

WAVERLEY BOROUGH COUNCIL

EXECUTIVE – 07/07/2015

Title:

MEMORIAL HALL AND GOSTREY CENTRE REDEVELOPMENT

**[Portfolio Holder: Cllr Julia Potts]
[Wards Affected: All Farnham Wards]**

Summary and purpose:

The purpose of this report is to continue to the next stage of the process for the redevelopment of the Farnham Memorial Hall to provide a base for the existing Brightwells Gostrey Centre services and to create a new Community and Well-Being Centre for Farnham and the surrounding area. This will secure these vital community services for the future.

The report seeks authority to approve additional funding resulting from required design changes and cost inflation, and also requests approval to progress to the procurement phase to select a consultant to run the tender for the construction.

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

Value for money

Brightwells Gostrey Centre and the Memorial Hall

The annual revenue budget includes significant maintenance budget provision for both buildings maintenance and utility costs as well as an annual revenue grant to the Gostrey Centre. Both buildings are in need of significant capital works. Relocation and refurbishment would improve the current community facilities, making them more attractive and increase the potential for income generation. Refurbishment will also result in an improved, energy-efficient venue, generate savings in future running costs and avoid costly major repairs as well as enabling a reduction in the provision of financial support.

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 Gostrey Centre and those with the Memorial Hall.

Leisure and Lives

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

The relocation of the Farnham Town football club changing facilities will assist the club with its future development.

Understanding residents' needs

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 would provide older residents in Farnham and the surrounding area with a dedicated 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 exemplar Community Centre would 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.

Environment

Brightwells Gostrey Centre and the Memorial Hall are not currently energy-efficient. Improvements to the existing Hall and a new day centre would result in significant energy-efficiency savings. The area surrounding the building will be landscaped.

Financial Implications:

Financial support for the Gostrey Day Centre is circa £100,000 per annum, which is a combination of grant funding to deliver the day centre service and revenue funding to maintain the building. It is expected for this new facility to result in a significant cost reduction. It is expected that the centre and services will become self-sustaining given the additional income generation potential from rental hire and functions.

The Gostrey Centre, in its current state requires significant capital spend over the next 3 years totalling £214,000. The Memorial Hall also needs building repairs over the next three years of at least £395,000. These works have not been included in the forward budgets and are avoided with this scheme which secures the future of both the Memorial Hall and the Gostrey Centre.

A capital budget of £1.5m has been approved in the 2015/16 budget for the redevelopment, however, substantial ground investigation surveys has required design changes and construction cost inflation has resulted in an additional budget of £700,000 being required. Fortunately external funding of £200,000 has been secured leaving a balance of £500,000 as an additional budget request from the Revenue Reserve Fund.

External funding is being sought from agencies with a health and well-being remit that would benefit from the Memorial Hall being redeveloped. This will mitigate the additional reserve request.

Legal Implications:

The redevelopment of the Memorial Hall will be a major procurement project and would be tendered in accordance with the Council's Contract Procedure Rules and EU Procurement Regulations (where necessary).

The Council will retain the freehold of the new facility and will have lease(s) in place with the operators as appropriate.

Under the Deed of Gift from October 1947 the Council is required to meet various covenants relating to the hall and associated sports ground. The covenants are numerous and quite detailed. However the covenants specifically affected by the proposed works are that the Council must maintain and preserve the inscribed stone over the entrance door and the two oak memorial panels within the main hall. Also the building is to be known as The Memorial Hall and maintained for the benefit of and for the use and enjoyment by the inhabitants of the Urban District of Farnham. It is the view of officers that the proposed works are in compliance with the covenants.

