

HAMPSHIRE COUNTY COUNCIL

Committee/ Panel:	Buildings, Land and Procurement Panel
Date of Decision:	12 October 2010
Decision Title:	Ringwood Gateway – Proposals and Procurement Arrangements
Decision Reference:	1941
Report From:	Director of Property, Business and Regulatory Services

Contact names: Louise Hague

Tel: 01962 846578 **Email:** louise.hague@hants.gov.uk

1. Executive Summary

- 1.1. The purpose of this report is to provide a summary of the proposed Ringwood Gateway project, which will relocate and consolidate the existing local New Forest District Council (NFDC) offices, the existing Hampshire County Council (HCC) Registration Service, the existing Visitor Information Centre and public conveniences, together with Ringwood Town Council (RTC) offices.
- 1.2. This report:
- Explains the background and context for the Gateway project
 - Identifies the proposed governance and procurement arrangements for the project and summarises the proposed onward management of the completed facility
 - Confirms the programme and timescales for the project
 - Seeks approval to the funding strategy for the County Council's contribution towards the cost of the project
 - Seeks approval to the negotiation and signatory of either joint or related procurement, as well as ownership and management agreements to protect the County Council's role as a partner to the Gateway project.

2. Background and Context

- 2.1. As part of the Major Projects update to the Panel in May 2010, there was a short introduction to the Ringwood Gateway project, which described a shared aspiration to create a joint Local Authority public service facility in Ringwood. The Ringwood Gateway project is a joint project between the County Council, District Council and Ringwood Town Council, and represents a major opportunity for the three Councils to establish a revitalised presence in the New Forest/ Ringwood area. The new building will assist in the delivery of cross-cutting and co-ordinated public services, and provide facilities for staff to meet

customers, and new flexible spaces for use by both the Registration Service for ceremonies, as well as other public meetings and functions.

- 2.2. The proposals will consist of the co-location, into a single new building, of the District Council's existing office (which also houses the existing County Council delivered Registration Service function), with the main Ringwood Town Council office, as well as the re-provision of the existing public conveniences and the Visitor Information Centre. Whilst the Town Council will have some dedicated office and meeting accommodation, the majority of the building will operate on a shared basis, including shared meeting and reception facilities, in addition to a joint drop-in facility for use by all County and District Council staff operating in the area.
- 2.3. Although funding for the project has already been approved in principle by each of the Council's, this report identifies the funding strategy for the County Council's contribution towards the cost of the Gateway project.

3. Scope of Proposals

- 3.1. The Gateway building will be constructed on a District Council owned site, adjacent to the existing public convenience facility and Visitor Information building, which will be demolished as part of the scheme. The site is located on the western edge of the Furlong Car park, and the new building will address some of the key routes to local shopping facilities and the High Street.
- 3.2. The building will provide approximately 550 m² of accommodation over 2 floors. The attached drawing shows the detailed arrangement of the proposed accommodation which can be summarised as follows:

Ground Floor:

- Shared lobby with a reception and information desk and back of office area including a Public Service information point for local staff
- Committee/Meeting room for up to 40 people - primarily for Registration Services ceremony use, but will also function as a meeting room for Town Council meetings
- Internal courtyard - this will enhance the committee and ceremony room privacy and provide an opportunity for photographs and external exhibitions. It will also allow the ceremony space and waiting area to be accessed separately
- A shared kitchen facility for use for meetings and ceremonies
- A public toilet facility that is designed to be externally and separately accessed providing 8 unisex toilets and 1 disabled/ family changing units
- Interview accommodation on both floors for ease of access to all areas

First Floor accommodation:

- Shared meeting room at first floor level
- Dedicated office/meeting room accommodation for use by the Town Council

- Drop-in hot desk area for use by County Council and District Council staff.
- 3.3. The proposed new Gateway building will be simple but distinctive using traditional material and pitched roof forms, in order to complement the historical market town setting of Ringwood. Combined ceremonies and committee room functions will be located on the ground floor. It is anticipated that the works will commence on site in Spring 2011 and be completed by summer 2012.
- 3.4. The concept of co-location of public services and *new ways of working* will be integrated in the design of the building, in order to maximise future flexibility of the shared space and to foster cross-Council partnership working.

4. Governance, Procurement and Onward Management

Governance

- 4.1. Using the same principles as those established for the Havant Public Sector Village (PSV) project, a Project Board and Project Steering Group have been established for the Gateway project. The Board is currently meeting frequently during a period of high activity relating to confirmation of the preferred design, proposed Information Strategy during September and submission of the detailed planning application and appointment of the contractor for pre-construction activity in October. The Steering Group meets fortnightly currently to develop a number of key work streams; in relation to design, procurement, legal agreements, IT provision and the customer facing aspects of the new building.

