

SPECIAL COUNCIL MEETING

16TH JUNE 2010

RINGWOOD GATEWAY SCHEME, FURLONG CAR PARK, RINGWOOD

1. INTRODUCTION

1.1 Members will recall that at the informal meeting in April, District Council Officers briefed the Council on proposals to improve existing public facilities such as the toilets and Visitor Information Centre in the Furlong car park. In addition, the District was in the process of identifying opportunities for improved partnership working to enhance the level of public services to the residents of the town.

1.2 Attached as an Annex is a report with Appendices that was considered and approved by the District Council's Cabinet on the 2nd June 2010. Its recommendations are to be considered at a Special Meeting of the District Council on the 14th June and its decision will be reported to the Town Council meeting on the 16th June.

2. PARTNERSHIP WORKING

2.1 The proposal to provide a 'One Stop Shop' for contact for all three tiers of local Government is clearly a positive step forward which should be welcomed. It will provide significant opportunities for improved service delivery and remove much of the confusion faced by residents who are not sure which Authority is responsible for a particular service.

2.2 This 'One Stop Shop' for service delivery fits precisely with the Coalition Government's programme for Government, which emphasises the radical devolution of responsibilities for service delivery and the end of top down Government. Great emphasis is being placed on decentralisation by the use of innovative technological methods in a way never seen before.

2.3 Equally, in the final draft of the Hampshire Local Councils Partnership Framework (a protocol between Hampshire County Council and the Hampshire Association of Local Councils on Joint Working), the County Council has committed itself to explore opportunities for greater and transparent delegation or devolution of services where high levels of willingness, capacity and resources exist at Local Council level.

2.4 This change in emphasis by the Government and the County Council from top down control and delivery to bottom up service delivery on agreed arrangements is a welcome change. It fits in well with the philosophy of delivering services by the level of government closest to the people and mirrors arrangements adopted in other Counties and Districts where Town Councils deliver 'One Stop Shop' services on an agency basis on behalf of all three tiers of local government.

3. SCHEME DESIGN

3.1 **Appendix 2** to the District's report shows a schematic floor plan of the proposed building. In an ideal situation, it would have been preferable for the whole of the Town Council's administration to be based on the ground floor. This would have required the provision of the Council Chamber/Ceremony room, which is less heavily used than the offices, to be located on the first floor. Lift access for use of that room for meetings would normally have been sufficient.

3.2 However, in order to achieve full partnership working, it would not have been appropriate for the Council Chamber/Ceremony room to be located on the first floor. Therefore, to facilitate true partnership working and to achieve a sensible layout, the Town Council's accommodation requirements have been split over two floors. Essentially, the Town Council's frontline staff will need to be based on the ground floor with other staff operating on the first floor. The Town Council's office space requirements take this operating arrangement into account.

3.3 The new building effectively makes provision for two/three meeting rooms. The one on the ground floor is large enough for Council meetings; and can also be divided into two smaller rooms. The meeting room on the first floor will be large enough for most Committee meetings, except those where a large public attendance is expected.

3.4 The size of the lobby/foyer will allow the provision of a full Visitor Information Service, as well as the 'One Stop Shop' facility.

3.5 Thus whilst it has been necessary to make some compromises in terms of layout, the design achieved will enable, subject to agreement on management and operational arrangements, the provision of fully cost effective services across all three Authorities in a town centre location for the benefit of residents and visitors to the town.

4. RISK MANAGEMENT

4.1 Clearly all new ventures carry a degree of risk and uncertainty. This is inevitable and why the District's attached report sets out at paragraph 11 how risks can be eliminated or minimised for this scheme.

4.2 The detail set out in the report applies equally to the Town Council. However, there are two specific issues that apply directly and mainly to the Town Council. These relate to capital costs and the operational arrangements which may have an effect on revenue costs.

4.3 The report at the Annex identifies the capital contributions to be made by each partner Authority. The Town Council has the capacity to meet its share of those capital costs through the sale of part of the rear garden of 'Greenways' and a loan secured against 'Greenways', probably from the Public Works Loan Board.

4.4 The advantage of this funding arrangement is that the Town Council retains ownership of 'Greenways' as a capital asset from which it will derive rental income. Initially, and depending on interest rates, there may be a small shortfall between the income and loan charges. But over the period of the loan, the Council's Finance Manager has calculated that the rental income will increase and will more than cover that shortfall. Therefore, in the longer term, the retention of 'Greenways' will be a source of revenue income to fund local services, whilst at the same time a capital asset is retained in the ownership of the Town Council.

4.5 At paragraph 11.2 of the District's report there is specific reference to the problems if the final tender price is higher than has been calculated for the estimates. This will be a critical issue to the Town Council, as its ability to fund additional costs is more severely constrained than at County or District level. Members may therefore wish to consider whether it would be appropriate to make it clear at this stage that the Town Council's contribution should be capped at the estimated costs in the report, plus say ten percent. An increase at that level could be accommodated by varying the arrangements of the loan through the Public Works Loan Board.

4.6 The Town Council's revenue costs of operating from 'Greenways' are relatively low. This applies to both management of the building and service delivery.

The cost of running 'Greenways', including business rates, heating, lighting, cleaning and a contribution to repairs and renewals is approximately £10,000 per annum. The new building is being designed and constructed to harness the potential for energy efficiency. However, although energy costs will rise, the Council must take a realistic view of facilities management costs and it is not believed that the Town Council will be able to make any significant reduction in the facilities management element of its operating costs in a new building, compared with those met at 'Greenways'.

4.7 The Town Council's management structure is a very flat one that avoids unnecessary management and supervision costs. Every member of staff has specific duties to undertake that do not rely on reactive response to telephone calls or visitors to the office. The Office Manager and P.A. to the Mayor/Town Clerk are primarily responsible for the reactive nature of telephone calls and visitors to the office, but each has specific additional duties that enables the Council to make the optimum use of their time. All other staff are expected to provide reactive support at the Information Desk and to telephone callers as needed.