Introduction

1. Following the completion of a feasibility study and discussions with Brightwell Gostrey Centre Trustees, the Council, as part of the 2015/16 Budget, agreed to fund enhanced and refurbished facilities at Farnham Memorial Hall in order to maintain and improve key community facilities in Farnham at an estimated cost of £1.5m. At its meeting of the Executive on 6 January 2015, approval was given to submit a planning application for the scheme. Plans for the scheme are in [Annexe 1 – New Scheme Site Plan](#), [Annexe 2 – 3D Images of New Design for Memorial Hall](#) and [Annexe 3 – Internal Floor Plan](#).
2. Providing the space required for service delivery by the Gostrey Centre, partner agencies contractually renting space will generate income whilst maintaining the community aspect for the wider community within the Memorial Hall. In addition, the aesthetically pleasing design and flexible layout of the new facilities will mean that the Memorial Hall could become commercially viable as a facility, eventually becoming self-sustaining by being hired for private functions.
3. Further, the financial benefits of a single, flexible space, the new centre, with its wider usage, will help bring together different groups within the community under one roof. Its location is also beneficial, being close to the centre of town while providing good access and parking in a landscaped environment. This will underline Waverley's commitment to improving leisure and lives of its residents.

4. Building a new community centre at the Memorial Hall whilst working with the Gostrey Centre trustees, provides an ideal opportunity to secure a viable financial future for both the Gostrey Centre and Memorial Hall.
5. This new and enhanced building will provide the Gostrey Centre with not only the space it requires, but will also ensure that there is the flexibility and versatility needed for a community space in the long term – one where facilities can be used to serve the whole community and provide a means of gaining financial stability and independence for the building.

Planning process

6. Ahead of appointing the necessary consultancy support for the accompanying surveys and reports needed for the planning application, due diligence required that the site be thoroughly investigated at a subterranean level to establish if there are any barriers to development.
7. As part of the works, the Council's quantity surveying and engineering consultant advisers arranged two specialist underground mapping and soil surveys.
8. Their findings indicated key utilities on site that had not been revealed in any property title documents or deed plans reviewed as part of the feasibility study.
9. In light of these findings, officers have worked in conjunction with architects to make the necessary design adjustments to avoid the substantial costs of diverting the five additional utilities that have been discovered. The effect of not making these adjustments would put the project at risk in respect of:
 - Time – Re-routing would add substantially to the time-frame in which the project can be delivered given that each utility supplier would need to organise their own specialist labour and legal services.
 - Finance – There would be significant additional costs from re-routing over and above the original estimated costs as well as the extra legal costs for reaching agreement and securing appropriate wayleaves.
10. Throughout the process regular meetings have taken place with key stakeholders, Gostrey Centre Trustees and Farnham Town Football Club, whose changing facilities are located at the Memorial Hall. Their comments and requirements, where possible, have been adopted as part of the design.
11. The alterations to the design to avoid the utilities have resulted in an increased footprint, with the building now impacting the football changing rooms. This was not originally part of the works, however, following positive discussions with Farnham Town Football Club, and as part of the additional works required, the changing facilities will now be provided on the opposite side of the football pitch adjacent to their clubhouse. The replacement

changing rooms will represent a major improvement for Farnham Town Football Club and will assist with its future development.

12. A revised cost report by quantity surveyors MEA that takes into account these changes has been issued identifying the required uplift in costs.

Project Timescales

13. Following consultation with local residents and pre-planning advice, the planning application for the Memorial Hall was submitted earlier this month with a view to the application being considered by the Planning Authority in August 2015. The objective is to begin works in late-2015 or early-2016. To achieve this, the relevant external expertise to assist with tendering for the works needs to be procured.
14. The cost of an external specialist to run the tender process for the construction contract is calculated as a percentage of the total build cost, and is anticipated to reach threshold 3 or 4 of Contract Procedure Rules.

Conclusion

15. The project requires a further £700,000 of which £200,000 have been externally funded.
16. External funds will continue to be sought for the project to add to the £200,000 that has already been secured from external partner organisations. The remaining £500,000 will, in the first instance, be met from the Revenue Reserve which includes funds set aside for invest to save projects.
17. Officers will continue to utilise the flexibility of the new facility to explore further funding options beyond that already identified.

Recommendation

It is recommended that the Executive recommends to Council that:

1. £700,000 of additional funding be approved in 2015/16 in order to proceed with the project, funded from external contributions of £200,000 with the balance being financed from the Revenue Reserve; and
2. authority be given to the Director of Finance and Resources and the Portfolio Holder for Major Projects to initiate the tender process to select a preferred consultant to run the construction tender process for the building works.

Background Papers

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

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