This report makes the following recommendations to the final decision-maker:
That members of the Overview and Scrutiny Committee note the update on the areas of the Civic Complex Development that relate to the Portfolio Holder for the Leader of the Council.

- A Prosperous Borough
- A Green Borough
- A Confident Borough

The proposals within the Civic Complex Development support delivery of the Council’s Five Year Plan through redevelopment of the theatre, the provision of new office space and a new car park, and improvements to the entrance setting to Calverley Grounds, whilst protecting the historic integrity of the listed civic suite of buildings.

<table>
<thead>
<tr>
<th>Meeting</th>
<th>Date</th>
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<tbody>
<tr>
<td>Overview and Scrutiny Committee</td>
<td>12 June 2017</td>
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</tbody>
</table>
1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

1.1 Tunbridge Wells Borough Council is progressing with its proposals for a Civic Complex Development, including provision of a new theatre, new council offices and parking facilities to support the new developments.

1.2 The Overview and Scrutiny Committee has requested that the development be included as a regular item on its agenda and that when ‘gateways’ or other significant stages in the development are reached, the Committee’s members are given the opportunity to look at the issues and receive any relevant reports.

1.3 The Overview and Scrutiny Committee has also requested that each of the Council’s Portfolio Holders update Members throughout the year on key issues within the development that are included in their areas.

2. INTRODUCTION AND BACKGROUND

2.1 The key elements of the Civic Development project have been set out in previous O&S Committee reports. The main dates and information are:

2.1.1 Full Council on 9 December 2015, resolved for:
- Provision of a new theatre with a larger auditorium to accommodate a wider range of productions and therefore a greater offer to the visitor
- Provision of an office for the Council (including the civic function) and for a tenant on Mount Pleasant Avenue Car Park.
- Provision of a parking facility to support the new developments.
- A Masterplan Framework document to place the proposed developments in the context of the planning policies and place shaping ambition for the Town Centre.

2.1.2 Full Council on the 20 July 2016 resolved at the end of Stage 1:
- Progress into Stage 2
- That the Great Hall Car Park is the preferred site for the new theatre and that Calverley Grounds is the preferred site for an underground car park
- That the S151 Officer in consultation with the Portfolio Holder for Finance and Governance bring back a report to a future meeting with options to address the revenue implications for funding the capital cost of the project, when or before the capital request is being considered.

2.1.3 Full Council on 22 February 2017 resolved at the end of Stage 2:
- To the consultancy fees being spent at risk and that they will be abortive costs if the buildings are not developed
- The Council moves into RIBA Stage 3 (developed design) for the project to progress:
2.2 Details of the 22 February Full Council meeting can be found through the following link –
http://democracy.tunbridgewells.gov.uk/meetings/documents/g3637/Public%20reports%20pack%2022nd-Feb-2017%20Full%20Council.pdf?T=10

2.3 The investigative works are in accordance with the Royal Institute of British Architects (RIBA) defined stages. The end of each Stage provides a ‘gate’ or decision point regarding continuation of the project and the commitment of additional resources towards the feasibility.

2.4 It is anticipated that Stage 3 work will complete in September 2017 with Full Council in November 2017 receiving reports on design, a report on financing the scheme and a report on procurement.

2.5 Copies of the AHT Feasibility, Stage 1 and Stage 2 reports inclusive of all commercially sensitive information remain available in the Members Room.

2.6 The Council has additionally sought to make information available at each stage of the process on our website which includes a section on FAQs as well as redacted copies of the Stage 1 and Stage 2 documents.

3. PROGRESS DURING STAGE 3

3.1 Developed Design

Feedback from engagement is informing the design as it develops and is reflected in amendments to the designs including alteration to the theatre and office buildings to reduce massing and footprint encroachment into the park. The Stage 3 design is at interim freeze for the amended designs to be tested and for cost reviews to be undertaken. At design freeze, the height to the front aspect of the office building has been reduced by changing floor layouts lower down the building and the terrace space to each building has been adjusted to reduce possible encroachment into Calverley Grounds. There has been significant design development on the internal layout of the theatre to achieve more efficient circulation to maximise operation. Once the design testing and cost reviews have been undertaken, the designs will be finalised for presentation at the end of Stage 3 and Cabinet and Full Council will be invited to accept the design proposals to move into the next development stage of applying for planning permission and procuring the development.
3.2 **Revised Massing**

The Council has responded to a number of aspects related to the massing of the building. The concentration of the massing of the office on Mount Pleasant Avenue has been reduced and the floorplate has been reconfigured to minimise the overall impact on Calverley Grounds. At interim Stage 3 an option to reduce the height of part of the theatre opposite Grove Hill House and Calverley Grounds is being considered. This would involve excavating to a lower level at this part of the theatre building and the interim Stage 3 report is reviewing the practicality and cost of doing so.

3.3 **Site Assembly**

The assembly of land titles and rights required to enable the proposed development is continuing through negotiation and it is hoped that as many as possible will be secured through private treaty. However, as stated in the Asset Management Plan adopted by Full Council, Compulsory Purchase powers will be used if appropriate and a strategy and timetable is being produced.