4.8 Paragraph 4.9 of the District's report refers to a single partner to lead on the provision of the joint public reception/information service. Your Officers believe that in order to provide the most cost effective service to the public it is imperative that the 'One Stop Shop' is operated by one lead partner, with all staff employed by that one Authority and providing advice and information for all three Authorities. Your Officers believe that this can be best achieved through a long term agency agreement that provides for the 'One Stop Shop' service to be provided by the Town Council. Clearly, such an agreement would need to make provision for appropriate training and provide some certainty as to costs and charges. This would bring in to play the opportunity of low cost service provision, with senior responsible Managers on site to support the staff on the front line. Other arrangements that rely on remote management will have an adverse effect on the quality of service provided and lead to increased costs in managing the information service.

4.9 Similarly, in discussions with the County and District, the bottom up approach should also be adopted wherever practicable in relation to responsibility for those elements of the management and maintenance of the building referred to in paragraphs 4.8, 4.10 and 4.11 of the District's report. In this connection other services such as the procurement of the telephone system and IT procurement and maintenance are likely to be undertaken by the County or District Council. Those Councils will be in a much better position to obtain the economies of scale and have the appropriate expertise to make sure that the best value is obtained for these items.

5. STAFFING ISSUES

5.1 Town Council staff have not been consulted formally on the proposals. However, informed discussions indicate that subject to a continuation of existing terms and conditions of employment, staff support delivery of services in an integrated manner closer to the town centre.

6. CONCLUSION

6.1 The proposals, as outlined in the District Council's report and referred to above, provide an exceptional opportunity to improve and enhance the provision of services and information for residents and visitors to Ringwood. It is unlikely that such an opportunity could be achieved in the future if this scheme fails.

6.2 It is accepted that in the short term the Town Council's costs may increase, although the overall cost to the public purse should reduce as a result of savings

identified by the District and County Councils through an active partnership agreement with the Town Council.

6.3 Service delivery decisions based upon the local knowledge and contacts within the community of Town Councillors will particularly assist in issues relating to the Visitor Information Centre.

6.4 It would be inappropriate for the Town Council to enter in to any formal agreements in any situation unless it is satisfied as to the level of its capital and future net revenue expenditure, and also it is satisfied as to the operational arrangements that will be implemented for the management of any facility. Subject, therefore, to the comments contained within the report with respect to the capital and revenue costs and the operation of the building after its construction, it is recommended that the proposal be supported.

7. RECOMMENDATIONS

7.1 It is recommended that:

1) the Gateway scheme, as detailed in the report to the District Council's Cabinet, be welcomed and approved subject to :-

- a) consideration being given to setting a cap on the Town Council's capital contribution;
- b) further discussions being undertaken on the operation of the building and its servicing in line with the proposals explained in paragraphs 4.8 and 4.9;
- c) in order to provide certainty as to revenue costs and charges of partners in operating a 'one stop shop', a long term agreement be entered into governing changes in such costs and changes;
- d) formal consultations be undertaken with staff about implementation and operation of the Gateway scheme;
- e) Policy & Finance Committee be authorise to approve final arrangements for implementing the scheme, including the taking of any loans.
- f) the Town Clerk, in consultation with the Chairman and Vice Chairman of Policy & Finance Committee and the Town Mayor and Deputy Town Mayor, be authorised to take any action necessary that needs to be taken between meetings of Policy & Finance Committee, subject to a report being made to the next meeting of that Committee.

7.2 That the Town Clerk's action, in consultation with the Chairman of Policy & Finance Committee, to appoint Messrs Meesons, the Council's solicitors, to represent the Council in matters relating to the agreement for this project be approved.

For further information, please contact:

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CABINET 2 JUNE 2010

PORTFOLIOS : ENVIRONMENT
: FINANCE & EFFICIENCY
: PLANNING & TRANSPORTATION

RINGWOOD GATEWAY SCHEME – FURLONG CAR PARK, RINGWOOD

1. INTRODUCTION

- 1.1 On 2 January 2008 Cabinet considered a report outlining a number of major development options centred on a new mixed retail, office and amenity development for the south west corner of the Furlong Car Park in Ringwood.
- 1.2 The report followed a study commissioned by the Ringwood Town Centre Steering Group and included the results of a public consultation exercise conducted on four identified options:
- A mixed use option
 - A shopping option
 - A community facility/public office option
 - Replacement of toilet block and visitor information centre
- 1.3 At the 2 January meeting Cabinet resolved that no further action be taken on Options 1, 2 or 3 as set out in the report and that the Council should explore further a revised Option 4 to secure improved public toilets and a visitor information centre in Ringwood, whilst not prejudicing other development options in the facility. (Minute 80, Cabinet 02/01/08)

2. RINGWOOD GATEWAY SCHEME CONCEPT

- 2.1 Following the Cabinet decision further consideration was given to options for delivering the required improvements to existing public facilities and in addition, to identifying opportunities for working with partners to provide an enhanced level of public service.
- 2.2 A series of informal meetings were held with local New Forest District Council (NFDC) Members and Ringwood Town Council (RTC) Members, together with officers from both authorities and Hampshire County Council (HCC).
- 2.3 In summary, the context to these meetings was to review existing factors:
- 2.3.1 Requirement to provide new public convenience facilities in Ringwood Town Centre.
 - 2.3.2 Visitor information services operating in poor accommodation.
 - 2.3.3 Largely underutilised NFDC Public Offices; not town centre, relatively inefficient to operate, significant maintenance liability, first and second floor rooms not Disability Discrimination Act compliant.
 - 2.3.4 HCC provision of Registry Office facilities in Ringwood; currently based in accommodation in the NFDC Public Offices.

