

Report for: Cabinet 8 December 2020

Title: Proposed Future Use of Civic Centre and Capital Works

Report authorised by: David Joyce, Director of Housing, Regeneration and Planning

Lead Officer: Christine Addison, Assistant Director Capital Projects and Property

Ward(s) affected: Woodside/ All Wards

**Report for Key/
Non Key Decision:** Key Decision

1. Describe the issue under consideration

- 1.1. This report is seeking a Cabinet decision to support investment in a project to repair, restore, refurbish and extend the Civic Centre. The project will bring the Civic Centre back into use by the Council as its new civic headquarters, including a high-quality refurbishment of the democratic spaces and the provision of modern office space.
- 1.2. The Civic Centre is a grade 2 listed building closed for safety reasons earlier this year. The estimated cost of basic repair work is £12m. Given this, and the Council's responsibility to ensure the listed building does not deteriorate further, it is considered more cost effective and better use of the building long term to invest in a full repair and refurbishment, including extended space. As a result, the proposed project offers the earliest possible delivery of new, modern and fit for purpose Headquarters and Civic functions building.
- 1.3. The Council is also able to deliver this project faster than alternatives because the building is currently vacant pending works and therefore it doesn't require any temporary moves while work is completed. It is also not dependent on waiting to see the potential longer-term impact of Covid 19 on public service space, which has paused the completion of the accommodation strategy and specifically the project to replace the Wood Green library for now. In addition, the Civic Centre is purpose built and reinstating the democratic space is the most feasible and available option. Making this decision about the Civic Centre now, does not preclude a project coming forward at a future point to improve the library and other customer services in Wood Green.
- 1.4. Investing in the Civic Centre will also enable the Council to move more quickly to a position where it can reduce its use and costs of its existing office buildings on River Park Road. The Council has a longer term regeneration strategy for the Wood Green Corner which includes its buildings on River Park Road and which will generate new jobs and homes, but these buildings are needed in the short to medium term as Council accommodation. Reducing the use of these buildings

over the next two to four years will contribute to financial savings that the Council will need to make over that time. During 2021, as the civic centre project develops and it also becomes clearer what the Council's accommodation requirements will be longer term, it will be possible to know the extent to which the Council's HQ functions can be met in the new Civic Centre and making better use of George Meehan House. It will also become clearer in that time what future public facilities might look like and how the Library project could support these.

2. Cabinet Member Introduction

- 2.1. As Members will recall, it was necessary to close the Civic Centre in March for safety reasons. We had already been doing some work to help us to decide what we should do with Civic Centre and had included a budget for necessary repairs in the Capital Programme.
- 2.2. It has become clear that the cost of repair work is very high and due to its listing, we don't have any alternative than to spend this money. We are now in a position to propose that instead of just doing basic repairs to the building, which we have to do regardless but which won't make it look or feel different, it is worth spending an additional amount to bring the Civic Centre up to a standard that reflects its listing, but modernise all of its services and will increase its usable space. This will make it more useful to the Council over the long term.
- 2.3. If Cabinet accepts this proposal and an ambition to see the earliest possible delivery of a fantastic new civic headquarters which Members, staff and residents can be proud of we will take the project forward to the next stage, looking forward to having our Council meetings in the new Civic Centre in 2024.

3. Recommendations

Cabinet is recommended to:

- 3.1. Agree to the proposed use of the Haringey Civic Centre as the Council's headquarters and democratic functions building, and to the repair, refurbishment and extension works as set out in more detail in paragraph 6.7 and 6.8 in this report.
- 3.2. Agree to a total sum of £24m towards the cost of the works, comprising of the £9.75m already in the capital programme and an additional £14.25m required for the project over 2020/21 to 2024/5, subject to the Council's budget setting process.
- 3.3. Authorise officers to carry out further work to develop the design brief which will include exploration of the option to extend the Civic Centre or add an annex which could meet all of the Council's HQ accommodation needs.
- 3.4. Note that, subject to the outcome of the work described in paragraph 3.3, a separate report will be brought to Cabinet in 2021 to recommend the contract for design works for this project.