Procurement

- 4.2. The Gateway building is to be delivered using the IESE Tier 2 Framework and it is proposed that the District Council, as the freeholder of the site for the building and also the lead funding partner, will be the Employer under the construction contract to secure the preferred overall VAT position for the project. As a consequence, it will be necessary for the County Council and Town Council to enter into an appropriate Development Agreement to ensure that commitments for the funding and the wider project, including obligations for payment of fees and works are in place. It is however proposed that the County Council is appointed by the District Council to lead on the design, procurement and project management for the delivery of the project, given its significant experience. The Project Team has been proceeding on this basis to meet the preferred programme.

Legal Frameworks and Onward Management

- 4.3. In accordance with the funding contribution from each partner (set out in section 5 below), it is proposed that the District Council grant an appropriate legal interest in the new building to the County Council and Town Council. These proportions are also likely to underpin the share of the cost of the future maintenance and repair for the Gateway building. For the County Council, this will result in a partial revenue saving as the onward occupation will be rent free, but there will continue to be a share of the running costs (heating, lighting, rates, cleaning costs etc.), together with a contribution to the cost of shared reception staff to

support the ‘one-stop shop’ concept of the new facility. These costs are yet to be assessed and agreed but will, in principle, reflect the proportion of regular use of the building by the three Council’s. It is proposed that the future management of the building will be incorporated into a shared Management Agreement. It should be noted however that the District Council will assume sole and separate responsibility for the public conveniences that form part of the development.

- 4.4. Reflecting the anticipated greater day to day usage, it is likely that the Town Council would become the lead partner in respect of the management of the building. Whilst a pre-development Agreement is needed to progress the project in the short term (and to satisfy the requirement of appointment under the IESE framework), a more formal Development Agreement, which will link the construction contract and the transfer of legal interests in the property, together with the agreed heads of terms for the future management of the building will be entered into simultaneously at the appointment of the contractor for the construction phase next spring.

5. Finance

Proportion of Funding

- 5.1 As part of pre-feasibility work, and following approval from the District Council and Ringwood Town Council in June 2010, it was agreed that each Council would contribute a proportion of funding towards the total cost of the project [estimated at £2,055,000 (inclusive of fees)], as follows:

Local Authority	Proportion of Funding (%)
Hampshire County Council	29
New Forest District Council	49
Ringwood Town Council	22

Funding Sources

- 5.2 Each Council will secure the necessary proportion of funding for the project in different ways. The District Council proposes to use the allocated Capital Programme funding for part of their funding contribution, together with Prudential Borrowing against the receipt arising from disposal of their existing office in Ringwood. While the Town Council intend to sell one asset and take a loan out for the remainder of their contribution.
- 5.3 For the County Council, the report to the Panel in May approved in principle the County Council’s contribution to the project, and gave delegation to the Director of PBRs to “*identify and secure the necessary funding with a view to the scheme being added to the Capital Programme.*” As the Registration Service currently occupy the

District Council offices by way of a lease, the new building presents an opportunity to secure a potential revenue saving (as no rent is payable to occupy the new building) but it does not provide any means of deriving a formal receipt when the lease ends.

- 5.4 Careful consideration of immediate disposals in the New Forest area has been made and those available are already directly linked to other reinvestment strategies. There are also no other “Work-style” related assets proposed for sale in the SW area of the County in the near future. It is proposed therefore to fund the County Council’s contribution from the ‘Advantageous Land Purchase Budget’. Whilst this contribution will be spent mostly during 2011/12, commitment to the full sum of £600,000 is needed for the County Council to enter into the proposed pre- Development Agreement and other agreements referred to in the section 4 above.

6.0 Performance

- 6.1 In respect of the County Council’s Corporate Priorities, the Ringwood Gateway Project contributes to Maximising Wellbeing and Enhancing our Quality of Place as the new building will provide in a single modern building access to services provided by 3 tiers of local government.

7. Options Considered

Option 1: To participate in the Gateway project.

Option 2: Not to participate in the Gateway Project.

- 7.1 The decision to participate in the Ringwood Gateway project was agreed by the Executive Member for Policy and Resources in June, which formed the Major Projects Update report to the Panel. Behind this decision was the acknowledgement that the Gateway building not only provided a means of delivering a full, and continued Registration Service in purpose built and higher quality accommodation, but also a second drop-in facility in the Ringwood area, which aligns with the overall Workstyle strategy and the move to more flexible and efficient means of operation.
- 7.2 Whilst many marriages in the New Forest area take place in other privately owned premises, Council owned facilities provide ready access for birth, death and marriage registrations, and also access to the lower end cost of licensed accommodation for the whole community to use and afford. The new accommodation in the proposed Gateway building, together with the internal courtyard provides a much improved facility compared to the existing leased accommodation. Also, as it is anticipated that the accommodation will be shared with other users, and in the absence of any formal rental liability, the new accommodation would represent an overall revenue saving to the Registration Service.
- 7.3 In addition, the proposed shared information point and shared drop-in accommodation provides a means for the County Council to provide both integrated and separate service delivery in conjunction with the District and Town Councils. Access to meeting facilities and drop-in

Agenda item:

offices with appropriate IT and telephony, will also ensure that an increased provision of flexible working can be also be achieved. Discussions with local area managers for Children Services and Adult Service indicate that additional drop-in capacity is welcomed to support more efficient service delivery in the New Forest.