- 2.3.5 No current customer/public interface presence for HCC in town centre.
- 2.3.6 RTC operating independently in their own offices situated 50 metres to the south of NFDC Public Offices.
- 2.4 The meetings also focused on identifying opportunities for added value:
 - 2.4.1 Potential to combine and consolidate the provision of an enhanced public interface provided by the three Councils co-located within a single public Gateway building.
 - 2.4.2 Town centre site potential of the south west corner of NFDC's Furlong car park.
 - 2.4.3 Integration of new public conveniences into a Gateway building.
 - 2.4.4 Integration of visitor information centre (VIC).
 - 2.4.5 Flexibility of use and efficiencies to be gained from new ways of working.
 - 2.4.6 Reduced maintenance and running costs of new Gateway building, with particular attention to energy efficiency.
 - 2.4.7 Enhanced pedestrian approaches to the existing town centre shopping centres, developing the historic Furlong route into the town.
 - 2.4.8 Potential to enhance the Furlong car park layout/traffic flow.
- 2.5 To build on the existing factors and develop emerging opportunities the decision was taken to convene a more formal Ringwood Gateway Steering Group and all NFDC Ringwood members were invited to join the Group.
- 2.6 The Steering Group was chaired by the Council's Deputy Leader Cllr E Heron and consisted of Cllrs Ms C Ford, C Treleaven, C Wise, S Rippon-Swaine and J Heron, supported by officers from NFDC and RTC.

3. RINGWOOD GATEWAY SCHEME DEVELOPMENT

- 3.1 Working with HCC architects within the Improvement & Efficiency South East (IESE) team, an initial feasibility study was commissioned to identify the potential benefits and opportunities arising from the scheme concept, including:
 - Updated premises with potential to replace four existing buildings in a landmark location.
 - Improvement of the estate and incorporation of high levels of sustainability.
 - Enhanced public interface.
 - Opportunities for incorporating new flexible ways of working.
 - Enhanced working between authorities and functions.

- Reduced maintenance and running costs.
- 3.2 As a starting point the scheme was required to be self financing with funding derived from the sale or letting of NFDC and RTC premises in Christchurch Road, together with potential funding from HCC in recognition of Registrar services, flexible HCC office accommodation and enhanced public interface.
 - 3.3. In August 2009 the Steering Group considered the Pre Feasibility Report prepared by the HCC IESE team with an agenda which covered funding partner aspirations, funding streams, design principles, planning considerations/consultation, funding partner approval processes/safeguards and current tenancy agreements.
 - 3.4 At this stage existing tenants at the Christchurch Road Public Offices were notified of the potential implications of the Ringwood Gateway scheme, including the likelihood that with the exception of the Registrar Service, accommodation within a new town centre building would not be available. At the same time an offer was made to assist tenants with identifying suitable alternative accommodation, if required.
 - 3.5 Taking all factors into consideration, the Steering Group considered there was sufficient scope to continue the feasibility work with a full Feasibility Study which would include an evolution of a Project Execution Plan/Programme utilising the IESE framework, review of cost implications and valuation/market commentary, identification of procurement method and development of design options and space requirements.
 - 3.6 Further meetings of the Steering Group in November 2009 and March 2010 considered updates on progress and presentations from the HCC Architectural Team Leader, the latter meeting receiving the final Feasibility Study completed in February 2010. The presentation included initial design and layout proposals, with examples being attached as **Appendices 1 and 2**.
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- 3.7 As a consequence, the Steering Group agreed to seek formal approval for the Ringwood Gateway project and this forms the basis of the following report.

4. RINGWOOD GATEWAY KEY PROPOSALS

- 4.1 Construction of high quality Gateway Building of approximately 600m² on the south west corner of NFDC's Ringwood Furlong Car Park.
- 4.2 Project funding to be based on the disposal of NFDC's Christchurch Road Public Offices, RTC to dispose of or raise funds on their Christchurch Road premises and HCC making a capital contribution. In addition NFDC has budget provision for the replacement of the public conveniences.
- 4.3 Design to accommodate the space requirements, agreed layout, flexibility of use and joint public reception facilities for the three funding partners, plus an integrated public convenience with separate access.
- 4.4 Funding contributions from each partner, including construction and fit out costs, plus Funding Adjustment mechanisms, to be on a pre-agreed contractual basis.
- 4.5 Freehold ownership of the land/building to be held in a joint Trust in direct proportion to the funding partner financial contributions.

- 4.6 If at some future date a stage is reached where one partner no longer requires the building, then it is proposed that party's share will be split between the remaining parties as per the proportions agreed above. An opportunity to nominate appropriate alternate public sector partners could also be included.
- 4.7 If at some future date there is only one interested/surviving party then they would become the sole legal and beneficial owner of the land/building.
- 4.8 A lead partner will be responsible for the management and routine maintenance/cleaning/security of the building, with agreed contributions from the other partners.
- 4.9 Agreement will be sought for a single partner to lead on the provision of the joint public reception/information service. Proposals will take into account flexibility and customer service requirements, together with any associated employee implications for the partner authorities.
- 4.10 A lead partner will be responsible for all cyclic and programmed maintenance works.
- 4.11 All associated service costs, management, routine maintenance/cleaning and programmed maintenance costs will be borne by the funding partners on a pre-agreed basis, based on the areas of occupancy and apportioned common areas.
- 4.12 The operation, maintenance and running costs of the public convenience will be the responsibility of NFDC, although the delivery of some elements could be included within the management arrangements for the main building.
- # 4.13 A summary of the draft Heads of Terms proposed between the relevant partners is attached as **Appendix 3**. These draft Terms are clearly subject to negotiation but will form the basis for this process.

5. VISITOR INFORMATION CENTRE

- 5.1 The future of the existing Visitor Information Centre (VIC) has been under consideration for some time and savings were proposed for 2010/11 as part of the Council's savings and efficiency programme. The building is beyond its useful life and the saving was to be achieved by moving the service to the Ringwood Public Offices from April 2010.
- 5.2 However, with the developing proposals for the Ringwood Gateway building it is suggested that to conserve the continuity of service the VIC remain on-site whilst the proposals for the new Gateway are developed. It is therefore proposed that the building remain open until September 2010.
- 5.3 There are two financial considerations to enable this to take place. Firstly the planned efficiency saving by operating the service from the Public Offices will not be fully realised, requiring additional provision of £13,000. Also, to ensure the building meets the necessary standards during the season, works are necessary which are estimated at £1,700.
- 5.4 Overall therefore, further savings of £14,700 will need to be identified within the Portfolio and reported to Cabinet as part of the normal budget monitoring process.

