

<b>Report To:</b>	<b>EXECUTIVE CABINET</b>
<b>Date:</b>	28 June 2017
<b>Executive Member/Reporting Officer:</b>	Councillor Jim Fitzpatrick – First Deputy (Performance and Finance)  Damien Bourke - Assistant Executive Director (Development, Growth and Investment)
<b>Subject:</b>	<b>RE-USE OF ASHTON TOWN HALL</b>
<b>Report Summary:</b>	The purpose of this report is to provide a further update on project development, costs, delivery timescales and risks associated with the project for the re-use of Ashton Town Hall
<b>Recommendation</b>	That Executive Cabinet: <ol style="list-style-type: none"> <li>1. Notes the progress made to date with developing the project to secure the reuse of Ashton Town Hall.</li> <li>2. Approves a project development budget of £0.350 million for design and planning work up to RIBA Stage 4 (Technical Design) as outlined in the report to enable a full feasibility and costings to provide sufficient information for allocation from the revised Capital Programme if it is determined to proceed.</li> </ol>
<b>Links To Community Strategy:</b>	Prosperous Tameside
<b>Policy Implications</b>	In line with approved policy
<b>Financial Implications: (Authorised By The Section 151 Officer)</b>	<p>It is anticipated the Council will approve a maximum sum of £6.7 million within the capital programme to support this project. The projected cost currently exceeds this sum by £0.625 million (details within table 3 section 5.4). There is also expected to be additional expenditure which currently excluded from this sum as explained in sections 3.10 and 5.6 of the report. It is therefore essential that a Heritage Lottery Fund bid (as explained in section 5.8) is successful to ensure the project is delivered within all available resources.</p> <p>The requested £0.350 million project development sum will be financed from the available project resource.</p> <p>The Council will commission the appropriate VAT related advice to mitigate the risk of any potential partial exemption financial implications associated with this project once the design and associated use and occupation arrangements are finalised.</p> <p>It should be noted that damage was caused to the rear of the town hall building during the demolition of the former Tameside Administrative Complex. The financing arrangements to support the necessary reinstatement work is yet to be agreed between the related parties. The associated cost of this work is excluded from any of the financial details contained within this report as it is expected this will not be a related project resource liability.</p>

**Legal Implications:  
(Authorised By The Borough  
Solicitor)**

This report requests approval for £0.350 million to enable the LEP, the Council's strategic partner, to begin the procurement of the design stage. As it is proposed that the LEP will manage the contract no further governance is required as this is already governed by the strategic partnership and related agreements which officers are required to follow, aside from ensuring that there are sufficient monies set aside in the capital programme to pay for the refurbishment and build, as identified in the comments from the Assistant Director for Finance. Clearly should officers not propose to follow the LEP agreements it follows they will require further governance to do so.

The Council must be mindful that the monies authorised now will form a small part of the projected total costs of the project which have been estimated at £7.3m although it was envisaged that a maximum sum of £6.7 million would be incurred – financial comments refer. Without detailed costings there can be no certainty on the total cost of the project. The Council must put in place a robust process for monitoring spend against budget and reviewing the projected costs for the whole project to ensure that where possible spending is controlled.

It is recommended that a project board is set with a view to overseeing the whole project from inception to completion to ensure that the project remains within its intended original scope, or if the scope changes that this is identified at an early stage to ensure that budgets are managed accordingly.


The project envisages at some stage external funding being introduced. The project board should remain fully briefed on any and all applications for funding to ensure that the Council is able to comply with the conditions of any funding in order to reduce any reputational risks to the Council.

**Risk Management:**

The key risks, impact and mitigation proposed are included in the report at Section 7.

**Access To Information:**

The background papers relating to this report can be inspected by contacting the report writer Ade Alao, Head of Investment and Development by:

