

Rother District Council

Report to: Cabinet

Date: 8 February 2021

Title: Town Hall redevelopment proposals

Report of: Head of Service Acquisitions, Transformation and Regeneration

Cabinet Member: Cllr Doug Oliver

Ward(s): All

Purpose of Report: To present the outline business case for the redevelopment of the Town Hall site, with a view to gain approval for progress to detailed design and a full planning application submission with allocation of appropriate funds.

Decision Type: Key

Officer

Recommendation(s): **Recommendation to COUNCIL:** That:

- 1) this scheme be included on to the Council's Capital Programme and a budget of £460,000 be agreed to progress detailed designs for the future of the Town Hall, Bexhill site;

AND

It be **RESOLVED:** That:

- 2) the Head of Service - Acquisitions, Transformation and Regeneration be granted delegated authority to procure the services required, and enter into contracts as necessary, for the completion of detailed designs.

Reasons for

Recommendations: To ensure that the authority's main administrative building support the aims of the Council's carbon neutral pledge, to improve the working environment creating healthy and flexible workspace, community service presence remains in the town centre meeting residents' needs and supporting the local economy, and the future of this landmark building is preserved for future generations.

Introduction

1. In February 2019, Cabinet approved a budget of £250,000 for the development of housing projects on Council-owned sites (CB18/73 refers). The land to the rear of

the Town Hall was identified as one of those sites to be explored. Following the change in administration in May 2019, it was made clear to officers that options for the future of the Town Hall were also to be considered. Subsequent discussions with the Leader have reinforced that position and therefore investigations into the rear of the site have incorporated the Town Hall and ancillary buildings.

The site and Town Hall

2. For the purposes of these recommendations the Town Hall complex comprises the Town Hall, including all extensions, the Amherst Road building, the property leased to Autolec Motor Factors and all associated access and parking. A location map with indicative boundary, site description and existing buildings analysis is attached at Appendix A.
3. The main core of the Town Hall building is over 120 years old. The costs involved with heating the premises are particularly high as the overall heating system is outdated. Whilst some investment has taken place in recent years for the purposes of meeting statutory safety requirements, the building is in need of modernisation and refurbishment. A new heating system and full-scale rewiring will likely be needed in the next 10 years, along with a significant amount of preventative maintenance to keep the building from deteriorating further.

Options

4. The existing Town Hall is clearly an asset of historical significance for Bexhill and therefore all scenarios explored sought to retain and refurbish the core elements of the existing property. It is also clear that the carbon performance of the existing buildings is very poor and needs to be a consideration for any works that we seek to undertake.
5. A full options analysis has been undertaken at Appendix B but the headline options for the site are:
 1. Basic health and safety remedial measures (do minimum)
 2. Basic remedial work plus light touch energy measures
 3. Major refurbishment
 4. Whole site development
 5. Move RDC from Town Hall site
6. Option 4 presents the opportunity for the works to be cost neutral in the longer-term, will regenerate a central area of Bexhill, and will provide Rother District Council and other public sector organisations a fit for purpose, modern working environment into the future.
7. ESCC is also consulting on plans that could be transformational for the Town Hall Square. Supported by the Council, ESCC has developed plans that could see the creation of a green plaza at the front of the Town Hall. These plans are subject to consultation but have already been funded to £1.3m through a combination of Local Growth Fund and Community Infrastructure Levy monies. These two

schemes would be complementary and therefore the proposals made would incorporate the ESCC work.

Whole site development

8. A design team was appointed to undertake a high-level concept feasibility options study for the whole site development, with an initial view to delivering housing on the site. This feasibility study showed that, with the right mix of housing and commercial space, it is possible to deliver a scheme that is revenue neutral, in that the income earned through rent and capital receipts could offset the cost of borrowing for the scheme.
9. Following some initial advice from colleagues in planning it is clear that, whilst the principle of development on this site is not an issue, respect for its heritage value and the relationship with the surrounding area are key considerations of any final design.
10. Any Council-led redevelopment of this site will seek to incorporate the following criteria:
 1. Retention of the main Town Hall building (including Chamber and East Wing).
 2. ENERPHIT refurbishment of retained building.
 3. BREEAM Excellent standard for any new buildings.
 4. Commercial business case to demonstrate revenue neutrality.
 5. Delivers housing on the site.

Council office accommodation requirements

11. The current building does not offer the attractive modern working environment expected by many employees. This can cause issues with recruitment and retention as well as overall staff wellbeing.
12. In May 2020 a staff survey was carried out to understand how officers are likely to wish to work in the future given the precedent that has been set by the organisation's response to flexible and home working during the COVID-19 pandemic. The results of this survey showed that, whilst the staff have adapted well to home working, most would anticipate still working in an office environment between one and three days a week 'Post COVID'.
13. Based on this, it is estimated that RDC will have an ongoing space requirement to accommodate 120 full time equivalents. After deducting shared common areas, meeting rooms and toilet facilities (which will be distributed amongst all tenants) 800-1,000sqm for desk space alone should be sufficient in an open and flexible modern office environment
14. Discussions have also been had with a number of other public sector bodies such as East Sussex County Council, East Sussex Healthcare Trust, the Clinical

Commissioning Group, and the Police, all of whom potentially require workspace for non-clinical/operational staff.