6. PROCUREMENT

- 6.1 The Feasibility Study conducted by HCC included a commentary on procurement options and provided a recommended procurement route for the Gateway Project.
- 6.2 It is proposed to follow Hampshire's tier 2 framework procurement process which caters for projects from £500k to £2.5 million and has seven approved contractors. The IESE two stage procurement has two primary models and it is proposed to use the "Develop & Construct with Employers Requirements produced by the Client design team" model.
- # 6.3 A draft Project Programme is attached as **Appendix 4** which details the procurement process and the relationship with the planning application.
- 6.4 The contract will not be let until cost certainty is reached and early contractor engagement is sought following a mini competition to select a preferred contractor.
- 6.5 Under this proposal, HCC will let a single contract on behalf of the three partner authorities and be the employer.

7. PROJECT GOVERNANCE

- 7.1 Progress to-date has been managed via an officer lead team reporting to the Ringwood Gateway Steering Group, together with informal briefings provided to NFDC, RTC and HCC elected Members.
- 7.2 It is suggested that governance arrangements are now strengthened via a formal Project Management Team and Project Board.
- 7.3 The proposed Ringwood Gateway Project Management Team would consist of appropriate officers from the three partner authorities and would be led by HCC in recognition of HCC's procurement/contractual role and construction project expertise.
- 7.4 The proposed Project Board would consist of one Member from each partner authority plus an NFDC Cabinet Member as Chairman, in recognition of NFDC's lead role as project sponsor. The Project Board would have responsibility for the overview of the whole project, including consideration and approval of the final Gateway design, together with any necessary amendments within approved budgets.
- 7.5 Cabinet are asked to nominate two Members accordingly.

8. FINANCIAL BUSINESS CASE

Overall Scheme Business Case

- 8.1 Each of the partners will make a financial contribution towards the capital cost of the new Ringwood Gateway Scheme. The value of the contribution made will entitle each authority to an equity share of the new building.

- 8.2 In addition to the financial contribution made by each authority New Forest District Council will contribute the land. The value of which is estimated to have a worth of £40,000. This will attract an increased equity share.
- 8.3 The total value of the cash contributions required from each authority will be used for the construction of the building which has a total estimated budget cost of £2.0 million. Any over or under spends will be shared between the authorities on a basis to be agreed between the parties.
- 8.4 Capital contributions of £600,000 from Hampshire County Council and £455,000 from Ringwood Town Council have been committed in principle. To enable the scheme to progress a capital cash contribution of £945,000 from this Council will be required.
- 8.5 The operational costs of the new Ringwood Gateway Scheme will be shared by each of the partner Councils in accordance with their respective utilisation of the building, which will be agreed in advance.

NFDC – Capital Contribution and Benefits

- 8.6 The Council has already identified and made a Capital budget commitment of £300,000 to fund new public convenience facilities in Ringwood Town Centre. These funds can be used to support the Ringwood Gateway scheme on the basis that this will include the provision of new public conveniences.
- 8.7 The Council's financial commitment and strategy for delivery of the project is that in addition to the new public convenience requirement any further capital contribution would be contained within the level of capital benefits achieved from no longer requiring office accommodation at the existing Christchurch Road site.
- 8.8 The anticipated capital benefits arising from the Christchurch Road site derive from either the sale or letting of the existing premises, and the savings in capital expenditure that would be needed to keep the existing premises operational.
- 8.9 The feasibility study commissioned in February 2010 identified that there were a number of alternative uses for the Christchurch Road site. However, it was most likely the sale for residential use would be the outcome as this avoids the need for refurbishment costs to the existing building. Advice is that a receipt of at least £440,000 could be realised dependent upon specific use and market conditions. This could potentially be a much higher figure.
- 8.10 Disposal of the site would also save the requirement to incur capital expenditure to maintain the existing building in its current operational form. Condition survey costs have identified that £206,500 of capital expenditure is required over the next five years.
- 8.11 In accordance with the agreed financial strategy, combined capital resource benefits are available from the disposal of the Christchurch Road site and could support a contribution of £645,000 which is required in addition to the £300,000 already set aside for the new public conveniences. This would provide a total Council contribution to the scheme of £945,000 enabling the project to progress.
- 8.12 In addition to the Gateway scheme works may be required to the existing car park and pedestrian links. As these projects would be of a wider benefit than simply a development requirement of the scheme they will, if required, be bid for separately as part of the Council's usual expenditure bid process.

8.13 It is anticipated that the New Ringwood Gateway scheme would also deliver revenue savings in comparison with current arrangements at the Christchurch Road site and Visitor Information Centre. These savings are estimated to be in the region of £50,000 per annum, after allowing for some off-site storage of documents currently stored in the Ringwood Public Offices.

8.14 A summary of estimated budget projections and capital appraisal is attached as **Appendix 5**.

9. FINANCIAL IMPLICATIONS

9.1 The Council's existing Capital Programme currently provides for £300,000 to fund new public convenience facilities in Ringwood Town Centre.

9.2 An additional Capital Programme provision of £645,000 will be required which can be funded by "borrowing" from the Council's internal resources on the basis that all future disposal proceeds from Christchurch Road are used to replenish corporate internal resources.

9.3 Revenue savings of £50,000 per annum will be built into the Council's Medium Term Savings and Efficiency Plan.

10. PLANNING CONSIDERATIONS

10.1 The site is covered by saved policy RW-2 of the New Forest Local Plan First Alteration, August 2005. This states that a mixed use development will be permitted in the south west corner of the Furlong Car Park subject to various considerations including that :-

- The development is well related to existing sites.
- Buildings are of an appropriate scale and design to complement the historic character of Ringwood.
- The entrance and links to the town centre in and from the Furlong area are enhanced.
- The scheme includes public conveniences and an improved visitor information centre.
- Measures address any reduction in the land available for public car parking.

10.2 The policy goes on to say it would be of benefit to the town centre as a whole if this site was developed with a scheme which attracted additional activity to the area.