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## 1. INTRODUCTION

- 1.1 The Grade II listed Ashton Town Hall has been the traditional home of municipal life in Ashton since its opening in 1840 and has remained, by and large, unchanged in layout since it was extended in 1878. As Tameside's premier civic building, its heritage importance and significance lies in its classical façade framing of the Market Square and anchoring of the historic setting at the very heart of the town.
- 1.2 The building was physically linked to the Tameside Administrative Centre (TAC) from 1980 until 2015 and played an ancillary role accommodating civic and other functions. With the new Shared Services building due for completion in Summer 2018, Ashton Town Hall will once again be a stand-alone building with the challenges and opportunities that will bring.
- 1.3 The Council is committed to the retention and financially sustainable future use of Ashton Town Hall. Executive Cabinet endorsed a vision for the future use of the building in June 2016. This followed an initial feasibility study by Ryder Architecture that examined options for improvements in layout and use of underused spaces along with improvements to access, and a draft vision and high-level business plan, developed by Creative Heritage Consultants Ltd.
- 1.4 The initial feasibility study identified the following issues, which would need to be addressed in the building, within plans for re-use:
- Extensive building works will be required to deliver a functional stand-alone building in terms of servicing and to meet current fire regulations.
  - The building does not function efficiently and is incapable of meeting the Council's anticipated future requirements in its current configuration.
  - Some areas of the building are now not fully accessible and do not meet current statutory DDA requirements.
  - Extensive repairs and replacement works will be required to the building's fabric and services.
- 1.5 The key recommendations from the feasibility study were:
- Demolition of the existing rear stairs and replacing it with a new, fully compliant glazed stair and lift enclosure, which would provide a new entrance adjacent to the Shared Services building and level access to all floors. This improvement to the building's vertical circulation was identified as key to achieving the Council's aspirations for optimal and fully accessible operation.
  - Potential for new commercial opportunities for the building were identified particularly to the northern area at lower ground (pavement level) where new glazed shop front openings could be created.
  - Further consideration of the options available for improved use of spaces in the building including the Council Chamber, civic, event, exhibition, meeting and office uses.
  - Need for a detailed building condition survey including mechanical and electrical services installations.
- 1.4 Creative Heritage Consultants Ltd, a specialist heritage assets consultancy, was commissioned in 2016 to develop a draft vision and high-level business plan for the sustainable future use of Ashton Town Hall. The proposed vision is: "**The Jewel on the Square: Inform, Debate and Celebrate**". The three concepts can be summarised as:
- **Inform** – art and culture hub, retail / food & drink
  - **Debate** – Council Chamber, Mayor's Parlour, committee / meeting rooms and Forshaw Room

- **Celebrate** – ballroom and function rooms

1.5 This report provides a further update on project development, costs, delivery timescales and risks and seek approval to progress project development.

## 2. PROGRESS UPDATE

2.1 A comprehensive condition survey was completed in November 2016 by Donald Insall Associates and BCA Consulting which identified £3.72 million of repairs required for the building. It also established that its Mechanical and Electrical (M&E) infrastructure was at the end of its serviceable life.

2.2 £0.534 million of repairs are urgent and £2.582 million will be required within 5 years to arrest further deterioration of the building. A sum of £0.607 million has also been suggested to address desirable items such as replacing some of the windows with traditional sash windows, replacing some internal doors with doors more in keeping with the buildings character and heritage. A summary of the building condition works is shown in table 1 below:

**Table 1**

<b>Ashton Town Hall Building Condition Works Summary</b>				
	<b>Urgent £</b>	<b>Year 5 £</b>	<b>Desirable £</b>	<b>Totals £</b>
Building work	289,441	238,794	278,690	806,925
Mechanical & Electrical (M&E)	114,891	1,717,313	181,406	2,013,610
Preliminaries	80,866	391,221	92,019	564,106
Contingency	48,520	234,733	55,211	338,464
<b>Total</b>	<b>533,718</b>	<b>2,582,061</b>	<b>607,326</b>	<b>3,723,105</b>

2.8 Even if the £3.72 million of repairs identified as required were carried out, the building will still not be functional as a stand-alone building in terms of servicing, and will still be incapable of meeting the Council's anticipated future requirements in its current configuration. Many areas of the building will still not be fully accessible and will not meet current statutory DDA requirements. Fire regulations compliance requirements will likely curtail maximum occupancy of the building which will adversely impact on its future financial sustainability through income generating activities.

2.9 54% (£2.014 million) of the repairs identified is allocated to maintaining the M&E systems which are at the end of their serviceable life. This is not recommended as it is uneconomical in comparison with installing new M&E installation with a 25-year life. More so as there will be a point when the M&E systems will need to be replaced completely as the repair costs become excessive and parts become obsolete.

2.10 Ryder Architecture has now used the information from their initial feasibility study, vision & high-level business plan and building condition surveys to develop concept proposals for the re-use of Ashton Town Hall for the Council's consideration.

