



Report to: Policy and Resources Committee, 23rd March 2021

Report of: Head of Property and Asset Management

Subject: ACCELERATED TOWNS FUND PROJECTS – COMMUNITY CENTRES AND 4 COPENHAGEN STREET

1. Recommendation

- 1.1 That Committee notes progress with the delivery of the three Accelerated Towns Fund projects;**
- 1.2 That the Committee recommends to Council that the Capital Programme is revised in the sum of £90,000 to assist in the delivery of the Accelerated Towns Fund project for Community Centres; and**
- 1.3 That the Committee recommends to Council that the Capital Programme is revised in the sum of £50,000 to assist in the delivery of the Accelerated Towns Fund project for 4 Copenhagen Street**

2. Background

- 2.1 In August 2020, the Council was awarded £1m under the Accelerated Towns Fund scheme to enable three projects meeting the scheme criteria to be delivered as follows:
- Electric Vehicle Charging Hub at St Martins Gate multi storey car park
 - An extension to the Building Block construction skills training centre at Warndon Community Centre and improvements at other community centres to be able to deliver enhanced digital training
 - The refurbishment of railway arches at Netherton Court to provide SME workspace
- 2.2 It was not possible to proceed with the third project because it was evident considering the property ownership complexities that the project could not be completed within the required timeframe. Therefore, approval was obtained from MHCLG to transfer the related funding to an alternative project:
- The refurbishment of 4 Copenhagen Street, adjoining The Kiln, to provide modernised and accessible workspace.

Electric Vehicle Charging Hub at St Martins Gate multi storey car park

- 2.3 Six rapid 50kW charge points and four 22kW charge points are being installed on the ground floor of St Martins Gate Car park just inside the main entrance. The project includes upgrading the lighting, CCTV and signage and increasing the car park's

current electric capacity eight-fold. Preparatory work has begun and the main work will start in April. The charging points will be operational from the beginning of June. The Council is funding the refurbishment of the North Tower stairwell itself and this work will start later in March.

An extension to the Building Block construction skills training centre at Warndon Community Centre and improvements at other community centres to be able to deliver enhanced digital training

- 2.4 Funding totalling £380,500 was awarded for this project, split between £312,500 for the building block extension and £68,000 for the improvements at other community centres. Working closely with Worcester Community Trust, which will deliver the training, a detailed design for the building block extension was prepared and planning permission granted for this in January. The proposed extension is a modular construction using containers.
- 2.5 The various elements of the project proposals were tendered in December 2020. Since the original project proposals were put together in the summer, a number of issues have impacted on the cost of the project, including design changes required by planning and the cost of planning conditions as well as the need for a new electricity supply to the extension at an increased loading.
- 2.6 The lowest tenders are in excess of pre-tender estimates and the total approved budget. The Council's project managers have worked with the lowest tenderers and WCT to achieve savings through value engineering. A number of items expected to be delivered by the contractor will now be delivered by the Building Block as part of course work using donated materials. However, it is not possible to reduce the total cost of the project to within the approved budget without severely compromising the performance of the building and the delivery of all expected outputs. This would also have consequences for WCT's business plan.
- 2.7 The impact of the changes outlined above are set out in detail in the Appendix. Overall, there is a projected capital cost of approximately £90,000 required to maintain the viability of the project.

The refurbishment of 4 Copenhagen Street, adjoining The Kiln, to provide 196 m2 modernised and accessible workspace.

- 2.8 Funding of £245,000 was transferred from the Arches project to refurbish 4 Copenhagen Street. There is a residual amount of £33,460 in the Council's capital programme from The Kiln project which has previously been allocated for work at no 4 Copenhagen Street.
- 2.9 The property has suffered some structural movement and the single storey addition at the rear needs demolishing. This will be rebuilt to provide accessible WC facilities which the property lacks at present.
- 2.10 4 Copenhagen Street is a locally listed building adjacent to the Grade One listed Guildhall. Copenhagen Street is an important route between the High Street and riverside and the Council intends to improve the public realm here if its Town Investment Plan proposals are approved. An important part of this project has been to improve the appearance of the building at the front and the rear including the

removal of the wall that belongs to the College and obscures the front elevation to expose the full façade.

- 2.11 It has been possible to relocate the current occupiers of the property, the BID and the MP's office, with their agreement, into the self-contained Council-owned offices at the Guildhall South Wing.
- 2.12 A planning application has been submitted and is due to be considered by the Council's planning committee in April. The estimated feasibility cost of refurbishment within budget is £278,260 broken down as follows:-

Costs	
Survey and reports	£2,500
Construction	£234,070
Fees	£38,374
Electricity supply	<u>£3,316</u>

Total	£278,260
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Budget	
Accelerated Towns Fund	£245,000
Capital Programme	<u>£33,460</u>

Total	£278,460
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- 2.13 However, if planning permission is secured, the current budget for this refurbishment scheme would still leave a number of issues unresolved, including the need to overhaul the sash windows throughout the property, remove the redundant fire escape at the rear, and enhance the external areas at the rear including, if desired, the provision of a new cycle rack for users of this building and visitors to the Guildhall and the Kiln..