10.3 It is considered that the currently proposed Gateway scheme meets all of these criteria including the provision of replacement and additional car parking spaces.

- # 10.4 As detailed in **Appendix 2**, the formal planning application for the scheme would be submitted in August 2010, with public consultation forming part of the planning process. The opportunity will also be taken to stage a public exhibition outlining the proposals to gain public feedback prior to the Scheme being submitted.

11. RISK MANAGEMENT

- 11.1 The primary aim of risk management is to eliminate or minimise risks. This needs a structured approach in which a risk register is prepared and a detailed plan is developed to detail a strategy in relation to each of the key specific risks. At this stage, the major high level risks to this project can be identified.
- 11.2 There is an urgent need to improve the toilet facilities and visitor information facilities in the town centre as the existing facilities are time expired and barely fit for purpose. For this reason, it is proposed to design, obtain the necessary consents, procure and construct the new building as quickly as possible. A variety of high level risks can be identified relating to this objective and the project as a whole. These are set out in the following table.

RISK	DESCRIPTION	COMMENTS
That any of the three partners cannot agree, in principle, to make the necessary funding and partnership arrangements in appropriate timescales.	The early provision of new facilities requires timely decisions to allow design and procurement to proceed. A binding commitment is needed at an early stage.	This could either delay the project or lead to abortive design costs if the scheme does not go ahead.
Delay in the procurement process.	Needs to commence in Summer 2010.	Delay and/or abortive cost, as above.
Planning Permission not obtained.	Is required by Autumn 2010.	Project does not proceed with abortive costs to the point of abandonment.
That the sale values assumed in the business case are not realised at the point of sale.	Two of the partners are likely to rely on the disposal of existing assets to fund the scheme.	The overall targets in the business case are not achieved at the end of the project.
That the final tender price is higher than has been assumed in the estimates.	This should be minimised by the IESE procurement process.	Either the business case targets are not achieved or the scheme is abandoned leading to abortive costs.
Delay in the building programme.	The construction site will be constrained by the need to minimise disruption of other town centre activities.	A longer period of disruption for other town centre users and businesses.

RISK	DESCRIPTION	COMMENTS
The scheme does not proceed to completion for any reason.		A delay in securing improved toilet and visitor information services for Ringwood.

11.3 These risks, and others identified as part of a more comprehensive exercise, will be the subject of a detailed management plan which will be an integral part of the project.

12. ENVIRONMENTAL IMPLICATIONS

12.1 The Ringwood Gateway proposals present a significant opportunity to replace a range of relatively inefficient public buildings with a single contemporary building, designed and constructed to harness the potential for energy efficiency.

12.2 By ensuring the design principals embrace opportunities for flexible use of both public and office space within the building, the overall floor space and energy footprint will be considerably reduced when compared to the structures it replaces.

13. CRIME AND DISORDER IMPLICATIONS

13.1 The proposed Gateway building will retain and enhance the pedestrian approaches to the Furlong and Meeting House shopping centres, the approach to the market and the route of the Avon Valley Path.

13.2 Enhancement of the adjacent open space and retention of the mature trees, combined with careful design of the Gateway building and public convenience amenity, will form a welcoming entrance to the town which encourages use by locals and visitors alike, whilst minimising opportunity for anti-social behaviour.

14. EQUALITY AND DIVERSITY IMPLICATIONS

14.1 The design of the Gateway building will fully embrace opportunities to provide accessible, user friendly facilities.

15. STAFFING IMPLICATIONS

15.1 Currently there are six NFDC employees who use the existing Ringwood Public Offices as their base.

15.2 Three of these are visiting officers with Environmental Health and Building Control. Within the office optimisation programme at Appletree Court provision has been made for these officers to be accommodated within the redesigned office space. There will also be provision within the Ringwood Gateway for officers to have access to drop in, hot desk facilities with suitably enabled ICT provision.

- 15.3 The remaining three employees all work part time within the reception area. Discussions between NFDC, HCC and RTC will need to take place to ensure the new Gateway facility has the right level of resource for the information desk. Flexibility of provision together with quality and consistency of service will be key factors, and it may prove prudent to have management arrangements that are consistent with this approach covering all three partner authorities.

16. EMPLOYEE SIDE COMMENTS

- 16.1 Employee Side recognises the benefits highlighted in paras 2.3.3, 2.3.4 and 2.3.5 and believes this justifies the introduction of this scheme.
- 16.2 The new building will be DDA compliant which will enable full access to all members of the general public and this is to be welcomed.
- 16.3 The location of the building in a more central part of the Town will give each of the respective parties in the venture a much higher profile. It will also allow greater access by the public and therefore the benefits to the residents will be enhanced.
- 16.4 Employee Side believe that the staff affected by the move should experience a nicer environment in which to work in.
- 16.5 Employee Side would argue that staff parking currently provided for at the current sites will be maintained at the new one. This would be an issue definitely very important to staff.
- 16.6 Employee Side recognises the advantages of working with other authorities and the beneficial advantages in sharing facilities and technology leading to lower costs and greater efficiency.
- 16.7 One of Employee Sides biggest concerns would be if staff were to be in anyway disadvantaged. Although not speaking to those staff concerned personally it is not anticipated there would be any disadvantage.

17. LEAD (ENVIRONMENT) PORTFOLIO HOLDER COMMENTS

- 17.1 The Ringwood Gateway Project will provide an easily accessible single contact point for residents to services and information from the Town, District and County Council. The new building and joint working arrangements will provide both an enhanced and more sustainable service for local residents.
- 17.2 At a time when all public spending is rightly under intense scrutiny, I am pleased that this new facility for Ringwood will be fully funded from the sale of existing buildings (plus money already committed for new Public Toilets) and that it will also allow more services to be provided at lower annual running costs, thus delivering savings for all partners.
- 17.3 These savings will help to ensure that in the difficult times ahead services for Ringwood are better protected by demonstrating the highly efficient and environmentally sustainable way in which they are being delivered. I am pleased to support the recommendations set out in this report.

