

WAVERLEY BOROUGH COUNCIL

EXECUTIVE 12/07/16

Title:

MEMORIAL HALL REDEVELOPMENT

**[Portfolio Holder: Councillors Andrew Bolton, Kevin Deanus, Jenny Else and
Julia Potts]**

[Wards Affected: All Farnham Wards]

Note pursuant to Section 100B(5) of the Local Government Act 1972

An annexe to this report contains exempt information by virtue of which the public is likely to be excluded during the item to which the report relates, as specified in Paragraph 3 of Part I of Schedule 12A to the Local Government Act 1972, namely:-

Information relating to the financial or business affairs of any particular person (including the authority holding that information).

Summary and purpose:

This report relates to the construction of a Community Well Being Centre at the site of the Farnham Memorial Hall as a base for the existing Brightwells Gostrey Centre. The report identifies the opportunity to relocate the Council's Waverley Training Services function to the currently unoccupied lower ground floor of the re-developed Memorial Hall building.

The report seeks approval for: the appointment of a build contractor for the redevelopment of the Farnham Memorial Hall following a comprehensive tender process; a revised budget for the scheme; the relocation of Waverley Training Services to part of the new building, the sale of the Pump House site for development.

How this report relates to the Council's Corporate Priorities:

Value for money

Brightwells Gostrey Centre

Funding is set aside within the annual budget to maintain the current building and cover the utility costs and to provide a grant to the Gostrey Centre. Relocation from the existing premises to the new building is agreed and will generate a significant saving in ongoing running costs and the reduction of ongoing financial support.

Memorial Hall

Refurbishment of the existing Hall will improve the current community facilities, making it a more attractive venue, increasing the potential for income generated from bookings. It will also result in an improved, energy-efficient venue, generating savings in future running costs and removing the need for costly major repairs.

Waverley Training Services

Creating space for Waverley Training Services will enable greater utilisation of the building, increase its standing as a vibrant community asset for all the community, and create modern facilities for apprentices and learners in addition to freeing up the currently under occupied Waverley Training Services site for redevelopment.

Multi-use Centre

A single, multi-use building will allow the already reduced running costs to be spread over a wider range of stakeholders; i.e. those associated with the Memorial Hall, Gostrey Centre and Waverley Training Services.

Community Wellbeing

In addition to continuing day centre provision, a community centre will be provided. This will create new, and enhance existing, activities and facilities for older and younger people. Existing leisure services at the Memorial Hall would be enhanced and expanded and would cater for the wider community.

The 2012/13 Adult Health and Social Care Commissioning Profile demonstrated a high level of adult social care and health need in Waverley. The 2011 census shows Waverley is the borough in Surrey with the highest number of residents over 85 years old (3.2% of the borough's population). This figure is forecast to grow by 28.6% by 2020. 19.6% percent of Waverley's population is aged 65+. This is the second highest in Surrey and is projected to rise by 14.3% by 2020.

The extension of the Memorial Hall will provide older residents in Farnham and the surrounding area with a space for services that they need, thereby reducing experiences of social isolation and associated health needs. It will have the flexibility to expand and change to meet the needs of this growing demographic.

The provision of an exemplary Community Centre will bring together a variety of agencies with a common aim, under the same roof, with plans for a dedicated space for Carer's Support, the provision of a Telecare demonstrator suite and flexible space for new partner organisations.

Waverley Training Services focuses on helping people into work and delivering apprenticeships in line with national Government policy. There are clear community health and wellbeing benefits to helping young people not in education, employment or training (NEETs) as well as those in the wider community that are seeking employment or wish to re-train or develop skills. Employment is key to tackling social isolation.

Environment

Brightwells Gostrey Centre, the Memorial Hall and the Waverley Training Services building are not currently energy-efficient. Improvements to the existing Hall and the new day centre would result in significant energy-efficiency savings.

Financial Implications:

A budget of £2.33m was agreed at Council in July 2015. Since then a comprehensive specification has been produced, tenders received and an

opportunity has been identified to maximise usage by utilising unallocated space in the new building on the lower ground floor for the use of Waverley Training Services.