3. Preferred Option

Community Centres

- 3.1 It is recommended that the Council provides funding of £90,000 to supplement the Accelerated Towns Fund grant. This will enable the following to be undertaken:-
- The provision of a WC within the building block extension
 - The provision of a first floor covered area
 - The upgrade of the power supply
 - The extension of fire and intruder alarm systems to the new accommodation and the provision of external lighting
 - The reinstatement of the works proposed for Tolladine Community Centre to create digital training facilities

A detailed rationale provided by the Project Manager is set out in the Appendix.

- 3.2 These measures have the full support of WCT. Without the first floor at Warndon it is unable to deliver the tiling and plaster courses for which business plan assumptions have been made. The effect of this and not providing facilities at Tolladine as envisaged is a loss of income of £36,000 pa and 144 learners lost as shown in more detail in the schedule in the Appendix provided by WCT.

4 Copenhagen Street

- 3.3 It is recommended that the Council provides additional funding of £50,000. This will enable the overhaul of the sash windows, the removal of the redundant fire escape, some non-essential but desirable items for the interior that will improve usability such as the separation of the heating system from the adjoining property and the resetting of decorative floor tiles, external boundary treatment and paving and the provision of a new larger cycle rack replacing the existing dilapidated structure.

4. Alternative Options Considered

Community Centres

- 4.1 Some aspects of the project proposals could be omitted to reduce the total funding ask, e.g. not to proceed with the first floor covered area or not to undertake the works at Tolladine but these would impact on the training WCT is able to provide, or not to provide a WC or alarm systems and external lighting. However, additional funding is still required to be able to upgrade the power supply to the building.

4 Copenhagen Street

- 4.2 The funding ask could be reduced by omitting some items but this would detract from the quality of the finished scheme and the usability of the premises.

5. Implications

5.1 Financial and Budgetary Implications

The total funding ask of £140,000 for both projects would have a revenue consequence of £10,300 pa.

The Council has received £1 million of Accelerated Towns Fund grant for these projects. There is an amount of £33,460 in the capital programme for 4 Copenhagen Street.

At 4 Copenhagen St premises costs will be recouped from occupiers through a service charge. WCT will be responsible for premises costs at the building block extension under the terms that have been agreed for a lease of this property.

5.2 Legal and Governance Implications

Terms have been agreed for the grant of a lease to WCT of the building block extension which will run coterminously with their lease of the original building block.

5.3 Risk Implications

Where possible, costs have been based on the outcome of discussions with the tenderers for the packages of work to the community centres. The cost estimates costs for work at Copenhagen Street have been provided by the project Quantity Surveyor and include a contingency provision.

5.4 Corporate/Policy Implications

Both projects will deliver outcomes in support of the City Plan.

5.5 Equality Implications

The new building and modifications to existing buildings will ensure that training and services are available to all potential users. In particular, 4 Copenhagen Street lacks any accessible WC provision at present and the proposals will provide this on the ground floor.

5.6 Human Resources Implications

None

5.7 Health and Safety Implications

None

5.8 Social, Environmental and Economic Implications

The accelerated towns fund project will enhance, improve, and equip Worcester's network of Community Centres to provide Skills and Enterprise centres across the City which are accessible and attractive to multiple users and expand Construction & Green Technology Skills provision building on the successful 'Building Block' model at Warndon Community Centre.

The timely completion of the WCT project is integral to the Economic Recovery Plan to reskill/upskill residents in readiness for the re-opening of the economy and therefore the jobs market and is fully supported by DWP/JCP due to the shortage of short course digital and construction skills provision in the City.

Ward(s): All
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Background Papers: None

WCT Project – Building Block Warndon Modular Extension / Digitalised Training Rooms

A request for further funding is being made in support of the Accelerated Town Fund Project for Worcester Community Trust.

The Project was for a modular extension to the existing Building Block at Warndon and to provide a digitalised training room at each of the other WCT Community Centres.

The following table explains the funding requirements together with background information.