18. CONCLUSION

- 18.1 Taking the lead from the Cabinet decision in 2008 and working closely with Members and officers from the partner authorities, the proposed Ringwood Gateway scheme offers the potential to deliver an enhanced level of public service from a single high quality building in a town centre location.
- 18.2 The combination of three partner local authorities utilising shared facilities in a flexible workspace, combined with efficiencies gained from sharing operating costs in a modern, energy efficient building presents a real opportunity to provide a strong local presence in very cost effective way.
- 18.3 The key ingredients of providing a single public interface for three authorities, maintaining Registrar services in Ringwood, providing new public convenience facilities and providing flexible, efficient office space for the partner authorities on a reduced footprint are all met by the proposed Ringwood Gateway scheme.
- 18.4 The governance and procurement model will provide a strong link to Members at all stages of the design, planning and construction process; with key gateway reviews at each critical stage of the project.
- 18.5 The financial model for NFDC indicates that the combination of capital receipts for the Christchurch Road Public Offices, capital contributions from Ringwood Town Council and Hampshire County Council and NFDC's provision for new public conveniences will, when taken with savings in capital expenditure required on the existing Public Offices, support the proposal.

19. RECOMMENDATIONS

It is recommended that Cabinet:-

- 19.1 Supports the proposed Ringwood Gateway Project;
- 19.2 Nominates two members to join the Ringwood Gateway Project Board
- 19.3 AND RECOMMENDS to Council that:-
 - 19.3.1 Approval be granted to proceed with the Ringwood Gateway Project on the basis set out in the report;
 - 19.3.2 Authority be granted to the Executive Directors in consultation with the Portfolio Holder for Finance & Efficiency and the Portfolio Holder for Environment (the "Relevant Portfolio Holders") to finalise the details of the Heads of Terms between the partner Local Authorities;
 - 19.3.3 Authority be granted to dispose of Christchurch Road Public Offices for the best consideration by either freehold or lease, (the final decision being taken by the Executive Directors in consultation with the Relevant Portfolio Holders);

19.3.4 Authority be granted to the Executive Directors in consultation with the Relevant Portfolio Holders, the Head of Legal & Democratic Services and the Head of Property Services to:-

#

- (a) enter into all necessary legal documentation with the partner Local Authorities to give effect to the draft Heads of Terms set out in **Appendix 3** and within the financial parameters set out in the report (subject to any revised terms being agreed by the Relevant Portfolio Holders and the Executive Directors).
- (b) enter into all other necessary contracts to ensure the Gateway Project proceeds within the financial parameters set out in the report.

For Further Information Please Contact:

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Bob Jackson
Executive Director
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Background Papers:

