

Classification:	Decision Type:
Open	Key

Report to:	Cabinet	<b>Date:</b> 11 June 2025
Subject:	ubject: Bury Town Hall Refurbishment- Architect Appointment	
Report of Leader and Cabinet Member for Strategic Growth		owth

## 1. Summary

- 1.1 In June 2024, Capital Board approved funding for proposals to deliver a phased approach to the Town Hall refurbishment, and the works required to mitigate the risks associated with health and safety concerns highlighted in a Structural Inspection Report issued in March 2024. It was approved to progress the development of design works up to Royal Institute of British Architects (RIBA) stage 2
- 1.2 This report seeks cabinet approval to appoint the successful architect / design team for the Town Hall Project lifecycle following a mini tender process, via the Constellia framework, and additional budget approval to proceed with the next steps to ensure on going compliance of the Town Hall building and progress the refurbishment project.
- 1.3 Over the project lifecycle, there are two proposed break clauses within the project, to allow pause and consideration of financial commitments and progress.
- 1.4 This report seeks budget approval to recruit a project manager /construction manager to oversee all aspects of the project from its inception to completion

## 2. Recommendation(s)

That Cabinet:

- 2.1 Approve the appointment of the successful architect Ellis Williams Architects Limited and the project cost in its entirety, to undertake the design of a phased refurbishment of the Town Hall. The contract award will be for all RIBA work stages, subject to two individual break clauses to be exercised at the discretion of the Council at the close of RIBA stage 2 and 4.
- 2.2 Authorise the Director of Law and Democratic Services in consultation with the Cabinet Member for Strategic Growth to finalise the terms of the contract appointing the architect.
- 2.3 Approve the additional budget of £649,628 to proceed with actions below, ensuring on going compliance of the Town Hall building and progress the refurbishment project.
  - Appointment of Architect and LK
  - Town Hall Project Manager

- Asbestos removal
- Compliance of the Town Hall
- Refurbishment of the Town Hall

#### 3. Reasons for recommendations

- 3.1 The recommendations represent the next stage in the delivery of a phased refurbishment of the Town Hall up to RIBA stage 2 and the phased exiting from leased premises at 3 and 6 Knowsley Place, reducing the size and cost of the administrative estate.
- 3.2 Mitigate any health and safety concerns within the Town Hall that have been raised during the process so far.
- 3.3 Creation of a higher quality office space in the Town Hall.
- 3.4 Potential to create future income generation and increase town centre footfall through the sub lease of ground floor space and opportunities, as well as a desire to provide contemporary workplace and office design to reflect new agile working practises and promote staff wellbeing.

## 4. Alternative options considered

- 4.1 Do not commence appointment of the architect and continue to repair any ad hoc repairs on the Town Hall.
- 4.2 Remain in 3KP five-storey block at 3 Knowsley Place until 2035, and remain in lease for the six-storey block 6 Knowsley Place, which is in lease in place until 2036 with a break clause in 2031

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### 5. Background

- 5.0. A cross-party Task Force was formed in January 2022 with the objective of identifying a preferred plan for the future of Bury Town Hall. In December 2023. a strategy of refurbishing the Town Hall on a phased basis, funded by the exiting of at least one significant commercial tenancy, was broadly agreed. This was identified as a 'preferred option' and since that time further work has been undertaken to find a means to exit a commercial lease with the focus on 3KP (the largest building the Council leases) and 6KP and progress the redesign of the Town Hall
- 5.1. A preferred option, to undertake a phased refurbishment of the Town Hall, was agreed by Cabinet in February 2023. The proposal will create higher quality office space in the Town Hall. It will also allow for a phased decant of staff from 3 & 6

Knowsley Place timed to align with the availability of newly refurbished space in the Town Hall

