

Subject: Interim Civic Facilities and
Longer Term Accommodation
Strategy

Status: For Publication
(Certain information related to
commercial negotiations is
contained in a separate
confidential appendix)

Report to: The Cabinet

Date: 5th July 2006

Report of: Executive Director of Resources

Portfolio

Holder: Finance and Risk Management

Key Decision:

NO (Mix of non key decisions and matters
for Council Approval)

Forward Plan

General Exception

Special Urgency

1. PURPOSE OF REPORT

- 1.1 To seek approval for the provision of interim civic facilities and for the objectives of a longer term accommodation strategy aimed at centralising the Council's accommodation on a single site.

2. CORPORATE PRIORITIES

- 2.1 The matters discussed in this report are linked to and support the following corporate priorities:

- *Delivering Regeneration Across the Borough, through concentration of any new development in one of the Council's priority regeneration areas.*
- *Embedding our Customer Promise, through the concentration of all the Council's functions ensuring that a one stop response is achievable.*

3. RISK ASSESSMENT IMPLICATIONS

- 3.1 All the issues raised and the recommendation(s) in this report involve risk considerations as set out below:

- Financial risks are a key part of all major capital projects. The potential process set out in this report is aimed at minimizing such risks, although it is difficult to eliminate them in their entirety.

- Reputational risks arise in relation to the Council not being able to provide civic accommodation which is fit for purpose over a prolonged timescale.

4. BACKGROUND AND OPTIONS

4.1 This report deals with two distinct issues:

- The identification of suitable civic facilities which can be utilised until a permanent accommodation solution is delivered.
- The commissioning of a study to develop a permanent accommodation solution for the Council

Civic Facilities

4.2 Members will be aware that since the vacation of the Town Hall and Astoria officers have been conducting a search for more suitable interim Civic facilities which will provide a suitable venue for meetings of the Council and Committees. The criteria identified for examining properties were:

- Civic presence
- Relative accessibility, including parking
- Capital cost
- Revenue cost
- Flexibility in terms

4.3 Two properties have been identified as potentially suitable. These are:

- The Mill Suite Hardman's Business Centre Rawtenstall
- Old Methodist Chapel Bacup Road Cloughfold (next to Kenyons shoes)

4.4 Tweeds Ltd who were retained to work on the original accommodation moves have conducted an option appraisal for the Council of the two buildings, and the opportunity to visit the Hardman's Mill site has been provided for members. The details of the option appraisal are contained in the confidential appendix to this report as some of the information is, potentially, the subject of commercial negotiation and to disclose it could potentially prejudice the Council's negotiating position. The key facts for each property are summarised in the table below:

	Mill Suite	Methodist Chapel
Capital Cost	Low, and met by landlord within overall agreement	High and would have to be separately met by the Council
Revenue Cost	Higher but not out of line with commercial rentals, given the degree of flexibility required on terms.	Low, but as the landlord requires an income stream a rent free period to compensate for investment is not a realistic option.
Accessibility	At times of key use (evenings) a significant amount of parking is available. The site is not on a bus route but is relatively close to the centre of Rawtenstall. Disabled access can easily be provided through the main entrance, by addition of a ramp, and the terms also provide for addition of a disabled toilet with level access from the main open area. Access to the upper area would remain by stairs, although they are relatively wide and of standard gradient. The space is of such a nature that it would be possible to take management measures such that members of the public with disabilities would not need to access the upper floor.	The site is on a bus route. There is no dedicated parking and separate arrangements would need to be made with Kenyons which might have a further cost. There would have to be separate disabled access and no specific access could be provided to the upper area which is reached via steep and narrow steps. It could be possible to manage use of the building in such a way that members of the public did not need to access the upper room.
Civic Presence	The building internally and externally can provide the looks and feel of a formal meeting venue. Internally it will be possible to lay the facility out very much like a traditional chamber with a gallery, and certainly the ground floor space is larger than the chamber in the Old Town Hall. The current Council Chamber furniture and PA system could be used in this venue, and some improvements in facilities for presentations to be made at meetings could be considered.	Externally, given some work, the building provides a suitable "civic" feel. However, its situation detracts from this somewhat. Internally work is necessary and the ground floor space is, at best, as big as the previous chamber in the old Town Hall. It is not clear whether the current Council Chamber furniture will fit into this venue, however the current PA system could be used and some improvement in arrangements for presentations considered..
Flexibility in Terms	Sufficient for the Council's needs	Sufficient for the Council's needs

4.5 Essentially the Council has three options, either of the two solutions identified above, or continuing with the status quo, although perhaps utilising some other venues, for example the AB&D centre in Bacup has been suggested. A settled base for the running of the Council's various meetings is from a management point of view desirable and there has been a clearly expressed desire from members that this should be the case. However, as indicated the options are

clearly limited and with significantly different impacts upon the Council's resources, as illustrated in the table below:

	Status Quo £	Mill Suite £	Methodist Chapel £
Running Costs (over 3 years)	28,350	146,700	64,740
Existing Budgetary Provision (over 3 years)	28,350	28,350	28,350
Revenue Costs to be Found	0	118,350	36,360
Capital Costs	0	25,000	208,000
Additional Resource Requirement	0	143,350	244,360

4.6 As would always be the case doing nothing has the least financial impact, while the Chapel because of its capital costs has the greatest resource requirement. The option which achieves a fit for purpose fixed venue at least cost is the Mill Suite. Given that this is an interim solution it would be possible to fund this through the capitalization of £39,450 per annum of revenue maintenance expenditure funded from uncommitted capital resources.