Published Documents

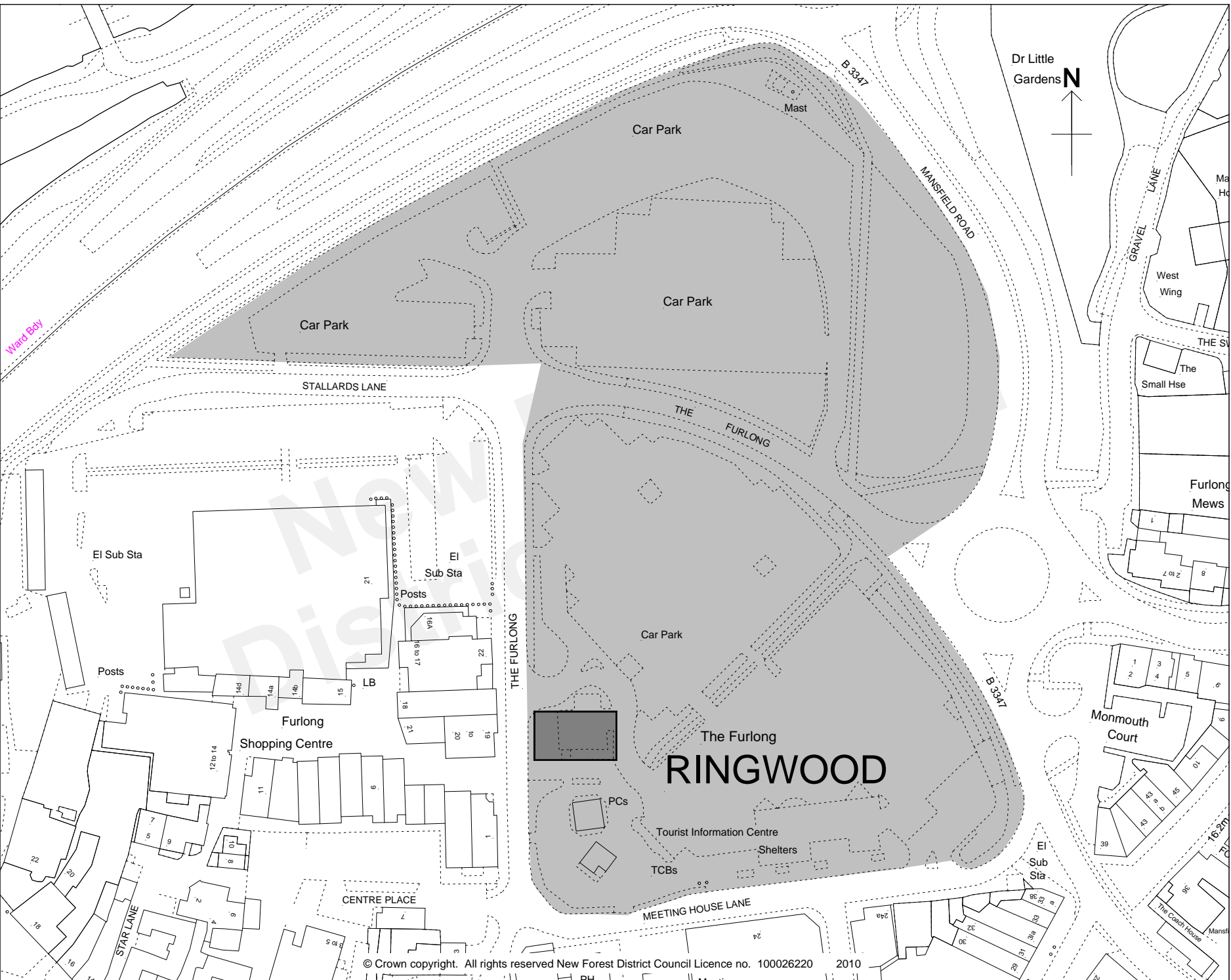


New Forest
DISTRICT COUNCIL

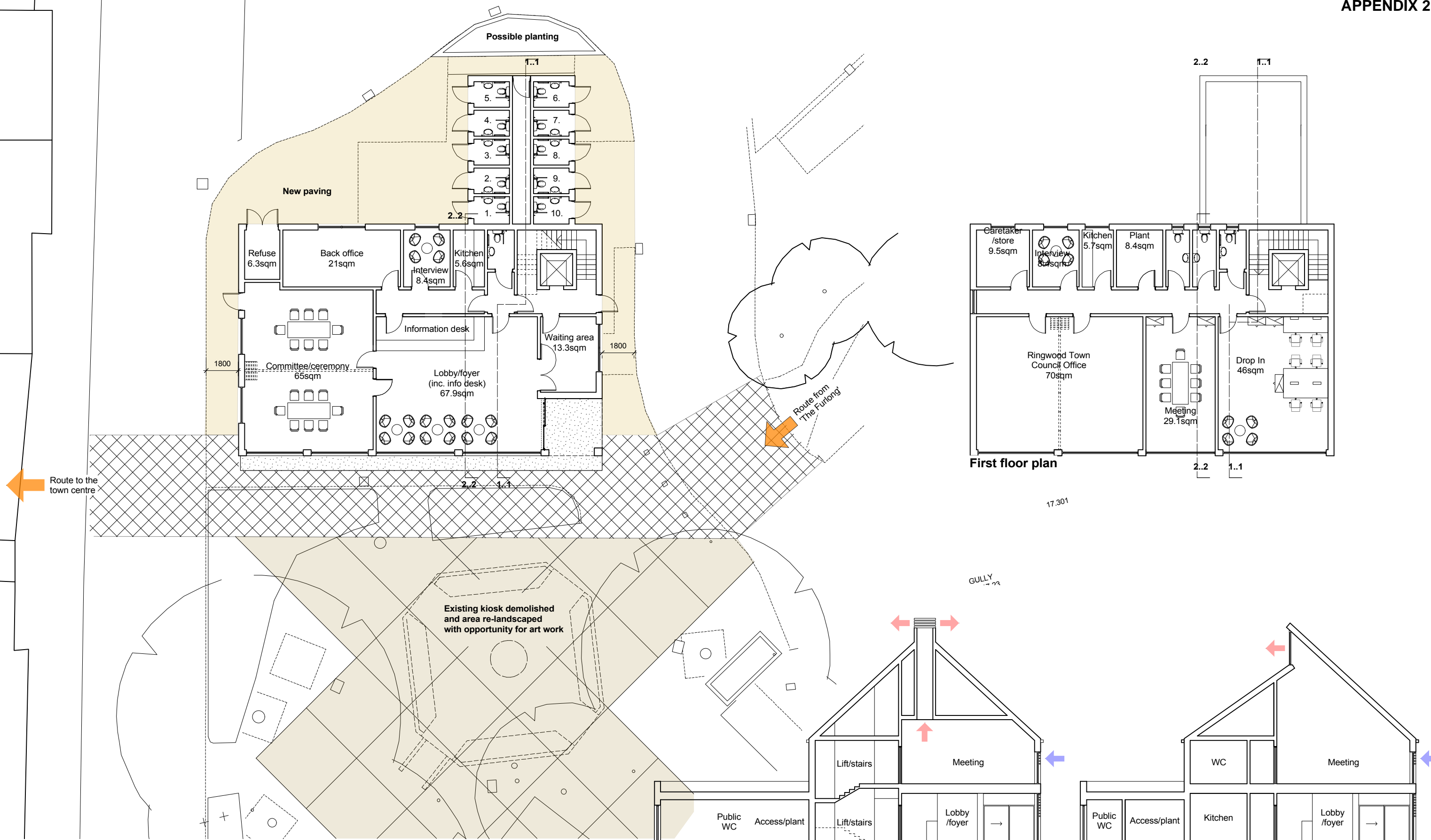
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RINGWOOD



Scale 1:1500



Ground floor plan
(in local context)

Section 1..1

Section 2..2 (indicating possible alternative roof form)

WORK IN PROGRESS

Notes

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rev	description	date	by
1	Revised version of option A with altered public toilet arrangement	27.04.10	SPW

<p>Hampshire County Council</p>		<p>Property, Business and Regulatory Services, Three Minsters House, 76 High Street, Winchester SO23 8UL. tel: (01962) 847801</p>	
<p>PROJECT New Forest District Council Furlong Road Site</p>		<p>SHEET CONTENTS Sketch Plans - Option 3A</p>	
<p>SCALE 1:100 @A1 1:200 @A3</p>	<p>DATE 25/02/10</p>	<p>DRAWN. ARCNOG</p>	<p>DRAWING No. E1469-A-231 FILE REF. E1469-A-230.vwx</p>
			<p>REVISION</p>