The Pump House, Waverley Training Services' current facility, requires significant ongoing maintenance dictated by the poor quality building and the necessary investment in its Information Technology and telephone systems. These costs could be eliminated in a newly built facility

To deliver this enhanced project an extra £724,000 is required. Whilst this is expected to be funded from the capital receipt for the under utilised Pump House, the additional funds can be initially bridge financed from the Revenue Reserve fund.

Legal Implications:

The tender arrangements fully met Waverley Borough Council's legal requirements.

Relocation of Waverley Training Services to the Memorial Hall is in keeping with the covenants contained within the 1947 Deed of Gift of the Memorial Hall, which envisages the premises being used for education use, as well as being used for cultural, social, creative or charitable purposes.

Background

1. In February 2015 the Council agreed the Memorial Hall scheme, to regenerate and expand the existing building and be the new location for the Gostrey Day Centre.
2. In addition, as a result of moving the Gostrey Centre, the users avoid any disruption from works taking place on the neighbouring Brightwells construction site. The Brightwells Scheme assumes that the Gostrey Centre moves to its new location at the Memorial Hall by the end of September 2017, the construction will take approximately a year.
3. Six companies were invited to tender for the build construction works, the details of which are set out in the (Exempt) Annexe.

Tender Sum

4. MEA, the Council's Quantity Surveyor, interrogated the items that were submitted as provisional sums and undertook a valuation engineering exercise to establish the final tender sum. The total sum for the build contract submitted by the chosen contractor is set out in the (Exempt) Annexe.
5. Following the return of the tenders, an additional budget will be needed to enable the construction phase to commence.

Waverley Training Services

6. When preparing the tender documentation the Council included additional elements of works for consideration and evaluation. The key element identified as a potential ongoing revenue stream for the Council was the ability

to utilise the lower ground floor by extending the lift shaft and fitting out the area.

7. In parallel to progressing the development of proposals for the Memorial Hall, the Council has been looking at the accommodation for Waverley Training Services – the Council’s adult skills training provider currently based at The Pump House, Kimbers Lane, Farnham. The current site has poor vehicular access, limited parking and the building itself is in need of significant investment. The condition of the current building detrimentally affects the ability of the service to attract new learners and businesses and meet the expectations of the National Funding Agencies and Ofsted.
8. The floor space in the lower ground floor of the new development at the Memorial Hall would be sufficient to enable the relocation of Waverley Training Services from their currently significantly under occupied building The Pump House, Kimbers Lane.
9. The benefits to moving the service to the Memorial Hall location:
 - i) A modern, more appropriate suitable and attractive venue is created to serve the Waverley Training Services’ learners, tutors and assessors. The site also offers greater accessibility for those travelling by car or by public transport.
 - ii) The old site, ‘The Pump House’, can be disposed of to generate a capital receipt that is expected to offset the additional budget sought in this report see (Exempt)
 - iii) By moving the service to the Memorial Hall a significant anchor service is created, further increasing the utilisation of the building and its value to the community, and in turn helping to secure ongoing revenue funds for the Hall.

Other Issues

10. **Robustness of Tender:** Given how thorough the tender process was, going back to the market to re-tender these works is unlikely to result in a lower contract cost, and could lead to a further increase as well as adding delays to the project.
11. **Timing:** It is estimated that the Brightwells Gostrey Centre will be vacated by September 2017 and delay could impact on the release of that part of the Brightwells site.

Conclusion

12. The project has been thoroughly market tested through an extensive tender process and as a result an additional budget is necessary to enable construction works on the enhanced scheme to go ahead. However, the additional budget can be offset by the estimated value of the capital receipt

generated from the release of the Kimbers Lane site once vacated by Waverley Training Services.

Recommendation

That the Executive recommends to Council that it agrees to:

1. following a comprehensive tender process, appoint the contractor A as specified in the (Exempt) Annexe, as the building contractor to carry out the Memorial Hall enhancement works;
2. the relocation of Waverley Training Services to the lower ground floor of the refurbished Memorial Hall site;
3. the disposal of the Pump House site; and
4. additional funding of £724,000 to allow the project to proceed – to be bridge financed from the revenue reserve fund, pending the capital receipt from the sale of the Pump House.

Background Papers

There are no background papers (as defined by Section 100D(5) of the Local Government Act 1972) relating to this report.

CONTACT OFFICER:

Name: Kelvin Mills

Telephone: 01483 523432

E-mail: kelvin.mills@waverley.gov.uk