

The Stronger Towns Fund – Maylord Orchard Library and Learning Resource Centre (Detailed Design)

Meeting: Cabinet

Meeting date: Thursday 24 February 2022

Report by: Cabinet member commissioning, procurement and assets;

Classification

Open

Decision type

Key

This is a key decision because it is likely to be significant having regard to: the strategic nature of the decision; and / or whether the outcome will have an impact, for better or worse, on the amenity of the community or quality of service provided by the authority to a significant number of people living or working in the locality (two or more wards) affected.

Notice has been served in accordance with Part 3, Section 9 (Publicity in Connection with Key Decisions) of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.

Wards affected

Central

Purpose

To approve up to £0.45m of the expenditure required to instruct the technical project manager and design team to complete the detailed design stage and works required to develop the full business case of the Maylord Orchard Library and Learning Resource Centre project including seeking planning and all related regulatory approvals.

Recommendation(s)

That:

- a) **The redevelopment of Maylord Orchards to create a new library and learning resource centre project is approved;**
- b) **Expenditure of up to £0.45m of the Maylord Orchard Library and Learning Resource Centre project capital programme allocation be approved to complete the detailed design stage of the project including seeking planning permission,; and**
- c) **The Corporate Director for Community and Wellbeing, following consultation with the Deputy Section 151 Officer and in consultation with the Cabinet member commissioning, procurement and assets, be authorised take all operational decisions necessary to complete the detailed design stage and seek planning approval within the £0.45m approved budget.**

Alternative options

1. Do nothing – The council could choose to not approve the expenditure. However, this would mean we would be unable to seek the technical support such as architects, and building condition surveys required to seek the Stronger Towns grant. Failure to meet the required timescales or information requirements for the Stronger Towns funds would prevent the proposed project from progressing.

Key considerations

2. In 2020 government selected Hereford to be one of 101 towns/ cities from across England who were eligible to seek up to £25m of funding to support regeneration and enable economic growth. As required by the funding guidance, a Hereford Stronger Towns Partnership Board was formed including wide ranging representation across the public, private and community sectors. The Board oversaw the development of a Town Investment Plan through extensive local community engagement, and inviting people to put forward project proposals for submission to government in the Plan. The council submitted three project proposals to the Board, including the significant redevelopment of Hereford Museum and Art Gallery, the relocation of the current library and the creation of a Learning Resource Centre in the Maylord Orchard Centre, and a project focussed on greening the city improving active travel measures and providing digital visitor information points. The Board submitted the Town Investment Plan to government at the end of January 2021, and in June 2021 they announced a £22.4m allocation to Hereford, including in principle support for the three proposed council led projects. Each selected project now needs to develop a Full Business case by June 2022.
3. The proposed £3m redevelopment of Maylord Orchards to create a new library and learning resource centre is a key project in the [Hereford Town Investment Plan](#). The project will establish a modern library service and Learning Resource Centre at the heart of the city, re-purposing a key area of Hereford in creating new reasons for people to visit and spend time and money across the centre as a whole. The Learning Resource Centre will provide facilities to enable local people to access the support they need to develop their skills, and access new employment opportunities such as the council's Adults and Community Learning Service.
4. Following the decline in retail, accelerated through Covid 19, all towns and cities need to consider how they will regenerate and re-purpose creating new opportunities for trade, employment, living and studying. In creating a revitalised and vibrant city centre, a key focus of the Hereford Town Investment Plan is developing a refocussed mixed use offer focussed on learning and culture. The new library and Learning Resource Centre is a key part of this

strategy. Two other complimentary proposed projects that may also be located in Maylord Orchards will further enhance the cultural and educational offer, creating a local hub (being led by Powerhouse and Rural Media separately).

