Floor – Reception, Council Chambers, Housing Team and Central Open Plan Space
 - First Floor East Wing – Council Teams
 - Second Floor East and West Wing – Commercial End User
 - Third Floor East and West Wings – RBC Team
- 3.3 That report set out Draft Revised Floor Plans.
- 3.4 Estimated timescales for the work in that report were:
- Prepare demolition and enabling works contract documents and drawings – 4-6 weeks
 - Prepare M&E drawings for safe strip out of M&E related items - 2 weeks
 - Issue Enabling Works package to Main Contractor for pricing - 2 weeks
 - Phase 1 Enabling Works – Provisional commencement on site 9th September 2024 and provisional completion 10-12 weeks
 - Phase 2 works – Design commencement 16th September 2024
 - Completion – April/May 2025

- 3.5 The Council have checked with the existing Framework Provider used for the appointment of Seddons as the design and build contractor. For the changes to the Town Hall Hub design there will not be the requirement to tender for an alternate provider.
- 3.6 Following more detailed discussions between Council Officers, the Design Team and Seddons, a revised approach has been proposed. This will undertake the project in two stages, with the first stage being the completion of the design details and undertaking of the Enabling Works (demolition and strip out works) under a Pre-Construction Services Agreement and the second works stage being the construction of the new entrance area, creation of the rooms and areas identified on the layout plans and the undertaking of works to create A+ specification finishes to these areas under a Design and Build Contract. This is different to the existing arrangement, as Seddons would be responsible for both the design and build – this is separated at the moment with different contractors responsible for each element.
- 3.7 The new proposals utilise the premises for RBC Departments, Council Chambers and Commercial Users have been developed further into initial layout plans as attached and with the following proposals. This includes layout plans for the West Wing which have been discussed and provisional solutions are included in the attached layout plans. (more detailed plans are attached at Appendix A).
- 3.8 Lower Ground Floor – Commercial End User with RBC Storage/Archive Areas
- Strip out of existing layout back to shell
 - Refurbishment of open plan space to A+ specification
 - Creation of a new RBC Archive Area and new RBC Additional Storage Area
 - Creation of a new WC Block, new Shower Room and new Cleaners Room as a Common Area for shared use
 - Creation of a new fire escape corridor from the Eastern Stair S1 to the new external exit door and from the new RBC Additional Storage Area to the new external exit door, as required to ensure safe escape from the storage areas and from the upper floors to the building
 - Creation of new main entrance doors, new staff entrance doors and installation of new windows/glazing panels to create natural light into the area

- Future subdivision to suit commercial end user requirements (option to let all space or to subdivide for different commercial end users)

3.9 Ground Floor – Reception, Council Chambers, RBC Team and Central Open Plan Space

- Construction of new two storey entrance extension and new access doors
- Creation of new Reception Area
- Retention of existing Council Chamber, 2 no. Meeting Rooms, Kitchen and Members' Room and complete refurbishment of these retained rooms
- Creation of new Members Room
- Creation of new AV Store
- Creation of new RBC Team areas (Pod 1, Pod 2, Pod 3 and Office) and new Meeting Room
- Creation of new Caretakers Room
- Creation of new Council Telephones area
- Creation of a new WC Block and new Cleaners Room as a Common Area for shared use
- Creation of new open plan middle area – Use still to be determined (Options - Community Space, Business Lounge, Café Area or other multi-use areas, or subdivision to individual areas)
- Refurbishment of open plan space and rooms to A+ specification

3.10 First Floor East Wing – RBC Team

- Strip out of existing layout back to shell
- Refurbishment of open plan space to A+ specification
- Creation of new WC Block
- Future subdivision to suit end user requirements

3.11 Second Floor East and West Wing – Commercial End User

- Strip out of existing layout back to shell
- Refurbishment of open plan space to A+ specification
- Refurbishment of existing WC Blocks and Kitchen
- Future subdivision to suit end user requirements

3.12 Third Floor East and West Wings – RBC Team

- Strip out of existing East Wing layout back to shell
- Adjustment to existing layout to West Wing to suit requirements
- Refurbishment of open plan space and offices to A+ specification

- Refurbishment of existing WC Blocks
- Creation of new Breakout Space and new Meeting Space
- Subdivision to suit end user requirements

3.13 General Works

- Refurbishment of Central Stairs and Lift Core
- Replacement of Goods Lift with Passenger Lift
- Improvement to IT systems and Audio/Visual systems
- Improved access to the building at Lower Ground and Ground Floor levels
- Improved natural lighting to Council Chambers and Lower Ground Floor areas

3.14 Further discussions are required to establish the extent of works required to bring the premises up to an EPC (Energy Performance Certificate) rating of 'C' or above, as this will be required from 2025 unless a valid exemption can be established. It would appear sensible to incorporate improvements to the building into this project that would enable the required EPC Rating to be achieved.