4. Reasons for decision

- 4.1. The Civic Centre is a listed building, and the Council has a responsibility to ensure it is repaired and does not deteriorate further. Therefore, doing nothing with this building is not an option. The cost of basic repairs is estimated in excess of £12m, which the Council would need to spend in any case; whatever the decision about the future use of the Civic Centre. No serious alternative use for the Civic Centre has been found or could be found quickly given this liability, and therefore the responsibility will be retained by the Council to repair the building.
- 4.2. In doing the recent feasibility work, it has become clear that the additional cost of the project recommended in this report would lead to a much better outcome and better value for money. Investing a larger sum in a full repair, extension and refurbishment would enable the Council to provide a high quality democratic and office headquarters building within a relatively short timescale in comparison with other options being considered.
- 4.3. In addition, the Covid pandemic has affected the Council's accommodation requirements, with new agile and flexible working in place over a very short period of time. Whilst it will be important that staff do spend time in the office in the future, the effect is still that the Council's longer-term accommodation needs will be smaller than previously thought. In addition, the work to locate more staff in localities has continued during the Covid pandemic period, and this will further reduce the number of staff who need to be located in Wood Green itself.
- 4.4. On this basis, it is now considered possible that the Council could use the Civic Centre as its main headquarters, with all of the civic democratic functions and a large proportion of the centrally located staff teams based there. Work will continue to test the extent to which the Civic Centre will be able to accommodate all the Council's headquarters needs, alongside George Meehan House and also work will continue on the future plans for the Council's existing accommodation and buildings in Wood Green, including the Library.
- 4.5. Even though there is a new context for decision making regarding the Council's accommodation strategy, a constant aim is the need to ensure that the overall accommodation strategy contributes to the MTFS. This contribution can be a mixture of reduced running costs and/or the application of capital receipts to reduce the borrowing costs incurred in delivering the strategy. This aim was previously agreed as being central to the accommodation strategy and remains so.
- 4.6. The refurbishment of the Civic Centre is the quickest way to provide a modern council chamber and committee rooms which, in addition to a new and improved ground floor layout, can be used for a range of civic and community activities. The rooftop extension to the North wing will create a substantial increase in office area, meeting a significant proportion of the Council's HQ office requirements.
- 4.7. This project will help the Council to plan to reduce, over time, the number of sites in Wood Green that it uses for accommodation to deliver savings in response to the Council's financial position. Work is continuing to ensure that savings from accommodation can be identified over the course of the current Medium Term Financial plan, whilst also ensuring that any site which the Council ceases to use

for accommodation as part of its plans and following the completion of the Civic Centre project is used in ways which will support economic growth and regeneration of Wood Green as well as the underlying business case for any capital investment.

- 4.8. Cabinet has previously agreed to take a future decision about the location of the Council's office accommodation and civic space between the Library and Civic Centre. In making a decision to invest in the Civic Centre, it is possible due to changed needs that the Civic Centre, along with George Meehan House could meet most or all of the Council's accommodation needs, which would mean that at an appropriate time later, a separate decision may be required about investment in the Library. Further work is required to test whether an extension or annex to the Civic Centre, with continued and more intensive use of George Meehan House could meet all of the Council's headquarter accommodation needs. A separate report will be brought to Cabinet in 2021 about this along with a further report seeking agreement to the contract award for design works for this project.

5. Alternative options considered

- 5.1. As the Civic Centre is Grade 2 Listed, the building needs to be retained and repaired and made viable for future use and therefore doing nothing is not a realistic option to consider.
- 5.2. A range of options have been explored from basic repair on the basis of possible short life use pending a decision about the Library site, through to different levels of refurbishment and extension on the current footprint.
- 5.3. Carrying out basic repairs only would significantly restrict the capacity of the building and some parts of it would remain unusable, the existing cellular layout of the North Wing would not provide a modern fit for purpose office environment which would enable the open plan shared collaboration spaces we need. Basic repairs would mean the building would remain tired in appearance and fail to provide an uplifting environment for members, officers and residents to enjoy.
- 5.4. The option which is being recommended, as is described in section 6.7 and 6.8, provides a better value longer term investment for the building.
- 5.5. This decision allows for the option to build an annex to the Civic Centre in the car park site to continue to be explored and a recommendation about this, which will include the site's suitability for housing as an alternative, will be made in early 2021.

6. Background information

- 6.1. In July 2019 Cabinet agreed to the principle of consolidating its Wood Green Council accommodation and work has been progressing to develop this in detail including a possible new building on the Library site and options for the Civic Centre. However, since July 2019, a number of events have taken place which mean that the business case for new accommodation needs to be reviewed, including the recent acquisition of Alex House and Covid 19 experience which has changed some of the assumptions about accommodation requirements.