- 7.4 Although participation in the Gateway project requires an initial capital investment from the County Council, the design of the building is flexible enough to provide in-built capacity to support a wide range of public sector functions. The Gateway project represents a smaller scale version of the Havant PSV project and is likely to be the sort of project that will be replicated across Hampshire in the coming years through closer working with our public sector partners. Through the Gateway project, much will also be learnt about shared procurement strategies and onward ownership where perhaps the County Council is not the principal party. On this basis, together with the particular benefits for the community of Ringwood arising from the co-location of 3 tiers of the public sector, the decision to participate in the Gateway project is recommended as the way forward.

8. Recommendations

That the Executive Member for Policy and Resources be advised that:

1. The application of part of the approved Advantageous Land Purchaser budget to support the County Council's financial contribution towards the cost of the Ringwood Gateway project, be approved.
2. The negotiation and signatory of either joint or related development, procurement, ownership and management agreements to both support and protect the County Council's role as a partner to the Gateway Project be approved, and the Director of Property, Business and Regulatory Services (Strategic Manager – Assets and Development) be authorised to settle the detailed terms and conditions of these agreements.

CORPORATE OR LEGAL INFORMATION:

Links to the Corporate Strategy

Hampshire safer and more secure for all:	Yes
Corporate Business plan link number (if appropriate):	
Maximising well-being:	Yes
Corporate Business plan link number (if appropriate):	
Enhancing our quality of place:	Yes
Corporate Business plan link number (if appropriate):	

Other Significant Links

Links to previous Member decisions:		
<u>Title</u> Major Projects Update – Buildings, Land and Procurement Panel	<u>Reference</u> 1519	<u>Date</u> 27.05.10
Direct links to specific legislation or Government Directives		
<u>Title</u> None.		<u>Date</u>

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

<u>Document</u>	<u>Location</u>
None	

RISK & COMBINED IMPACT ASSESSMENT:

Race and Equality Impact Assessment

Race and equality impact assessment has been considered in the development of this report and no adverse impact has been identified

Crime Prevention Issues

The County Council has a legal obligation under Section 17 of the Crime and Disorder Act 1998 to consider the impact of all the decisions it makes on the prevention of crime. The proposals in this report have no impact on the prevention of crime.

Fire Risk Assessment

In consultation with the Hampshire Fire and Rescue Service, a fire risk assessment concludes that this a low fire risk category building. Therefore a sprinkler system will not be installed.

Health and Safety

A designer's risk assessment and a design health and safety plan, in accordance with the Construction Design and Management Regulations 2007, have been undertaken for the proposed scheme.

Climate Change

The Gateway building is targeted to meet the BRE Environmental Assessment Method (BREEAM) 'very good' standard. After an initial review it is expected that the scheme should achieve a score of 62.8%, which is 7.8% higher than the baseline percentage required. The building design maximises passive natural ventilation and day lighting to occupied spaces.

The building is designed in accordance with the Workstyle Initiative and will collocate four existing sites into one new building. Therefore, it is anticipated that a significant reduction of the maintenance and running costs for the authorities will be achieved, with CO² reduction maximised by high levels of insulation and good air tightness.

FEEDBACK FROM CONSULTEES:**OTHER EXECUTIVE MEMBERS:**

Member	Reason for Consultation	Date Consulted	Response:
Councillor Mans	Hampshire County Council representative on the Joint Project Board.	30.09.10	Any final comments he has can be incorporated before the Leader's Decision Day.

OTHER FORMAL CONSULTEES:

Organisation	Representatives
Joint Project Board	Councillor Heron [Chair], New Forest District Council (NFDC). Councillor Rippon-Swaine [Vice-Chair], Ringwood Town Council (RTC). Councillor Keith Mans [Vice-Chair], Hampshire County Council (HCC). Councillor Wise, NFDC. Executive Director, NFDC. Town Clerk, RTC. Assistant Director of Property Services, HCC. Development Manager, HCC.
Joint Steering Group	NFDC Head of Planning and Transportation, RTC Town Clerk, HCC Workstyle Business Manager, HCC Development Manager, HCC Workstyle Programme Manager, HCC Architectural Team Leader.
Project Team Workstreams	Design and Construction, I.T., Facilities Management and Administration, Finance, Client/ Customer Services, Legal and Estates, Communications.

Member	Reason for Consultation	Date Consulted	Response:
Councillor Rippon-Swaine	Local Member for Ringwood. Ringwood Town Council representative on the Joint Project Board.	On-going	Councillor Rippon-Swaine is in full support of the project and the County Council's participation.