	Item	Budget	Description	Rationale
1	Unisex Disabled Toilet	£5,000	<p>The original plans showed the inclusion of a toilet. This would avoid customers having to leave the Building Block to use the Football Changing Toilets (not DDA compliant) or enter the main building.</p> <p>However, budget pressures have meant that this has been removed as part of Value Engineering measures to ensure budget compliance.</p>	A better facility will be provided by enabling the installation of a DDA unisex toilet within extended Building Block itself.
2	First Floor Cover	£30,000 – £40,000	<p>The Accelerated Town Fund bid was based on a ground floor modular extension. However, the first floor cover was added during the Planning Process in response to feedback from the Planning Officer. This was put in to prevent climbing onto the roof of the extension and to 'tie in' in with the existing building.</p> <p>Effectively this will provide a covered outdoor area at first floor level which will provide brick-laying teaching space.</p>	<p>Originally it was proposed that the PV element of the main Town Fund energy efficiency works at each centre would provide for the first floor rain cover – using roofing sheets with integral PV cells that would be inaccessible from vandalism.</p> <p>However, WCT have stated the loss of this additional teaching space in the short term will adversely affect the delivery of their funded outputs.</p> <p>If the main Town Fund does not get approved there is a risk of long term delays in getting the first floor space installed.</p>
3	Warndon Power Supply	£10,000	Bon Air who carried out the electrical survey for the Centre have changed their original advice and suggested that the existing power supply needs to be upgraded to power the modular extension. In any case the existing power supply only	Without a new power supply the planning conditions for EVCs for the new extension cannot be satisfied and it seems unlikely that the existing power will allow for any additional loading from the new extension of other future enhancements.

			<p>provides very limited capacity for any further installations at Warndon and will not cope with:</p> <ul style="list-style-type: none"> • Electric Vehicle Charging Points (EVC) • Additional Toilets or Kitchenettes • Upgrading HVAC arrangements in the existing building • Other additional capacity requirements in the future 	<p>Originally it was intended to look at the power supply as part of the main Town Fund bid to make the Centres more power efficient. However, it now seems essential that a new power supply is brought forward.</p>
4	EVCS and Service Connections to existing Building Block and main Warndon Community Centre	£10,000	<p>The Project Manager has proposed to fund the extensions of external lights, intruder alarms, fire alarms and data point coverage plus the provision of EVC charging points (excluding power supply) from the existing £11,000 contingency</p>	<p>It would be preferred to deal with these items and keep a £10,000 contingency available in case of further unforeseen issues.</p>
5	Refurbishment of Tolladine Training Rooms	£23,000	<p>Demand for containerised structures has rocketed since the Accelerated Town Fund bid was submitted, due to the Govt. utilising them for Covid testing stations across the UK. This has pushed prices of the units up and so the price of the modular extension was higher than expected. Funding was therefore diverted from Tolladine to Warndon to stay within overall budget.</p>	<p>The digital infrastructure is still being supplied into the room and WCT have a Projector and Screen available. Therefore, as the room could be used in its current condition in the short term, it was proposed to roll the room refurbishment itself into the Main Town Fund. However, if the main Town Fund does not get approved the room may not get refurbished WCT have stated not having the refurbishment in the short term will adversely affect the delivery of their funded outputs.</p>

Impact of not having first floor space at Building Block extension and Tolladine Training Suite

BUILDING BLOCK FIRST FLOOR			
Course	Impact on income	Impact of learners	
Bricklaying	-£7190	45	
Plastering	-£1900	6	
Plumbing	-£840	4	
CSCS	-£6,600	30	
Community Courses	-£3500	50	
			Variance
Income	£159,460	£ 127,029	-32,431
Expenditure	£113,806	£111,390	-£2,416
Surplus	£45,654	£ 15,639	-30,015
SLA Target	Original Target	Revised Target without first floor	Variance
Total number of beneficiaries	580	445	-135
vulnerable / socially isolated residents taking non accredited course improving their skills and social support	290	210	-125
Number of employees of construction SME's upskilled to Level 2 and 3	145	140	-5
Number of Self-Employed trades upskilled from non-accredited to Level 3	145	140	-5

Impact on Community Training Opportunities without invest into Tolladine Training Room

TOLLADINE TRAINING SUITE REFURBISHMENT			
Course	Impact on income	Impact of learners	
Community Courses TBC	-£ 4,166	9	
SLA Target in Mains Fund	Original Target	Revised Target	Variance
Access to training from Entry level to level 1 (excluding BB)	50	41	-9

Additional considerations

- Loss of one trade and potential future training bookings without the delivery of all bricklaying courses i.e., level two brick, schools' groups / PRUs / specialist schools
- Quality of training provision in Tolladine will not be high quality as proposed in funding application and room is not fit for purpose.
- Concerns with vandalism on first floor flat roof on extension and resources required to address the anticipated issues around ASB and access to the flat roof for young people. This will also result in ongoing maintenance charges which WCT are fully liable for.

Annual number of learners lost = 144

Annual Income lost = £36,597

Annual Surplus lost = £30,015