3.15 The updated timescales for delivery are as follows. The new projected end date is 4 months later than the existing plan. This will be discussed over the coming month.

- Phase 1 Enabling Works Design – completed August 2024
- Phase 2 RIBA Stage 2 Design and Employer's Requirements – completed August 2024
- ITT issued to Seddon – August 2024
- Phase 1 Enabling Works Cost Plan Return from Seddon – September 2024
- Phase 1 Enabling Works Instruction Through PCSA – September 2024
- Seddon Phase 1 mobilisation and start on site – September 2024
- Phase 2 RIBA Stage 3 to 5 Instruction Through PCSA – September 2024
- Phase 2 Seddon Submission – October 2024 to November 2024 (8 weeks)
- Phase 2 Evaluation of Seddon Submission and Cost Plan - October 2024 to November 2024
- Notification of JCT D&B Contract award decision and appointment – November 2024
- Continued mobilisation, design development and site works – From November 2024
- Completion of works – September 2025.

- 3.16 To start this process it is proposed that the enabling works of £554,135 are agreed to enable the process to start. The enabling works quotation from Seddons is set out in Appendix B.
- 3.17 There is already delegated authority on this project for officers to approve spending of up to the sum of £6.2m as per the September 2023 Report. As per the timetable, an initial updated cost plan will be provided by Seddons in September. It is expected that, due to the new nature of the project, costs will reduce.

The Town's Fund

- 3.18 There were three aspects to the Towns Funding:
- The Digital Manufacturing and Innovation Centre (DMIC)
 - The Revised Town Square at the old Library Location
 - Public Realm works around the Church Green
- 3.19 As Towns Funding must be spent by the 31st March 2026, it is proposed to continue with the two existing projects **with no change**. At the moment, Government Policy, as per their Officers, is that there will be no time extensions and so the Council needs to ensure that both of these projects are delivered to their existing specifications.
- 3.20 A meeting with DLUHC experts on the 23rd May 2024 identified that, were the Council minded not to proceed with the current library proposal, the following options would need to be considered:
- Invest the £4.2m in the DMIC with better Metrics.
 - Invest in an alternative building that will give similar outputs to the library site.
- 3.21 Either option (or mix of options) would require a DLUHC PAR form to be completed and for any changes to be agreed. Under the existing rules, up to 20% of expenditure could be transferred to other projects without the use of a PAR form. The £4.2m level of changes though is above this threshold. A number of alternatives are being explored for updating the Towns Board and Members in late August / early September. These include:
- Transferring 20% of the overall costs to Public Realm projects.
 - Purchasing the Victorian Block in front of the Station. An updated costing schedule has been produced by Gleeds that...
 - Purchasing Smallwood House from the NHS. This will go on the Market in September at an asking price of circa £1m
 - Adding an additional floor at the DMIC.

An update on these options is set out in Appendix C.

- 3.22 In parallel to this, our new MP is actively lobbying Government for an extension. An issue with changing the design of the DMIC to take on more funding, and an additional floor would be £1.8m, is that work would not be completed within the current funding deadlines. Therefore, the link to an extension is critical if the funding option of enhancing the DMIC is the chosen route. This is why it is important to continue the present DMIC to ensure funding is spent within the required timelines. From a risk point of view, the Councils preferred route would be investment in public realm with the remainder of funding linked to a decision on if an extension is possible.
- 3.23 As identified within this report, any change to the Towns Fund investment will require the initial approval of the Towns Board. The Board were updated on the options at their meeting on the 21st August and more work is being undertaken for their next meeting on the 19th September.