- 5.2 An advantage of this solution is that it enables a phased withdrawal from commercial leases which is concurrent with the provision of new space being developed in the existing Town Hall. This presents a cost-effective way of supporting the capital cost of the refurbishment
- 5.3 If the costs of the phased refurbishment exceed the available budget it will be possible to phase the refurbishment works to suit the available budget by selecting only certain areas of the building for refurbishment.
- 5.4 The Town Hall refurbishment is a critical element of the Council's mix of operational facilities. Core Council Public services and staff are split across the Town Hall, 3 Knowsley Place and 6 Knowsley Place. The Council has leases in-situ for the whole five-storey block at 3 Knowsley Place until 2035. The Council also holds a lease for 6 Knowsley Place, which is a six-storey block behind the 3KP block with a lease in place until 2035 with a break clause in 2031
- 5.5 However, the Yorkshire sandstone is poor quality and has issues with moisture and cracks. A recent survey has highlighted H&S concerns about pieces of the stone and facade breaking off and falling onto the footpaths below.
- The layout of the building into multiple 'rabbit-holes' and small offices is no longer compatible with modern working practices. The level of light in the building is poor, with either a sense of spaces being dingy or requiring constant electrical lighting. The meeting rooms are inflexible and only suitable for large meetings (10 plus attendees) and there are few informal break-out spaces for staff to congregate. Current staff and member facilities are extremely limited.
- 5.7 Through the work of the Transformation Board, it has become increasingly clear that the Town Hall is no longer fit-for-purpose as a modern workplace and that the current status-quo, whereby the Council routinely spends significant annual sums of money on patching-up a semi vacant building, does not represent a sustainable operating model of provide value for money. The current condition of the building and the failure over decades to implement regular overhauls and modernisation projects have led to a decision on the future of the building becoming urgent.
- 5.8 Other key drivers include a potential to create future income generation and increase town centre footfall through the sub lease of ground floor space and opportunities.

# 6. Summary of Progress to Date

- 6.1 The Council has sublet the ground and first floors part of these Second floor of 3 Knowsley Place (circa 50%) to Pennine Care and they are currently fitting out.
- 6.2 In December 2022, LK Group were appointed, with their direct experience of construction management, most recently on the Trafford Town Hall project, to undertake a high-level review of the preferred option including consideration of functionality (building purpose), investment costs, risk, benefits (cost savings / income generation) & timescales.
- 6.3 In June 2024, Capital Board approved funding for proposals to deliver a phased approach to the refurbishment, and the works required to mitigate the risks

associated with health and safety concerns highlighted in a Structural Inspection Report issued in March 2024. It was approved to progress the development of design works up to RIBA stage 2. The following works were approved:

	Sub Total £	Sub Total (with contingency) £ **
LK Group (consultancy fees)	12,400	13,640
Developing design works up to RIBA Stage 2	110,000	121,000
Scaffolding Costs	100,000	130,000
Repair of outer leaf stonework (all elevations)	213,840	278,000
Soffit repairs and associated damp survey	2,050	2,670
Repair of outer leaf stonework, lightwells and atriums	200,200	260,000
Asbestos survey to ceiling and floor	7,150	9,300
Ceiling Repairs	133,000	173,200
Walls/Trusses repair caused by water ingress from roof	12,800	17,000
TOTAL	731,440	1,004,810

6.4 In June 2024 Capital Board approved the procurement of a Lead Designer to develop design works, up to RIBA stage 2. In January 2025, the brief for a single consultant to act as Lead Designer employing a full multi-disciplinary project team to design and deliver all phases of the Town Hall project was developed by the Councils' external; project managers, LK Group and approved by officers.

#### 7. Procurement

### **Brief of the Town Hall Refurbishment**

- 7.1 In February 2025, the brief for the Town Hall Refurbishment project was publicised on the Chest, with contractors invited to tender to include the following elements:
  - A single consultant to act as Lead Designer employing a full multi-disciplinary project team to design and deliver all phases, through the RIBA stages 0 – 7 inclusive. The contract will be let up to and including all RIBA work stages, however, will include two individual break clauses to be included at the close of RIBA work stage 2 and 4.
  - Commission necessary structural surveys.
  - Prepare detailed analysis and investment case
  - Develop a phased construction programme.

