



CABINET

Report of: Councillor Kelham Cooke
The Deputy Leader of the Council

Report to:	Cabinet
Date:	12 October 2017
Subject:	St Peter's Hill Redevelopment – Office Remodelling, Guildhall Arts Centre refurbishment and reconfiguration
	Report No: TC0001

Decision Proposal:	Key decision for approval and recommendation on to Council
Relevant Cabinet Member:	Councillor Kelham Cooke The Deputy Leader of the Council
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SUMMARY

The purpose of this report is to obtain approval following a pre-construction feasibility study, to progress further with the St Peter's Hill Office remodelling project, by developing further the plans, designs and costs that will form the basis of the business case for the project. In parallel to this, essential preparatory and enabling works will need to be commissioned that will free staff to work in different more flexible ways so that the council is able to optimise the investment made in the building and generate income from the space made available.

As part of the wider scheme the Guildhall Art Centre forms an essential part of the overall leisure and cultural offer. It is therefore proposed to undertake a feasibility study to understand the opportunity to reconfigure space in and adjacent to the Arts Centre and costs to refurbish the facilities. The feasibility study will seek to understand;

- How to maximise utilisation of the asset and to exploit the opportunities available to create a focal point for the town which will naturally drive footfall into the courtyard area thought to the new cinema development off St Catherine's Road.
- To review the space available to enable an enhanced cultural, artistic and performance offer for residents and visitors.
- To have appropriate spaces available for the latent demand for more diverse range of activities, performances and marriage facilities within the town.

In order to progress the above, an in-year revenue budget of up to £500k will be required.

Members will receive further reports with full business case details in due course, once the design, technical specification and costings are available.

RECOMMENDATION

- 1 That Cabinet approves in principal the remodelling of the St Peter's Hill Council Offices as part of the overall St Peter's Hill Redevelopment Programme.
- 2 That Cabinet approves in principal the refurbishment and possible reconfiguration of the Guildhall Arts Centre as part of the overall St Peter's Hill Redevelopment Programme.
- 3 That Cabinet recommends to Council the allocation of up to £500k in the current financial year from revenue reserves in order to facilitate:
 - The accelerated rollout of laptops for staff.
 - The scanning and indexing of paper documents/ files.
 - To commission specialist resources to work with the contractor in the development of the detailed options/ feasibility stage of the projects
 - The leasing of temporary office accommodation for staff as required to meet the requirements of the remodelling of St Peter's Hill offices.

1. BACKGROUND TO REPORT

- 1.1 The Leader of the Council recognised in his speech to Full Council on 20th April 2017 that if we truly want to retain and recruit the very best staff then we need to ensure we provide them with the environment and the equipment to support them in their roles.
- 1.2 The Leader also confirmed to Full Council his intention that the Council offices would remain in the centre of Grantham supporting the local economy, and it was requested that an “urgent review of the type of IT support provided” was undertaken, and that plans for a “major overhaul of the Council building” were started.
- 1.3 Whilst the Guildhall Arts Centre is a standalone venue in its own right the overall approach is to ensure St Peters Hill redevelopment acts as a leisure and cultural destination to make Grantham town centre attractive as a leading sub regional centre with more vibrancy and increased footfall.
- 1.4 The setting of the Arts Centre can also improve the attractiveness of the public realm both in, leading to and around the whole redevelopment scheme and connectivity to the wider town centre to fundamentally extend the ‘dwell time’ of visitors. The venue also has the ability to potentially respond to a more diverse range of shows and activities programmed across the year.
- 1.5 A project board was subsequently established, and a team of key officers formed to oversee the inception and feasibility phases of these projects.
- 1.6 A key aspiration, associated with this piece of work and the potential investment required, was to take the opportunity to make better use of the space available by adopting a more modern and open plan design, and encouraging staff to adopt new and more agile ways of working. In this way it is expected that the footprint required to comfortably house the circa 300 staff currently based at the St Peter’s Hill offices could be greatly reduced, thereby offering the opportunity to attract further income by renting out the office space freed up and form a business incubation centre.
- 1.7 It is believed that by fully optimising our use of the space available in this way, that the entire ground floor could be made available as commercially, lettable space.
- 1.8 Using the SCAPE framework a firm of contractors has been commissioned to conduct a pre-construction feasibility study. It should be noted that the feasibility study is conducted at the contractor’s own cost, and there is no commitment from the Council to pursue this further at this stage. At the end of this exercise, we will have an agreed pre-construction scope with a feasibility report and initial cost plan based on the outline design selected. Further reports will be brought back to Cabinet at this stage.

- 1.9 There are other pieces of work, with their associated costs, that will need to happen in parallel to the above. These include the need to accelerate the IT refresh programme and to issue all staff with a laptop, the need to reduce our need for storage by scanning any paper documents that we need to keep and discarding the rest, the need to identify, lease and fit out as appropriate, alternative accommodation for staff during the building renovation, and the need for additional and specialist skills such as on site project management/day-to-day liaison with the building contractors, and an independent Cost Consultant/Quantity Surveyor to challenge the contractors assumptions and costs.
- 1.10 Each of the above pieces of work are essential to ensure our ability to create a mobile and agile workforce, to optimise the use of space within and around our buildings and to ensure that we are ready to move when construction works commence. The completion of each of these sub-projects is a critical success factor for the achievement of the outcomes and overall success of the redevelopment project. It is therefore recommended that a budget of £500k is made available to fund this essential upfront enabling work.

2. OTHER OPTIONS CONSIDERED

- 2.1 None at this stage

3. RESOURCE IMPLICATIONS

- 3.1 Specialist support will be engaged to work alongside officers and the contractor to ensure we have the correct capacity to deliver this project in a timely and cost effective manner.

4. RISK AND MITIGATION

- 4.1 A full risk assessment will be conducted once the designs, plans and proposals for remodelling are finalised.

5. ISSUES ARISING FROM IMPACT ANALYSIS (EQUALITY, SAFEGUARDING etc.)

- 5.1 An impact analysis will be conducted once the designs, plans and proposals for remodelling are finalised.

6. CRIME AND DISORDER IMPLICATIONS

- 6.1 Not applicable at this stage.

7. COMMENTS OF FINANCIAL SERVICES

- 7.1 Estimated initial feasibility and enabling works costs will be circa £500K. Actual costs will be confirmed as part of these early processes and the subsequent procurement exercise. As stated further reports will be brought to Cabinet to advise of future budget impacts. It is recommended that the funding is met from the Council's local priorities reserve and the budget framework is amended accordingly.

8. COMMENTS OF LEGAL AND DEMOCRATIC SERVICES

- 8.1 The report proposes an agreement in principle and the requirement for funding to facilitate feasibility of the project. The decision does not appear on the Schedule of Decisions and can be considered under the general exception rule where the decision must be taken by such a date that it is impracticable to defer the decision until it can appear on the next Schedule of Decisions. A decision is required in advance of the Council meeting on the 23rd November 2017. The relevant consultation will take place following the feasibility process if a recommendation is to be made to proceed with the project.
- 8.2 In accordance with the Contract and Procurement Procedure Rules, the Council encourages the use of framework agreements to balance the resource burden of procurement activity with the need to achieve value for money.

9. COMMENTS OF OTHER RELEVANT SERVICES

- 9.1 None

10. APPENDICES

- 10.1 None

11. BACKGROUND PAPERS

- 11.1 None