- 6.2. Meanwhile, in response to the pandemic and the Council's financial position, work is being done to reduce the space required along Station Road to deliver savings over time, which will be achievable as a result of new ways of working and once the new headquarters building is completed.
- 6.3. The Civic Centre building has been in constant occupation and use since the 1950s with reactive and limited planned maintenance. As a result, it is now in need of major repair and refurbishment. Substantial repair work is required to address a range of condition issues.
- 6.4. The building closed in March 2020 for safety reasons and works have commenced to protect the building while a decision is made about the future investment. Substantial repair work is required to address a range of condition issues. There is a budget allocated for this work in the approved capital programme. However, further investment would be required to fully restore the building to a good standard to reflect its listing.
- 6.5. The Civic Centre is Grade 2 Listed (since 2019) and so capacity for repurposing to uses other than the original intended use is limited and presents higher planning risk. There is limited potential for alterations, but it is possible subject to Planning Permission, Listed Building Consent and Conservation Area Approval, where Historic England are a Statutory Consultee, to build a roof extension and develop appropriately in the car park. Continued engagement with Historic England is required during the next stage of feasibility work.
- 6.6. The Civic Centre has a purpose-built democratic space, committee rooms and office space. Due to its location and layout, it does not lend itself well to customer facing services. Work will continue to identify options for the Library site for these purposes, which will need to take into account the effect of the pandemic on these.
- 6.7. The proposal is a full refurbishment of the building which would include works to the basement, ground, 1st, and 2nd floors with demolition of the existing 3rd floor annexe and construction of a new two storey extension and an infill of the west wing undercroft. The works would create office accommodation for the corporate HQ, and potentially a new café/ community space on the ground floor, as well as refurbished council chamber and committee rooms. Initial feasibility work suggests that the additional office space and more intensive use of the existing spaces could provide capacity of between 750 and 1,150 staff, taking account of increased agile working and flexible working.
- 6.8. The works would also include essential replacement of heating systems, mechanical ventilation, electrical systems and WCs, deteriorating glazing, fire safety upgrade, removal of asbestos containing materials and extensive repairs and replacement of the exterior cladding and coping. Bringing this important civic landmark to a high standard and fulfilling the Council's Climate Change ambitions, noting that there will be limitations to the modifications due to the Listed Building status.
- 6.9. In order to ensure that the optimum use is made of the new Civic Centre, it is intended to engage with the community and with partners as the project

progresses. The next Cabinet report will include an overview of the engagement programme, setting out an approach to working with stakeholders as we develop the planning application and proposals for how we will use the building. Consultation leading to a potential new name for the Civic Centre is also being proposed.

Budget and Programme

- 6.10. The capital cost estimate is based on RIBA Stage 1 Feasibility Stage costs and includes additional contingency for client direct items such as Furniture Fittings and Equipment and ICT. The total capital cost estimate to include in the capital programme at this stage is £24m, based on the feasibility study carried out and an allowance for contingency. This budget will need to be confirmed as the project evolves and there is more certainty about its exact scope, design and costs.
- 6.11. The currently approved capital programme includes provision of £9.75m over the period 2020/21 to 2023/24 for repair works to the Civic Centre which will address immediate condition issues, but as described in this report would not be sufficient to fully restore the building to a good standard, or fulfil the Council's Climate Change ambitions. A further £14.25m will be subject to the next Council budget setting which is in Feb 2021.
- 6.12. The programme and milestones are initially estimated as follows and will be firmed up at the next report.

<u>Activity</u>	
Complete further surveys & investigation	November 2020 – March 2020
Cabinet Decision (the subject of this report)	December 2020
Cabinet Decision for contract award for architect led design team for RIBA stages 2 to 6	May 2021
Planning Approval and Listed Building Consent	April 2022
Invitation to tender for construction contract	September 2022
Cabinet Approval construction contract awards	February 2023
Construction Start on site	April 2023
Completion of construction works	June 2024
Fit out (fixtures, fittings, equipment, and ICT)	July 2024
Handover, Occupation & Operational Use	September 2024

Table 1 – Milestones

6.13. Risks and mitigation

	Risk/ Issue	Mitigation
1	Building currently vacant, risk that vandalism or further deterioration may take place	Temporary protection measures are in place;
2	Works to Listed Buildings present increased planning and construction risk;	Early engagement

3	Local stakeholders need to be engaged on emerging proposals and design, including adjacent travellers' site;	Early engagement with stakeholders and communities
4	Loss of car park to the rear and/ potential loss of housing from housing programme and loss of funding.	If a decision is made to redevelop the car park for a non-residential use the homes can be reprovided elsewhere in Wood Green.