Agreement Framework

Ringwood Gateway Scheme

- 1 **Parties** – New Forest District, Council Hampshire County Council, and Ringwood Town Council
- 2 **Development Project** - new gateway building at the Furlong Car Park/Meeting, Ringwood, Hampshire.
- 3 **Funding** – the cost of construction and fitting out of the new building will be met by the parties on a pre-agreed basis and will be specified in the agreement.
- 4 **Funding Adjustments** - any variation in the funding costs will be met by the parties on an agreed basis set out in the agreement
- 5 **Land/Building Ownership** –
 - 5.1 Freehold ownership of the Land/Building will be retained by NFDC but held jointly by formal Trust by all three parties on an agreed allocation of value.
 - 5.2 The following arrangements shall apply to each parties share in the Land/Building:
 - 5.3 If the building becomes superfluous to the requirements of any one party that party shall not be permitted to dispose of its interest. Instead that parties' interest will pass to the remaining parties.
 - If just one party remains it will then own the land/building.
 - If the surviving party is NFDC it will become the legal and beneficial owner
 - If the surviving party is HCC or RTC they can require NFDC to transfer the legal title to them so that they then become the owner of the land/building.
- 6 **Mortgage** – No party shall be entitled to charge or mortgage their interest in the land/building without the agreement of the other remaining parties.
- 7 **Fess** – The parties will share all fees and costs relating to the scheme on the basis referred to in 4 above. Each party shall be responsible for all internal/in-house costs, expenses, fees etc.
- 8 **Construction** – The parties will agree;
 - The design parameters/detail and layout of the building. (Any variations requested by a party are to be subject to agreement of the other two parties and cost being met)
 - The form of building contract to be entered into.
 - The price of the building works.
 - The tender process for appointment of a contractor to carry out the works.
 - The process for appointing other consultants and professional advisors.
 - The timescale for completion of the building works and contingencies for delays.

- Funding and payment obligations The need or otherwise for security for each party's funding.
 - PR strategy and any press releases etc be undertaken.
- 9 **Pre- Occupation** The parties will agree;
- Measurement of the building/adjustments to take account of any variation from plans.
 - Arrangements for the fitting out of the building.
 - Each party shall contribute to in its agreed share to the cost of communal furnishings.
 - Each party to meet the entire costs of all furnishings specific to its allocated areas.
 - Arrangements for relocation of staff from existing locations.
- 10 **Post Occupation** - The parties shall agree a lead party to undertake the day to day management or operation of the new building and the following arrangements shall apply or be agreed:
- Opening/closing hours.
 - The arranging and supply of the following provisions
 - buildings, contents and public liability insurance
 - heating lighting and power
 - business rates
 - cleaning of the building generally and to the common areas
 - maintenance of the structure, external areas, fabric and services of the building
 - property management and accounting services
 - The Parties shall also agree;
 - The basis of provision of furniture decorations to common areas
 - the allocation/booking of meeting rooms/drop in offices.
 - signage (size location logo).
 - rules/regulations relating to conduct/use of the building by staff/visitors.
 - procedure for dealing with any disputes that may arise between the parties
 - Individually the parties shall be responsible for;
 - the costs of providing furniture and equipment to their allocated areas
 - third party/public liability insurance in relation to their allocated areas (if necessary).
 - contents insurance relating to items in their allocated areas.

11 **Documents required** – It is proposed the parties enter into the following documents to deal with the above:

- **Development/funding Agreement** – to cover the setting up financing and the carrying out of the project between the parties until practical completion and handover of the building. This will include the arrangements as between the three parties for procuring, managing and monitoring all aspects of the development from its pre-commencement stage to practical completion and handover.
- **Trust Deed** - this will deal with the land/building ownership matters. It is proposed this be entered into upon the funding from the parties being secured. These Trust arrangements assume the parties do not want to go down the long lease or special purpose vehicle route.
- **Construction agreement/building contract** – there will be a need for a separate [build] contract between the parties (or nominated party) and the building contractor who will be appointed to undertake the building works and complete the scheme.
- **Management agreement** - this will deal with the ongoing management and occupational matters and will come into effect once the project is complete and practical completion and handover has been achieved.

Note: There will be some overlapping of matters in the various documents.

Ringwood Gateway Project Programme (Draft)

		2010										2011					
		Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June
Completion of feasibility report		★															
Decisions by NFDC HCC and RTC to proceed				★													
Concept and Design Development							★										
Work continues at Client risk prior to formal decision to proceed																	
Submit formal planning application (consultation process) and get decision																	
Agree Tender List and appoint contractor (pre-construction services)								★									
Joint Package Development	Normal Timescale																
	Best Possible Timescale																
Final Assessment – letting of contract (Depends on Joint Package Development)																	★
Pre-Contract start - site preparation																	

★ Gateway Review/Key Decisions

Ringwood Gateway Revenue Estimated Budget Projections

	2010/11	2011/12	2012/13	2013/14	2014/15	Full Year Annual Saving £000's
	£000's	£000's	£000's	£000's	£000's	£000's
Ringwood Public Offices						
Business Rates	23,790	23,790	19,066	19,066	19,066	4,724
Utilities	13,750	13,750	16,040	16,040	16,040	- 2,290
Cleaning	13,480	13,480	16,927	16,927	16,927	- 3,447
Caretaking	44,390	44,390	-	-	-	44,390
Insurance	2,060	2,060	1,529	1,529	1,529	531
Annual Maintenance	21,270	21,270	10,904	10,904	10,904	10,366
Support Services	14,990	14,990	14,990	14,990	14,990	-
Contingency	-	-	15,000	15,000	15,000	- 15,000
	133,730	133,730	94,456	94,456	94,456	39,274
Income						
Rental	30,023	30,023	-	-	-	30,023
Service Charges	28,480	28,480	-	-	-	28,480
Shared Costs	-	-	54,175	54,175	54,175	- 54,175
	58,503	58,503	54,175	54,175	54,175	4,328
Net Expenditure	75,227	75,227	40,281	40,281	40,281	34,946
Visitor Information Centre Cost Savings	21,000	-	-	-	-	21,000
External Storage	-	-	3,500	3,500	3,500	- 3,500
Total Net Expenditure	96,227	75,227	43,781	43,781	43,781	52,446
Saving	-	21,000	52,446	52,446	52,446	

Capital Appraisal

	2010/11 £000's	2011/12 £000's	2012/13 £000's	2013/14 £000's	2014/15 £000's	Total £000's
Income/Benefits						
Christchurch Road Condition Survey Costs	63,000	22,000	11,500	110,000	-	206,500
Estimated Sale Proceeds (Low)			440,000			440,000
	63,000	22,000	451,500	110,000	-	646,500
Expenditure						
Partnership Contribution	-	500,000	145,000	-	-	645,000

Capital Commitment

Public Conveniences		200,000	100,000			300,000
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