### 3. CONCEPT PROPOSALS

3.1 Details of the concept proposals are shown in **Appendix 1** with the following key elements:

3.2 **Lower Ground Floor (Inform)** - This floor consolidates all public exhibition activities on a single floor supported by commercial tenancy opportunities providing active frontage to new pedestrian routes fronting the new public spaces adjacent to the Shared Services building. The public exhibition space is to be designed to provide:

- Modern interactive environment which has a family focus, is dementia friendly and has an extensive activity programme.
- Re-interpretation of the Museum of the Manchester Regiment to provide an opportunity to display and access the collection in new ways and provide visitors with extraordinary experiences.
- A complementary central art gallery relocated from Ashton Central Library creating opportunities for linked trips to the museum and other town centre attractions.
- All exhibitions to be accessed free of charge in line with national policy.
- Interesting introduction to Tameside's social and industrial heritage with sign posting along a cultural trail to the Portland Basin Museum.

3.3 **Ground Floor (Debate)** – Relocation of the Council Chamber to the ground floor as a large / flexible modern meeting space, with audio-visual facilities suitable for live webcasting if required. This will be set up for regular Council meetings but could be made available for corporate bookings for conference space when not in use by the Council. The floor will also consolidate other civic uses including the Mayor's Parlour and offices for the Member of Parliament.

3.4 **First Floor (Celebrate)** - Consolidation of large flexible spaces for event hire with modern kitchen and bar support facilities.

3.5 **Second Floor (Office Space)** – Limited cost allowance has been made to provide office space.

3.6 **External Envelope** – Works will include both refurbishment to the historic fabric and new interventions. This includes extensive repair and making good to areas which were modified for the connection of TAC and existing elements which have been identified as requiring attention in the building condition report. New interventions are required to improve access, servicing, day lighting and viability of lower ground floor spaces.

3.7 **Mechanical & Electrical Services and Roof** - This includes new compliant and modern Mechanical, Electrical and Plumbing (MEP) systems requiring new riser routing through the existing building, alongside new air intake and extract at roof level. Discreet louvered enclosures will be placed upon the roof to suit the engineer's requirements.

3.8 **Glazed External Stair & Lift Enclosure** - To realise the building's full potential and unlock the maximum occupancy of each floor plate, a new external stair and lift enclosure is proposed which provides level access. Making this the main vertical circulation route through the building unlocks the opportunity to utilise redundant lift shafts for mechanical and electrical distribution. The glazed external envelope of the new stair enclosure will form a high-quality addition to the northern elevation linking the new Shared Services building with the historic Ashton Town Hall.

3.9 The following **assumptions** have been made in developing the concept proposals:

- a) The assumed maximum occupancy of the upper floors of the building for means of escape is 790 with a maximum occupancy of 450 persons for the first-floor event space

accommodation. Further development of the brief for these spaces is required to ascertain if this is sufficient for viable commercial operation.

- b) WC provision is also based on a total occupancy of 790.
- c) Primary route to flexible space 2 (existing Council Chamber) is via lower ground / ground floor access from new stair and lift. Existing lift shaft at first floor to be retained and reused as a services riser with a secondary route to event space 2 at this level.
- d) No tiered raised floor to new council chamber.
- e) Café / restaurant facility shares toilet provision with museum accommodation.

3.10 The following **exclusions** have been made at this stage of project development:

- a) The existing armoury is understood to be of substantial construction and will be retained in its current location. Current plant proposal will need to be amended to work with this identified constraint.
- b) Decorative display cabinets located in the entrance foyer (with integrated heating) and Forshaw Room, to be potentially relocated to lower ground, and new heating proposed to foyer.

#### 4. BUSINESS PLAN

4.1 Alongside project development for the capital scheme, a detailed operational business plan for Ashton Town Hall is being undertaken to provide assurance on the financial sustainability of the proposals.

4.2 The three organising principles of the proposed vision (Inform, Debate & Celebrate) are extensively interconnected and have profound implications for how the building is managed to achieve its business and social objectives.

4.3 The “new” Ashton Town Hall will require high quality, focused, building and event management for it to be successful. It will need a clear focus on commercial viability, on expanding customer base and on providing a valued service to the local and wider community. It will also need a significant level of operational flexibility and creative problem solving in order to realise the building’s full potential. This will have implications for the marketing approach for the “new” Town Hall which needs to communicate the three organising principles and the sense of dynamism they bring.

4.3 Whilst this report seeks authority to develop Ashton Town Hall its own right there is an opportunity to develop an attractive overall offer based on a campus facility in Ashton Town Centre. This combines the facilities available in the new Shared Service building, Tameside College buildings, Ashton Market Hall, Ashton Town Hall and the wider Ashton Town Centre.