Table 2: Risk and Issues

7. Contribution to strategic outcomes

- 7.1. Borough Plan Economy Priority: Outcome 17: Investment with local people at its heart, focused on Tottenham and Wood Green.
- 7.2. Borough Plan Your Council Priority: Outcome 20: We will be a Council that uses its resources in a sustainable way to prioritise the needs of the most vulnerable residents.

8. Statutory Officers comments (Chief Finance Officer (including procurement), Assistant Director of Corporate Governance, Equalities)

Finance

- 8.1. The Council's agreed accommodation strategy is based on a range of factors, with the aim for the strategy to be self-financing a key one. The accommodation strategy aims to be self-financing through a combination of reduced revenue costs, as the office estate is reduced, and the application of capital receipts generated from the disposal of redundant buildings being applied to reduce the debt incurred in delivering the strategy. The implementation of the strategy will be monitored and reported as part of the business planning process and adjustments made as the implementation of the strategy evolves.
- 8.2. The recommendation of the report is to undertake a full refurbishment of the Civic Centre with the addition of an extension. The building will, when finished, accommodate a significant number of people and activities. The refurbishment of the Civic Centre is a part of the Council's accommodation strategy.
- 8.3. The report estimates that the refurbished building will be available for operational use in September 2024. When the building is ready for occupation it will require an operational budget (to be determined) and the capital financing costs will fully impact the revenue budget.
- 8.4. The currently approved capital programme includes provision of £9.75m over the period 2020/21 to 2023/24. To date £0.385m has been spent on the project this financial year and a further £0.715m is anticipated to be spent this financial year. The report is seeking further funding of £14.25m to complete the project. This request is subject to the Council's budget setting in February 2021. Should it be agreed, the total budget for the scheme will be £24m.

Procurement

- 8.5. Procurement are working with the service to develop the procurement strategy and support the draft approach being considered.

Legal

- 8.6. The Assistant Director for corporate Governance has been consulted on the content of this report.
- 8.7. The proposed works will, as this report states, need planning permission and Listed Building consent before any building works can be carried out.
- 8.8. Members should note that the additional sum of £14.5m needed is not within the existing budgetary framework and that this sum will need to be in the February 2021 budget for approval by Full Council should the recommendation in this report be approved.

Equality

- 8.9. The Council has a Public Sector Equality Duty under the Equality Act (2010) to have due regard to the need to:
- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act
 - Advance equality of opportunity between people who share those protected characteristics and people who do not
 - Foster good relations between people who share those characteristics and people who do not.
- 8.10. The three parts of the duty applies to the following protected characteristics: age, disability, gender reassignment, pregnancy/maternity, race, religion/faith, sex and sexual orientation. Marriage and civil partnership status applies to the first part of the duty.
- 8.11. The proposed decision is to approve the proposal to refurbish the Haringey Civic Centre. There are no particular equalities considerations arising at this stage as the decision to proceed with design, planning submission, and development tender documents is unlikely to directly affect any individual or group who share the protected characteristics. However, in all aspects of design and development, the Council and contractors will be required to have due regard for the need to meet the three aims of the public sector equality duty, as stated above. This will include ensuring that reasonable adjustments are made where appropriate to provide an inclusive and accessible building.

9. Use of Appendices

None

10. Local Government (Access to Information) Act 1985

- 10.1. Update on Council Owned Sites – September 2020 Cabinet Report

<https://www.minutes.haringey.gov.uk/documents/s117816/200900%20Cabinet%20September%20WG%20Update%20CLEARING%20v3%20final.pdf>

10.2. Council Owned Sites in Wood Green – July 2019 Cabinet Report

<https://www.minutes.haringey.gov.uk/documents/s110207/1907CouncilOwnedSitesinWoodGreenFINAL%205.30pm.pdf>