- 7.2 As a minimum, the design of the town hall scheme will include:
  - A substantial reduction in the amount of energy required to operate the building, replacing the gas heating with a system compatible with a carbon neutral building and consideration of renewable energy generation on the asset (to increase energy security, reduce energy costs and to be in line with the councils target to be carbon neutral)
  - Complete the replacement of the existing roof structures and ensuring the building is fully wind and watertight.
  - Creating a modern open plan working environment with a future proofed digitally enabled smart building.
- 7.3 The design work, alongside the development of a detailed financial analysis and investment case, is critical for the proposed refurbishment of the Town Hall. The proposed designs are due to be presented to Cabinet in Autumn 2025 and will identify full construction costs, and the impact on the capital programme along with the revenue impact of borrowing.
- 7.4 Space optimisation planning will also be a key element of this commission. Works to refurbish the Town Hall must not create a significant excess of space or unnecessary expenditure across the Town Hall/3KP/6KP estate. The objective must be to ensure the Council are not spending any more than is necessary to meet the Council's requirement for offices, meeting rooms and public spaces
- 7.5 In March 2025, procurement proceeded via the Chest to appoint a contractor to produce Building Information Modelling (BIM) Survey. This survey commenced mid-April in the Town Hall by the contractor NTB Survey, who was awarded this contract to conduct a high-level survey to generate detailed base information, constructing a Building Information Modelling (BIM) -which will support the led design development for the Town Hall Refurbishment Project.
  - The BIM will produce accurate locations of existing fenestration, MEP systems, ceiling heights and room openings, which will provide accurate data for the future design team/architects during the Town Hall Refurbishment Scheme.
- 7.6 The selected architects RIBA stage 0-2 fee is £179,018.00

### 8. Tender Process- Mini Competition

- 8.1 Tenders were asked to specify an inclusive fixed fee for the life of the project regardless of the two proposed break clauses, but the break clause at RIBA stage 2 will create the minimum level of commitment at this stage whilst further stages require approval prior to a full financial case of the Town Hall refurbishment being presented to Cabinet.
- 8.2 The tender process is now complete, with all contractors' bids having been evaluated by an officer panel (including LK group) and moderated by Constellia.
- 8.3 This process identified three highest scoring contractors, who were each invited to a clarification interview, giving the panel further opportunity to clarify any queries on each of the tenders' presentations/bid.

## 9. Appointment of Architect and Multidisciplinary Design Team

- 9.1 The scoring was weighted on a 60/40 split of Quality and Price, with the successful bid of Ellis Williams leading with an overall score of 79.84%, with a life project inclusive fee of £1,752,055 plus VAT, which includes acoustic consultancy and fire engineering, regardless of the two proposed break clauses. The break clause at RIBA stage 2 will create the minimum level of commitment at this stage, with a fee of £179,018.00 plus VAT, whilst further stages require approval prior to a full financial case of the Town Hall refurbishment being presented to Cabinet later.
- 9.2 All financials are inclusive of the 3.5% Constellia fee.

#### **Timescales**

- 10. The below table highlights each RIBA stage with timescales, budget, and break clauses.
- 10.1 Should Cabinet approve the appointment of Ellis Williams for the project full amount, the proposal is to return to Cabinet following the RIBA stage 2 (BREAK CLAUSE) with the designs, to seek further approval to proceed to the next RIBA stages. Initially, we may not require funding past the RIBA stages 0-2, of £295,557.00

RIBA Stage	Description	Fee Amount £
	This includes:	
RIBA Stage 0-2	Architect Fee Principal Designer Provisional Sum- Surveys and Investigations (as and when client request, full amount may not be required) Acoustic Consultancy & Fire engineering	179,018.00 11,539.00 85,000.00 20,000.00
Subtotal 0-2		295,557.00
RIBA Stage 3		407,722.50
RIBA Stage 4-7		1,048,775.50
Total		1,752,055.00

# 11 Recommendations/ Next Steps

- 11.1. To ensure on going compliance of the Town Hall building and progress the refurbishment project the following additional actions are now required.
- 11.2 Wilde Consultants Limited have now undertaken the RAAC assessment of Town Hall and they have advised that there is no RAAC present in the building.
- 11.3 Currently seeking approval to undertake procurement process to seek preferred supplier for asbestos survey.

