

OUTLINE STRATEGIC BUSINESS CASE

Directorate	Corporate Services
Scheme Name	Shirehall Improvement Works & Care Leavers Base
Budget Holder	Andrew Lovegrove - Director of Resources and Assurance

Project aims and objectives:

Scheme description and demonstration of links to corporate priorities and savings plans.

The first phase of a planned refurbishment project to bring the Shirehall back into productive use, relocate the CCTV service and enhance the Care Leaver's Base facility in the adjacent building.

This phase targets primarily those works deemed essential for the building to re-open, taking account of building safety for users, visitors and the general public, regulatory compliance and the need for the building to be usable on a practical level. A longer term strategy, subject to future funding, would see a phased programme of work to further improve the building. The decision of HM Courts & Tribunal Service not to return to Shirehall is relevant as background to this proposal, as is the recent decision identifying Shirehall as preferred location for the new Library and Learning Centre under the Stronger Towns funding programme. Reflecting wider Council property strategy and service delivery need, the identified funding requirement also includes for relocation of the CCTV service from Shirehall to Maylord Orchards and the enhancement of a Care-Leavers Hub in the adjacent annexe building. Key objectives identified include:

- Return a key council built asset to productive use.
- Fulfil the responsibilities of the council as keeper and custodian of a key heritage asset.
- Improve the city-centre townscape by reinstating a substantial structure currently boarded up and deteriorating.
- Support the local retail economy by creating facilities which give people additional reason to be in the city-centre zone.
- Support the aims of the Hereford Town Investment Plan by providing a built asset into which a Library and Learning Centre could be located, subject to separate funding and governance.
- Support local community and third-sector organisations by providing bookable space alongside complementary council services.
- Relocate the CCTV Service to a more effective and fit-for purpose location.
- Enhance the Care Leaver's Base, bringing together several service and partner aspects to improve delivery for young people.

Strategic Alignment:

- **Protect and enhance our environment** – restore and bring back into use a landmark historic building in the city which will otherwise remain boarded up in a state of ongoing deterioration; protect and maintain the county's heritage assets; reduce carbon emissions through more efficient space heating provision.
- **Strengthen communities** – create a central hub able to host a complementary range of community-focused council services, third-sector activity, community skills development and cultural offerings; manage council assets to optimise their use and potential.
- **Support the economy** – create a destination building which will bring people to the city centre, supporting the local retail economy with footfall to the area; provide a venue for community skills development, and the support for people to access it.
- **Hereford County Plan 2020-24** – supports the vision to 'protect and promote our heritage, culture and natural beauty to enhance quality of life and support tourism' and to 'support education and skills development'.
- **Herefordshire City Masterplan** – supports the objectives across Community and Culture, Economy and Opportunities and Places and Spaces; '*Celebrating and growing our best places, reinvigorating our less-loved ones, rediscovering our historic places, adapting places for the future and planning new places that excite us*'
- **Herefordshire Big Economic Plan 2050** – supports the identified themes of People, Community and Partnerships and Enterprise.

Estimated costs and funding sources:

	2023/24	2024/25	2025/26	2026/27	Total
	£'000	£'000	£'000	£'000	£'000
Capital cost of project					
Design & Build Costs	0	900	3000	155	4,055
Internal staff, PM & sundry costs	0	67	53	25	145
Care Leavers Base	100	0	0	0	100
TOTAL	100	967	3,053	180	4,300
Funding sources					
Balance of existing capital budget			1,020	180	1,200
Capital Receipts Reserve	100		2,000		2,100
Corporate Funded Borrowing		967	33	0	1,000
TOTAL	100	967	3,053	180	4,300
Revenue budget implications					
TOTAL					0

Benefits and risks:

The anticipated benefits and risks of the proposed project plus risks of not going ahead with the scheme.

- The building has a continuing maintenance cost annually while out of use, but with no return. The project will bring the building back into full productive use and allow it to be considered as an operational asset within the council's wider property strategy.
- The increased efficiency of new boilers and heating distribution systems will have a financial benefit in reducing the energy costs associated with heating the building.
- Improving the safety and accessibility of the building reduces the council's risk exposure in terms of its statutory responsibilities to staff, visitors and the general public.
- While boarded up and with the condition deteriorating, the building risks being an eyesore in a key city centre location. Restoration can reverse this trend.
- The project will help to address reputational damage to the council – criticism that paying to maintain an empty building does not make economic sense and that the council as custodian of a listed building is not caring for this key heritage asset.
- Subject to separate decisions and governance, the building when reinstated offers a space to support the LLC relocation through the Stronger Towns grant intervention.
- A reinstated Shirehall provides the opportunity to combine council services and linked community and third-sector groups in a common location.
- Relocation of the CCTV operations to Maylord Orchard will allow the service to operate more efficiently and effectively from a more fit for purpose and consolidated base location.
- Enhancement of the Care Leavers Base to provide a visually more aesthetic appearance for our young people as well as increased and much needed facilities. This current location is a crucial focus for young people and by creating a base, enables a wider professional skillset to be brought together to improve our corporate parenting offer. Its position alongside Shirehall facilities also increases the facilities available to care colleagues.

Risks associated with not proceeding have been identified as:

- Ongoing maintenance and emergency repair costs for a vacant and non-productive building.
- Continuing deterioration of the building leading to higher ultimate restoration costs.
- Public safety risk as the external building fabric deteriorates.
- Reputational risk of the Council failing in its duty as custodian of a grade 2-star heritage asset, and the perception that public funds are being wasted maintaining an empty building.
- Inability to progress the cabinet decision of 26/10/2023 identifying Shirehall as preferred location for the new Library and Learning Centre.
- Loss of opportunity to establish a community hub centred around the new Library and Learning Centre.