4.4 Table 2 below sets out the issues that require further consideration in the detailed business planning:

**Table 2**

Business Plan	Action
Ownership and Facilities Management	A change of ownership or franchising is not proposed however a commercial focus is required to ensure the vision for the Town Hall and its uniqueness fills a gap in provision and is

	actively and professionally promoted both locally and regionally.
Increased Commerciality	<p>It is essential that the Town Hall is financially sustainable. There needs to be a realistic, market led approach to pricing to ensure the facility remains viable.</p> <p>The commerciality consideration will need to include to the Council's use of the Chamber and committee / meeting rooms. It is possible that these spaces are not dedicated to Council use alone and that they could be marketed as part of the conference offer (the Council Chamber for example may appeal to some as a venue for marriage ceremonies). The space therefore needs to be designed to be as flexible as possible and rooms "named" rather than referring them to meeting rooms therefore avoiding "typecasting" for any specific use.</p> <p>With regards to the arts space and museum, free entry is the current national policy. However opportunities may exist for generating secondary income from a small gallery shop, charging for temporary exhibitions and hiring the gallery space for drinks receptions and other functions.</p>
Marketing	In order to achieve high levels of occupancy and take advantage of the "programmability" of the spaces in the building, a creative and effective marketing strategy is required. The marketing strategy will need to consider the uniqueness of the building for the target market, understand the offer available from competing venues and develop branding and advertising to professionally promote the building.

4.5 The multi-functionality of the space being proposed will require skilled programming to ensure that conferences and weddings do not clash, that the Council Chamber and its environs are vacant and quiet when required for Council sessions and that school children using a committee / meeting room when on a visit to the cultural hub are segregated from the general public for safeguarding reasons.

4.6 Work has now commenced on the development of the business plan and a detailed proposal will form part of a future report seeking final approval for the capital scheme.

## 5. PROCUREMENT AND FINANCIAL IMPLICATIONS

### Procurement

5.1 Given the specialist nature of the works involved, there are a limited number of contractors with the requisite skills and expertise to undertake the project. An initial procurement options appraisal has indicated that there will be little market interest in undertaking the project on a Design and Build basis as most will only be prepared to submit a tender against a schedule of works on an industry-standard contract. The Heritage Lottery Fund is

also unlikely to approve funding for works to heritage buildings procured on a design and build basis.

5.2 It is proposed that the project is commissioned from the Tameside Investment Partnership (LEP), through the Additional Services Contract, to appoint the professional team, specify all the works, produce a schedule of works, pricing documents and associated contract documents for tender and manage the contractor through to completion through an OJEU-compliant process.

5.3 The LEP will be required to undertake the tender process, on behalf of the Council, via the Chest and use of the Council's approved tender documentation and compliance with standing orders.

### **Estimated Costs**

5.4 The estimated costs are based on a traditional procurement route and the Concept Stage (RIBA Stage 2) Cost Plan is shown in table 3:

**Table 3**

<b>Ashton Town Hall – Stage 2 Cost Plan</b>	
<b>Works Element</b>	<b>Estimated Cost £</b>
Building Costs	4,205,630
External Works	116,000
Preliminaries & Overhead & Profit	864,000
Contingency (25% of above costs)	1,296,408
Fees up to RIBA Stage 7 (13% of construction costs – all above costs)	842,665
<b>Total Estimated Project Costs</b>	<b>7,324,703</b>

5.5 There is a significant level of contingency allowance included in the current cost estimate that reflects the risks associated with work to a listed building and the early stage of project development. As more detailed design work is completed, the level of contingency required will be expected to reduce but will still need to be maintained at a prudent level.

5.6 The following costs are excluded at this stage:

- General furniture, fixtures and other equipment (FF&E)
- IT infrastructure
- Specialist security system
- Cleaning of external fabric
- Marketing and promotion

5.7 A budget of £0.350 million (included within the table 3 total is proposed for developing the project to RIBA Stage 4 (Technical Design) to include all architectural, structural and building services information, specialist design and specifications, planning approval, listed building consents and tender.

### **Funding**

5.8 The project has been formally registered with the Heritage Lottery Fund (HLF) for an application for heritage grant funding. The initial advice is that the overall project is unlikely



to be successful with an HLF grant application but the elements relating to the museum and arts gallery could be supported for up to £1.5 million subject to detailed proposals.

- 5.9 It is anticipated the Council will approve a maximum sum of £6.7 million within the capital programme to support this project. The projected cost currently exceeds this sum by £0.625 million. There is also expected to be additional expenditure which is currently excluded from this sum as explained in sections 3.10 and 5.6 of the report. It is therefore essential that a Heritage Lottery Fund bid is successful to ensure the project is delivered within all available resources.
- 5.10 The Council will commission the appropriate VAT related advice to mitigate the risk of any potential partial exemption financial implications associated with this project once the design and associated use and occupation arrangements are finalised.
- 5.11 It should be noted that damage was caused to the rear of the town hall building during the demolition of the former Tameside Administrative Complex. The financing arrangements to support the necessary reinstatement work is yet to be agreed between the related parties. The associated cost of this work is excluded from any of the financial details contained within this report as it is expected this will not be a related project resource liability.