- 11.4 LK are advising whether the roof contractor should remove the asbestos as part of the roof works or whether it would be beneficial to remove ahead of the roof works.
- 11.5 Additional Ceiling Remedial Works During the original structural survey carried out in March 2024, various ceilings were identified as showing signs of cracking and delamination, work has commenced inspecting and repairing the ceilings identified, a further survey of all ceiling spaces is to be carried out in May 2025.

There is a requirement to produce a ceiling risk plan, and this was initially discussed that Council staff were to carry this out, but due to lack of staff within the architect department, this is something that they are not able to produce. Due to this lack of resource, there is now a need for us to carry this out externally, which at cost, will delay timescales.

	Ref*	Sub Total £
Additional LK Group Consultancy fees (Incl contingency)	External Consultancy	25,675
Additional design fees to RIBA Stage 2	Architect	58,018
Project Manager Post (SM2)	Resource	91,250
RAAC Survey costs	Compliance	2,820
Fire Compartmentation	Compliance	10,000
Additional Ceiling Remedial surveys (delaminated ceiling)	Compliance	10,000
Additional Ceiling Remedial works	Compliance	50,000
Asbestos removal (Elizabethan Suite) Including contingency)	Compliance	£350,000
BIM Survey	Refurbishment	38,435
Drone survey	Refurbishment	1,865
Contingency	Refurbishment	50,000
Total		£649,628

## 12. Project Manager Requirement

- 12.1 In addition to the above works, it will be essential to ensure adequate capacity and experience within the team to manage the decant and relocation of staff and implement the construction elements of the project. A major project manager will be required to oversee the work and take overall responsibility for the programme.
- 12.2 The project manager will need to be a competent construction manager with experience of planning, coordinating, and overseeing all aspects of a construction project from its inception to completion and understand space planning requirements with experience in designing spaces for teams, especially those with very specific requirements.
- 12.3 The experience of Trafford was that the early and ongoing dialogue with space users was critical to achieving a successful outcome and the Town Hall project manager will need to provide 'hands-on' capacity in managing the logistics of the movement of

- teams, the reuse and ordering of new furniture and working with IT to implement phases of the project.
- 12.4 This new post will be considered within a specific Town Hall Project team, at a Grade SM2, initially for a 12-month period and then will be considered as part of the Town Hall business case.

## 13. Project Governance

- 13.1 A Town Hall Board to oversee the direction/progress/risks of the project will be progressed on the acceptance of this cabinet report, with a governance structure created to involve stakeholder engagement early in the process. The board will report both into the Finance Board and Property & Estates Board to audit decisions made and ultimately to Cabinet where required
- 13.2 The project will be supported by resources in the Future Asset Programme as there are significant dependencies with projects progressed under that programme.

## 14. Assessment and Mitigation of Risk:

Risk / opportunity	Mitigation
Delay in appointment of architect to undertake work- Impacting on the 3KP/6KP and future rental savings.	Cabinet to approve and proceed with appointment up to RIBA Stage 2, to allow the design work, alongside the development of a detailed financial analysis and investment case, is critical for the proposed refurbishment of the Town Hall
<ul> <li>Project Manager – does not enable experienced construction oversight to engage with the architect from the project commencement</li> <li>Compliance/ Asbestos removal-Town Hall Staff/Visitors and Residents at risk and will have to Continue to repair any ad hoc repairs on the Town Hall.</li> </ul>	Cabinet to Cabinet to approve additional budget and delegate the Future Asset Programme to oversee the compliance programme of work on the Town Hall and proceed to procure the Project Manager.
Slippage of timescales	Impacts upon future provision of suitable office accommodation for staff, in addition to 3KP/6KP future rental savings.
Not proceeding with project will create a lack of efficient space for staff	Impacts upon future provision of suitable office accommodation for staff and contingency will need to be explored.
Works whilst Town Hall occupied by staff	Potential to cause disruption to those occupying the building and potential to hold up works. To decant to an alternative location will add further costs to the project budget.
Staff Engagement	Lack of appropriate buy-in from staff will be detrimental. Staff engagement imperative from the outset. PM appointment will be critical in

mitigating this risk, with a stakeholder
engagement plan to be developed to enhance the
potential success of the project.