5. In order to seek the required Stronger Towns (£3m) funding a range of technical support is required. To date the council has commissioned architects to develop the project up to RIBA stage 2, as well as specialist advice in developing the revenue business plan, and structural review of the building. The technical work commissioned to date is subject to a separate non-key decision taken in December 2022: [Decision - Stronger Towns Fund Grant Acceptance\(Maylords\) - Herefordshire Council](#).
6. Further technical works are required to finalise the design, seek planning approval, to procure contractors and implement the project.
7. This decision seeks approval to appoint a mutli-disciplinary design team that has been procured in accordance with the contract procedure rules to complete RIBA stages 3 and 4 of the proposed project, including seeking planning application approval (RIBA stage 3) and procurement of a contractor (RIBA stage 4) and any associated works such as building surveys and developing the operational business plan. Should the grant funding be awarded and planning approved, a separate key decision will be brought forward regarding the construction and handover of the building phases (RIBA Stages 5/6).
8. The specialist design team will include:
 - Architect/ Lead Designer
 - Sustainability Consultant
 - Project Manager
 - Quantity Surveyor
 - Library Adviser
 - Structural and Civils Engineer
 - Mechanical and Electrical Engineer
 - Landscape Architect
 - Principal Designer
 - Fire Engineer
 - Acoustics Engineer

Community impact

9. The proposed Maylord Orchard Library and Learning Resource Centre project will be of significant benefit to the local community, establishing a modern high quality library and learning facility at the heart of the city centre. Creating new reasons for people to visit, spend time and money in the city centre, responding to the decline of retail as a primary footfall driver, will also help secure the economic viability of Hereford and local jobs.
10. Whilst all sectors of the local community will benefit from the enhanced facilities and services, the project will specifically benefit local schools and colleges in terms of access to the library for educational purposes. Local people will be able to access the training and support they need at the new Learning Resource Centre.
11. The proposed project will deliver the following actions identified in the Delivery Plan;
 - *EC2.1: Work with partners to develop and implement a £25m Town Investment Plan for Hereford, to be funded through the Stronger Towns Fund*

- *EC2.5: Develop Maylord Orchards as a key strategic site; acting as a catalyst for the regeneration of Hereford City Centre*
- *EC3.2: Work with partners to expand our adult and community learning programme, with a particular focus on those at risk of long term unemployment, and young people at risk of not being in education, training or employment*

Environmental Impact

12. A key aim of the project is to achieve the highest possible environmental and energy efficiency standards possible in the now dated Maylord Orchard atrium area.
13. The technical support required to design and implement the project (subject to this decision) is critical to achieving this aim.

Equality duty

14. Under section 149 of the Equality Act 2010, the 'general duty' on public authorities is set out as follows:

A public authority must, in the exercise of its functions, have due regard to the need to –

- a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
- b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

15. The proposed project will significantly enhance access to Herefordshire's cultural and learning offer for all. The project will establish a modern, accessible new library and a Learning Resource Centre at the heart of the city centre, providing enhanced access to key local services for learning and development across all sectors of the local community.

Resource implications

16. This decision seeks approval to spend up to £0.45m of the allocation to support the detailed design and planning application stage, and any other works required, to develop the Full Business case. Whilst government has provided some project development funding (£150,000) as per para 5 above, applicants to the Stronger Towns funds and the Heritage Lottery Fund are required to undertake development work at their financial risk in order to be considered for the grant funding.
17. The £0.45m funding will be utilised to instruct the procured design team to complete RIBA stage 3 and subject to planning approval RIBA stage 4 (tendering of works), including any associated works such as building surveys and the operational business plan. Should the council secure the grant funding from the Stronger Towns Fund to complete the scheme, a separate decision will be brought forward to seek approval to implement the project.
18. This work will be funded using council borrowing, with the expectation the stronger towns grant will pay for these costs once the business case is approved. If the expected grant funding is not forthcoming then an alternative revenue funding source will be required to meet the development costs, such as the Financial Resilience Reserve. The risk at this stage is considered low,

government has already selected the project to proceed to Full Business Case stage following submission of the Town Investment Plan, and provided some project development funding as above.