3.4 **Stakeholder Engagement**

A number of stakeholder engagements have been held recently. This has included the formal consultation on the draft planning framework that provided residents with the opportunity to inspect the proposed framework at public sessions held in Ely Court.

The Council has also held meetings with a number of local groups such as the Town Forum, Friends of Calverley Grounds, Calverley Park Residents Association and Grove Hill House. This has taken a number of formats and included detailed design presentations, recent site visits and the response to a number of questions. In addition the Chief Executive has been meeting with a number of businesses.

3.5 **Updated the Redevelopment of the Current Site**

Stephen Browning 2013 undertook a review of the Assembly Hall site. At the time it estimated that to achieve a 1200 seat auditorium it would cost £25m. The cost has been updated at current prices. It is estimated this would now cost £31m. However even if auditorium capacity could be increased, it would not accommodate larger touring shows because:

- the flytower would still be too low;
- the backstage would still be too small;
- the foyers would be too small for an enlarged audience, and;
- the Theatre would have to close for 2-3 years

3.6 **Procurement**

Analysis of the various options for procuring the development of the Civic Development Project and of the Town Hall is being undertaken and a strategy produced which will be presented at the end of Stage 3 as part of the Stage 3 report.
3.7 Financial Strategy

The s151 officer has been working with the Leadership Board (Cabinet and Management Board) on various work streams that if implemented could achieve a net £2.4 million reduction in the Council’s base budget. These proposals are still being developed and will be presented as part of the Funding Strategy which will accompany any decision to move out of Stage 3. It is planned that the Funding Strategy will be a separate report to Full Council and also include an independent assessment of the ability of the Council to take on additional debt and to meet the repayments. It will also be necessary to obtain Full Council approval to amend the Treasury Management Policy and Strategy to enable the s151 Officer to borrow the sums required and to decide upon the sources, timing and terms of any loans.

Member briefings on the costs associated with this project have been provided following the receipt of each RIBA Stage report.

3.8 Communications

A communications plan has been produced. Some of the key components of the plan include the following:

- The production of a new website dedicated to the Civic Complex Development.
- A three page article in Local magazine that will be distributed to every household in the borough.
- The publication of frequently asked questions on our website.
- The production of a video explaining the proposals.
- Postcards to promote the theatre

The plan also includes actions for other audiences such as local business and this element will be led by the Chief Executive.

3.9 Petition

The Council has received a petition in relation to Civic Development project. The petition will be debated in accordance with the Council’s petition scheme and is expected to be considered by Full Council on the 26 July 2017. The petition makes four points that are summarised below:

1. The new development will built in and around Calverley Grounds with considerable potential for overshadowing park users.

2. Cost of £2.5m+ pa to service the debt and £500k pa theatre subsidy for an already cash-strapped council - are you prepared to pay increased council tax or cut local services to fund new council offices/theatre?

3. Result in the loss of the Great Hall and Mount Pleasant Avenue car park with 300 spaces for the many years of construction - local businesses have expressed significant concern.
4. No parties have signed up to occupy the existing council offices and Assembly Hall, risking a second derelict site in the centre of town.

As noted above, the petition will be considered by Full Council in July.

3.10 Overview and Scrutiny Committee recognises the significant impact the Civic Complex Development proposals will have on Tunbridge Wells town centre and on the borough as a whole. Overview and Scrutiny Committee members feel they have a part to play in ensuring the views and concerns of the borough’s residents are given an appropriate forum. The Committee is also keen to fulfil its role in providing a critical challenge to key decisions the Council’s executive will be making as the development progresses.

4 AVAILABLE OPTIONS

4.1 The updates on the Civic Complex Development are for Members to note.

5 NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

5.1 The views of the Committee will be reflected in the minutes of the meeting which will be published on the Council’s website.

6 CROSS-CUTTING ISSUES AND IMPLICATIONS

<table>
<thead>
<tr>
<th>Issue</th>
<th>Implications</th>
<th>Sign-off (name of officer and date)</th>
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<tbody>
<tr>
<td>Legal including Human Rights Act</td>
<td>There are no legal implications resulting directly from the recommendations in the report</td>
<td>Estelle Culligan, Interim Head of Mid-Kent Legal Partnership</td>
</tr>
<tr>
<td>Finance and other resources</td>
<td>There are no financial implications resulting from the recommendation in the report.</td>
<td>Jane Fineman, Head of Finance and Procurement</td>
</tr>
<tr>
<td>Staffing establishment</td>
<td>There is no impact on staffing levels as a result of the recommendations in the report.</td>
<td>Nicky Carter, Human Resources Manager</td>
</tr>
<tr>
<td>Equalities</td>
<td>There is no apparent equality impact on end users resulting from the recommendation in the report.</td>
<td>Sarah Lavallie, Equalities Officer</td>
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7 REPORT APPENDICES

There are none.