4.7 Creating a pride in both the Council as an organisation and the wider Borough of Rossendale are important aspects of the next stage of the improvement journey. A more suitable venue for important civic events allows the Council to make progress with this and it is therefore recommended that the Cabinet approve the implementation of the Mill Suite option.

Long Term Accommodation Solution

4.8 Members will recall that the original work on the accommodation strategy identified both that the Town Hall Annex building has no future within the context of the redevelopment of the Town Centre and that the Council's occupation of space at Futures Park was not a permanent solution, but contributed to the regeneration of Rawtenstall and brought potential revenue to Bacup through the relocation of staff. Given the progress now being made in relation to the Town Centre it is appropriate to examine longer term solutions.

4.9 King Sturge reported to the Council in January 2005 on a range of accommodation options and the associated costs. In financial terms all these options became impractical to one degree or another due to the costs of property acquisition before the cost of works to create an appropriate Civic Centre. In addition the bulk of the options retained a split site operation significantly reducing the opportunities for the Council to realise economies of scale through bringing its operations together on one site.

4.10 Having now got to the stage where the initial phase of the strategy is almost complete it is appropriate to consider the key factors which should influence any longer term accommodation solution. It is suggested that these are as follows:

- Rawtenstall Town Centre location – Rawtenstall is the Borough’s main town and its most accessible centre. It is appropriate to locate the Council’s headquarters here.
- A single site operation – Concentrating all the Council’s office based staff (i.e. excluding all staff based at the Henrietta Street Depot and the various Grounds Maintenance bases) in one place together with the One Stop Shop which is the Council’s major customer access point. This should provide the opportunity to create further economies of scale.
- A solution which provides a genuine “civic presence” and allows the Council to contribute positively to the creation of a genuine sense of civic pride in the community
- A solution which necessitates relatively low costs in terms of property acquisition, allowing resources to be concentrated on delivering the project.

4.11 Further work done by officers in relation to the Council’s “Capacity Building Programme” has identified that the future accommodation requirement is likely to be for around a maximum of 150 FTE staff including some staff working for partners, e.g. through the Revenues and Benefits Contract and the new Multi Agency Problem Solving Team. This is before any account is taken of the potential impact of increases in the amount of mobile working that could be undertaken by certain staff such as Environmental Health, Building Control and Planning Officers.

4.12 The time is now right to examine the various site options which are available to the Council in this context and determine a way forward. As this is a project which will have a profound impact on the Council and will require considerable consultation with staff and the wider community it is important that it is led by elected members. For this reason it is suggested that a member working group of 5 members (3 Conservative and 2 Labour) be created to advise the portfolio holder, the Cabinet and potentially the whole Council as the project develops.

5. COMMENTS OF THE HEAD OF FINANCIAL SERVICES

5.1 Hardman’s Mill – The report identifies how financial resources can be made available to support the recommendations and the Council’s priorities.

5.2 Initially, the formation of a Member Working Group has no financial implications; however, the terms of reference of the Working Group should consider financial impact and risks of any recommendations.

6. COMMENTS OF THE HEAD OF LEGAL AND DEMOCRATIC SERVICES

6.1 Issues around DDA compliance will need to be considered in any decision taken

7. COMMENTS OF THE HEAD OF HUMAN RESOURCES

7.1 There are no immediate Human Resources implications arising from this report.

8. CONCLUSION

8.1 The current arrangements in relation to the venues for meetings of the Council and committees are unsatisfactory for members and for the public. Until it is possible to implement a more permanent solution it has been possible to identify an interim solution which will provide a more appropriate setting for meetings and provide some other limited members facilities.

8.2 In addition the time is now right to examine in detail the options available for a permanent accommodation solution. Given the potential significance of such a development the creation of a small member working group to advise the portfolio holder in relation to this project represents an opportunity to ensure that the wider Council is brought into the deliberative process.

9. RECOMMENDATIONS

9.1 The Cabinet is recommended to:

- a) That approval be given to entering into a lease for the Mill Suite at Hardman's Mill on the terms set out in the confidential appendix to this Report with agreement of the final terms delegated to the Head of Legal & Democratic Services in consultation with the portfolio holder for Finance & Risk Management.
- b) Recommend that the Council approve the allocation of £39,450 pa of unallocated capital resources for the next three years for capitalised building maintenance expenditure, together with one off capital expenditure of up to £25,000 for works and fitting out at Hardman's Mill.
- c) That the virement of the resources freed through the capitalisation at b) to meet the running costs of the interim civic facility at Hardman's Mill be approved.
- d) That a member working group comprising three Conservative and two Labour members be appointed to oversee the development of plans for a unified accommodation solution for the Council.

10. CONSULTATION CARRIED OUT

10.1 Chief Executive, Statutory Officers, Leader of the Council, Portfolio Holder for Finance and Risk Management.

Contact Officer	
Name	George Graham
Position	Executive Director of Resources
Service / Team	Executive Team
Telephone	01706 252429
Email address	georgegraham@rossendale.gov.uk

Background Papers	
Document	Place of Inspection
King Sturge Report on Accommodation Options Report to Executive 20 th April 2005 – Accommodation Strategy Hardman's Mill / Methodist Chapel Option Appraisal Methodist Chapel – Feasibility Study Hardman's Mill DDA Audit.	All can be inspected at the Futures Park Offices.