19. The revenue implications of this project will keep being assessed as the project develops but are expected to be managed within existing budgets and the income that will be generated through the proposed café and the rental of meeting rooms of the Learning Resource Centre.
20. The council has both a role as the Stronger Towns funding accountable body for all Hereford projects, and as an applicant for the Hereford Museum and Art Gallery, Maylord Orchard Library and Learning Resource Centre and the Greening the City projects. To ensure a clear separation of duties between these roles, the Section 151 Officer and Deputy 151 officer are the leads for accountable body responsibilities for both the internal and external projects and the Strategic Capital Finance Manager supports the finance decisions for the council led projects.

Capital cost of project	2020/21	2021/22	2022/23	Future Years	Total
Design and planning fees			£450,000		£450,000
TOTAL			£450,000		£450,000

Funding streams (indicate whether base budget / external / grant / capital borrowing)	2020/21	2021/22	2022/23	Future Years	Total
Capital funding			£450,000		£450,000
TOTAL			£450,000		£450,000

Legal implications

21. If the council agrees that this project is part of the capital programme for 2022/23 then this decision is required to enable the project to proceed and allocated capital funds to be spent to the limit set out in this report.
22. If the project budget is not approved in the 2022/23 capital programme then this decision cannot proceed.

Risks

23. The following are the identified key risks which will be managed by the Project Board;

Risk / opportunity	Mitigation
<p>Technical works are commissioned and funds spent but the project does not proceed. For example the full business case is not approved and grant funding not secured, match funding not secured, planning application not approved. This would require any council development funding spent to date to be found from revenue budgets.</p>	<p>The technical development works are required in order to seek the grant funding. To date the Hereford Stronger Towns Board, government (in reviewing the Town Investment Plan) and National Heritage Lottery Fund have all expressed support for the proposed project. Government has provided £250,000 towards the development of the project that does not need to be repaid should the project not proceed. Should the project not proceed, the council's capital costs relating to this decision (detailed design) would be funded from the Financial Resilience Reserve. The required timeframes for completion of the work will be clearly defined in the brief and a key consideration during the evaluation of tenders.</p>
<p>The technical works are not completed by the June 2022 deadline for the Stronger Towns Business Case.</p>	<p>The council has raised awareness of the upcoming tender opportunities, including at a recent meet the buyer event organised by the procurement team which identified interest in the project/ work.</p>
<p>Failure to engage consultants with the required technical skills to complete the work in the required timeframe.</p>	<p>The feasibility study has explored the range of options for developing the building whilst also considering the viability of the proposed new service. This will inform the next stages of the design process.</p>
<p>The project fails to achieve planning approval</p>	<p>The feasibility study has explored the range of options for developing the building whilst also considering the viability of the proposed new service. This will inform the next stages of the design process.</p>
<p>Financial - Further investigation reveals additional structural issues leading to higher construction costs. Designs require review and possible change with implications for cost, value for money and funding proposals.</p>	<p>Initial investigative work already undertaken as part of project viability phase for Stronger Towns funding bid. Contingency sum included to cover unexpected costs.</p>

Consultees

24. A political group consultation has been undertaken with supportive comments on the proposed project provided by Cllr Stark, Cllr Bartlett, and Cllr Milln. Cllr Stark asked that in developing the project we consider how the respective services can also be enhanced/ benefits also realised in the market towns.

Appendices

Appendix 1 – Feasibility Study (RIBA stage 1)

Background papers

None Identified

Report Reviewers Used for appraising this report:

Governance	Sarah Buffrey, Democratic Services Officer	Date 24/01/2022
Finance	Karen Morris	Date 24/01/2022
Legal	Claire Ward	Date 19/01/2022
Communications	Luenne Featherstone	Date 12/01/2022
Equality Duty	Carol Trachonitis	Date 12/01/2022
Procurement	Lee Robertson	Date 17/01/2022
Risk	Kevin Lloyd	Date 23/01/2022

Approved by Neil Taylor, Director Economy and Place Date 16/02/2022.