## 6. INDICATIVE PROGRAMME

- 6.1 Consideration has been given to phasing the works so that the building can re-open in a phased manner. This approach is felt to be unachievable because of the severing of services and the need to demonstrate a step change in the building before re-marketing its facilities.
- 6.2 The table below provides an indicative programme:

Milestone	Target Completion Date
Council approval to proceed	By end of June 2017
Tender	January 2018
Final approval	February 2018
Design development & planning approval	March 2018
Build period	May 2018 – March 2019
Building fit-out	March 2019 – Summer 2019
Building re-opens	Summer 2019

## 7. RISKS

- 7.1 The risk profile for this project has been reviewed throughout the Stage 2 process. As with all capital projects of this scale there are several significant risks that need to be managed and mitigated, on a monthly basis, as the project develops.
- 7.2 A comprehensive risk register is monitored by the Vision Tameside Working Group on a regular basis and mitigation actions reviewed and implemented when required. The current top five risks identified are:

Risk	Potential Impact	Mitigation
Increase in project scope	Increase in time	• The Vision Tameside Working Group,

/ design changes	and cost	<p>will monitor progress to ensure the project is delivered in line with the brief.</p> <ul style="list-style-type: none"> <li>• A robust variation process will be implemented to monitor and control change therefore ensuring that costs are contained within the budget envelope.</li> </ul>
Insufficient contingency budget for scale and complexity of the Programme.	Actual contingency exceeds the allowance.	<ul style="list-style-type: none"> <li>• Appropriate contingency budget established as part of the Stage 2 costs in line with HLF listed building guidance.</li> </ul>
Inadequate project management and delivery capacity delays implementation.	Delay in project timescales and completed project not fit for purpose project.	<ul style="list-style-type: none"> <li>• Necessary resources identified at the outset and experienced external resources are being utilised to fill gaps.</li> </ul>
Museum risks	Failure to achieve the agreed vision for the public exhibition space and have an appropriate business plan.	<ul style="list-style-type: none"> <li>• Engagement with the Museum Trustees and Council Cultural Services Team.</li> <li>• Commission specialist advice from museum consultants.</li> <li>• Learn from best practice elsewhere.</li> </ul>
Reduction of footfall during redevelopment	Reduction in trade for local shops and businesses.	<ul style="list-style-type: none"> <li>• Project to be promoted as part of the Vision Tameside marketing campaign.</li> <li>• Project established with town centre retailers to help them promote their own businesses and town centre as a whole.</li> </ul>

## 8. PROJECT GOVERNANCE

- 8.1 Given the high profile of this town centre project and its links to the wider Vision Tameside Programme, it is recommended that the Vision Tameside Working Group, chaired by the First Deputy (Finance and Performance), is responsible for maintaining oversight and control over the project's development and delivery. In addition, regular reports will be provided to the Council's Strategic Planning and Capital Monitoring Panel.
- 8.2 An officer task group from different Council services, including Investment & Development, Asset Management, Museums, IT, Executive Support, Engineering, Finance, Legal and the LEP will be responsible for day to day delivery. Dedicated client project management is provided by the Capital Projects Team in Place Directorate.

## 9. NEXT STEPS

- 9.1 Subject to approval the next high level steps in project development are:
- a) Undertake further design development and condition survey work to develop the project within the budget envelope.

- b) Commission specialist museum designer and activity planner to develop proposals for the public exhibition space to ensure it delivers the vision.
- c) Proactively engage with the Heritage Lottery Fund to progress a funding application.
- d) Undertake detailed business planning.

## **10. CONCLUSION**

- 10.1 Ashton Town Hall is a major Tameside heritage and civic asset and good progress is being made with the project for the future re-use of the building.
- 10.2 Vision Tameside and the redevelopment of the Market Square bring together a major opportunity to reassess the role of Ashton Town Hall to achieve its renewal through reframing its future functions both physically and operationally.
- 10.3 The future of Ashton Town Hall, is in many ways dependent on the success of the Council's Town Centre regeneration programmes, but also, because of its pivotal role in the heart of the town, is an essential part of the overall success.

## **11. RECOMMENDATIONS**

- 11.1 As stated on the report cover.