4. FINANCIAL IMPLICATIONS

- 4.1 The majority of the Town Hall scheme (£5.2m) was expected to be funded from the disposal of the following sites: Far Moor Lane, Easemore Road and Webheath. The additional costs raising the scheme to £6.2m was to be funded from additional commercial income. The present range of all three is £6m, with approximately £1m relating to the Housing Revenue Account (HRA), therefore, roughly in line with original assumptions.
- 4.2 Overall, if the design is to be simplified, this will reduce the £6.2m cost significantly. To get to this point, however, the Council must decide on its final approach to what will be delivered in the Town Hall which is the purpose of this report. Given that sums will also need to be written off (in terms of aborted design costs) it is expected that the Easemore Road Capital Receipt will not be required. Once confirmed, this will be used to reinvest in Temporary Accommodation stock.
- 4.3 Members are advised that in addition to this project, there are other upgrading works being carried out in parallel to enable the building to be updated and futureproofed from an operational and IT perspective. These will not change with the updated design. This involves the following works that are being funded from the Council's annual buildings repairs and maintenance and IT infrastructure budgets.
- Replacement AV Equipment for the Council Suite – whatever the location (£200k)

- Connectivity (Direct line) for the Palace Theatre (£65k)
- Oakenshaw/Kingfisher enabling works for Council Meetings and Customer Services delivery (£120k)
- Town Hall works undertaken to date including new shelving in the basement (£148k)
- Other Town Hall Works (£246k)
- Total Works - £779k

4.4 These works are being funded from existing resources in 2023/24 and 2024/25 including:

- Capital (existing Buildings) £320k
- Revenue - £459k

4.5 As referred to earlier in this report, there is the requirement to deliver £400k of savings to the Council's Town Hall budget. The existing work that has now been stopped met that target through the use of the space by the NHS, the County Council and its sub tenants. In addition to this, design work that relates to the County Council and their subtenant now has to be written off to revenue as it is not allowable capital expenditure.

4.6 The S151 Officer must at this point in this report warn of the risks to the Council as:

- It had a contract/arrangements in place with the NHS and the County Council that would have delivered a Town Hall Hub and the associated savings required from 2025/26 in the MTFP.
- That as this move will not take place, the savings target will need to be met by other means, and a one off amount of up to £600k will need to be written off to Revenue which will significantly impact the Council's Reserve levels (reducing them by 10%).
- That the decision will be challenged by the Council's external Auditors and has the possibility of the Council receiving a further S24 Statement based on the Governance processes around this decision.

4.7 Given the move of the Library will now not take place, there is the requirement for the Council to reassess how these savings can be made. An initial view of this is set out in **Appendix D**.

4.8 Delegated authority has been given, as per earlier reports, to Officers, in liaison with the Leader, to move works forward. This report sets out what the actual works will be.

5. LEGAL IMPLICATIONS

5.1 There are no direct legal implications arising as a result of this report.

6. OTHER - IMPLICATIONS

Relevant Strategic Purpose

6.1 The Strategic purposes are included in the Council's corporate plan. The following strategic purposes are linked to this project:

- Finding Somewhere to Live
- Aspiration, Work and Financial Independence
- Living Independent, Active and Healthy Lives
- Communities which are Safe, Well Maintained and Green
- The Green Thread runs through the Council Plan.

Climate Change Implications

6.2 The green thread runs through the Council plan. The design of the building will be to the latest sustainability standards. Significant investment has already been made in the Town Hall over the past two years including window replacement and the installation of heat pumps.

Equalities and Diversity Implications

6.3 The design, as set out in 3.12 above, takes account of differing equalities and diversity implications.

7. RISK MANAGEMENT

7.1 There are a number of risks which could potentially influence the project, this includes the following which are typical of this type of project:

- Stakeholder sign off.
- Updated Stage 4 design progression.
- Commercial negotiations.
- Reduced Project cost envelope.
- Project governance.
- Programme slippage.
- ICT specification and commercials.
- Macro-economics
- Mitigation of possible Section 24 Statement

8. APPENDICES and BACKGROUND PAPERS

Appendix A – Updated Designs
Appendix B – Exempt Appendix
Appendix C – Exempt Appendix
Appendix D – Exempt Appendix

Background Papers

Executive, Redditch Borough Council, 12th July 2022, Future Use of the Town Hall and Customer Access .

Executive, Redditch Borough Council, 11th October 2022, Town Hall Hub.

Cabinet, Worcestershire County Council, 20th July 2023, Relocation of Redditch Library.

Executive, Redditch Borough Council, 12th September 2023, The Town Hall Refurbishment – Final Decision.

Executive, Redditch Borough Council, 29th July 2024 Town Hall Report.