Conclusion

15. Based on the initial feasibility study a whole site redevelopment, maximising commercial office space, will provide several benefits:

1. Meeting environmental targets to contribute to Rother's climate emergency action plan.
2. Provide civic space for local organisations in a central location convenient for the community.
3. Provide modern, fit for purpose and financially viable new office space for Rother officers and other public services (DWP, ESCC, NHS etc.).
4. Flexible office space to enable adaption as working practices change and evolve 'Post-COVID'.
5. Provide up to 14 town centre flats, supporting the housing supply targets.

16. Next steps will be to appoint the relevant architects, engineers, consultants, surveyors and other professionals to work up detailed proposals and achieve planning permission on the site.

17. Professional fees to RIBA stage 3 (issuing of planning permission) are generally based on a percentage of the likely estimated scheme construction cost along with the relevant planning fees. Taking the most feasible high-level concept option estimated at £13,737,000, and using the currently published planning fee guidance, the likely cost of achieving planning permission on this scheme will be £460,000. This will cover the appointment to RIBA stage 3 of:

1. Employers Agent services incorporating principal designer (CDM), contract administrator, quantity surveyor/cost consultant (this appointment would be phased to ensure that subject to approvals, the EA would be retained to oversee completion of the scheme).
2. Architectural design team including sub-consultants for civil, structural and MEP engineers, energy and sustainability, planning agent and landscape consultant.
3. Surveys such as ecology, fire, acoustics, UXO, heritage and any other survey deemed necessary to support a valid full planning application.
4. Planning fees, including pre-application advice.

18. Following this, a full development options report will be brought forward at a future meeting for consideration by Cabinet.

Implications

Financial Implications

19. Revenue costs approved to procure and appoint all relevant professionals to deliver the details designs and prepare a planning application may be abortive

should the project not be approved to progression at the next stage, or the planning application refused.

Legal Implications

20. Legal services and East Sussex Procurement Hub will be required to provide resource to support the preparation, issuing, evaluation and contract execution for any professional service required to deliver the actions set out in this report. There will also be a requirement to review the existing lease arrangements with existing tenants should the project progress to delivery.

Human Resources Implications

21. HR, facilities and building management would be key stakeholders in the detailed design process. Therefore, there is a resource implication in terms of providing input to stakeholder workshops and provide comments on suitability of designs for future staff and building management and operations.

Environmental

22. One of the main drivers of the redevelopment proposals for the Town Hall and associated buildings is to enable the organisation to meet its own carbon neutrality targets. Failure to address the environmental impact of the Town Hall, being the largest administrative building for the organisation, would likely lead to inability to meet these targets.

Sustainability

23. As with the environmental impact, this project is aimed with ensuring the Council's main administrative building can operate sustainably into the future whilst being able to adapt to new ways of working.

Risk Management

24. A full project risk register will be developed, however the main risks for this development phase include:

1. Resource/capacity of internal stakeholders and support services (legal, ESPH, communications etc.). This will be mitigated through production of a clear programme and resource requirement schedule to ensure stakeholders are aware of when input will be needed.
2. Costs of professional services higher than anticipated. This will be mitigated through a robust procurement process that considered quality and cost to ensure the best value for money.
3. Failure to agree on suitable proposals to meet various stakeholder demands. This will be mitigated through the workshops to identify requirements which can be prioritised through the MoSCoW principle:

- a. M: Must have: to be safe, legal and fit for purpose
- b. S: Should have: to ensure the aims and outcomes are met
- c. C: Could have: to bring about added benefit if budget/scope allows
- d. W: Won't have: to clearly identify what is not in scope at this time

Equalities and Diversity

25. Equalities Impact Assessments will be carried out as part of this project to understand how the building needs to accommodate the needs of all users in line with statutory requirements, promoting inclusivity, diversity and wellbeing.

Consultation

26. There is a need to consult with existing and potential building users as part of the detailed design development. This will require careful and appropriate management which will require input from the Council's consultation team with support from the communications service provided by East Sussex County Council.

Other Implications	Applies?	Other Implications	Applies?
Human Rights	Yes/No	Equalities and Diversity	Yes/No
Crime and Disorder	Yes/No	Consultation	Yes/No
Environmental	Yes/No	Access to Information	Yes/No
Sustainability	Yes/No	Exempt from publication	Yes/No
Risk Management	Yes/No		

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Appendices:	A Site layout and description B Options analysis
Relevant Previous Minutes:	CB.18/73: February 2019
Background Papers:	None
Reference Documents:	N/A.