### **Links with the Corporate Priorities:**

Please summarise how this links to the Let's Do It Strategy.

15. The Town Hall refurbishment creates the opportunity to develop a single service hub for Council services, the challenge of laying and redesigning building to enable better provision of public services will sit with the selected architects.

### 16. Equality Impact and Considerations:

Please provide an explanation of the outcome(s) of an initial or full EIA and make **specific reference regarding the protected characteristic of Looked After Children**. There must be a signed off EIA template appended with a full analysis or explanation as to why an analysis is not needed for the report to be put forward to cabinet.

Intranet link to EIA documents is here.

Sign off to be completed by the Council's Equality, Diversity, and Inclusion (EDI) Manager (contact I.cawley@bury.gov.uk for advice).

- 16.1 There is the potential to impact Bury Council staff, currently working in the Town Hall, 3KP and 6KP. Impact is yet unknown but will be further explored as part of the design phase of the programme, and mitigating actions to be considered as appropriate.
- 16.2 An EIA will be completed (as part of the programme design phase) to assess if the changes within this programme will bring about major equality impacts and any mitigating impacts will be included within the implementation programme, as appropriate.
  - Where appropriate, separate EIAs will be undertaken on individual elements of the programme to assess equality impacts within each of the individual workstreams/projects.
- 16.3 There is the potential to impact partner organisations who lease buildings/ space from Bury Council, particularly the staff currently working in the buildings. Impact is yet unknown but will be further explored as part of the implementation phase of the programme and mitigating action considered as appropriate.
- 16.4 There is the potential to impact service users, currently visiting the buildings i.e. residents. Impact is yet unknown but will be further explored as part of the implementation phase of the programme and mitigating action considered as appropriate.

## 17. Environmental Impact and Considerations:

Please provide an explanation of the Environmental impact of this decision. Please include the impact on both **Carbon emissions** (contact <u>climate @bury.gov.uk</u> for advice) and **Biodiversity** (contact c.m.wilkinson@bury.gov.uk for advice)

17.1 Any environmental impact and considerations will further be explored at the design stage, to identify and reduce the any potential carbon savings within our council buildings.

## **Legal Implications:**

To be completed by the Council's Monitoring Officer.

18. Appointment of an Architect has been carried out under the Constellia Framework. Use of frameworks is an established method of reducing the timescales involved whilst adhering to the requirements of the procurement regime. They also enable the local authority to access prices which have already undergone market testing and thereby achieve better value. The form of the contract will be determined by the framework. This procurement was carried out under the Public Contracts Regulations 2015 prior to the commencement of the Procurement Act.

## 19. Financial Implications:

To be completed by the Council's Section 151 Officer.

19.1 It is acknowledged that the Compliance Repairs are urgent and that there is an approved Capital Budget to carry these out.

The long-term future savings being targeted by rationalising the administrative buildings estate and allowing the Council to exit from the leases in 3 & 6 Knowsley Place, are dependent on the refurbishment of the Town Hall.

The end of the lease for 3KP is 2035 and there is a break clause in the lease for 6KP in 2031. Should we not be able to exit the lease on 3KP or to give the required notice on 6KP, there would be additional rental & maintenance costs going forwards.

Whilst acknowledging the need to progress with this project, the break clauses at the ends of RIBA stages 2 & 4 allow the Council the flexibility to pause should circumstances make this necessary.

It is Finance's recommendation that this paper be accepted to allow both the urgent Compliance Repairs to be carried out and the Town Hall project to commence.

Appendices:		
None		

# **Background papers:**

Please list any background documents to this report and include a hyperlink where possible.

Capital Board Papers - June 2024

- Proposals to deliver a phased approach to Town Hall refurbishments.
- Structural Inspection Report (Feb 2024)
- Priced Defects Schedule

Please include a glossary of terms, abbreviations and acronyms used in this report.

Term	Meaning