

# Finance and Governance Cabinet Advisory Board

13 November 2018

Is the final decision on the recommendations in this report to be made at this meeting?

No

## Calverley Square Development Update

|                             |  |
|-----------------------------|--|
| <b>Final Decision-Maker</b> | Cabinet  |
| <b>Portfolio Holder(s)</b>  | Councillor David Jukes – Leader of the Council   |
| <b>Lead Director</b>        | Lee Colyer – Director of Finance, Policy and Development   |
| <b>Head of Service</b>      | David Candlin – Head of Economic Development and Property  |
| <b>Lead Officer/Author</b>  | David Candlin – Head of Economic Development and Property  |
| <b>Classification</b>       | <b>Part Exempt</b><br>Exempt Appendices exempt by virtue of paragraph 3 of Schedule 12A of the Local Government Act 1972 (as amended): Information relating to the financial or business affairs of any particular person including the authority holding that information |
| <b>Wards affected</b>       | All  |

### This report makes the following recommendations to the final decision-maker:

1. To endorse the appointment of the consultant identified as Consultant B in Exempt Appendix A to undertake further feasibility work on the future of the Civic Complex so an informed disposal can be undertaken;
2. To amend the funding strategy and earmark the extra proceeds from business rates growth to support the community grants budget from 2020/21 to 2021/22;
3. To note the update on the Calverley Square Development and specifically that the development remains on time and within the construction cost envelope (£90m).

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

The proposals within the Calverley Square Development support delivery of the Council's Five Year Plan through development of a new enhanced 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.

| <b>Timetable</b>                              |                    |
|---|--------------------|
| <b><i>Meeting</i></b>                         | <b><i>Date</i></b> |
| Management Board                              | 24 October 2018    |
| Discussion with Portfolio Holder              | 22 October 2018    |
| Finance and Governance Cabinet Advisory Board | 13 November 2018   |
| Cabinet                                       | 6 December 2018    |

# Calverley Square Development Update

## 1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 Tunbridge Wells Borough Council is progressing with its proposals for a Calverley Square Development, including provision of a new theatre, new offices (commercial and council) and parking facilities to support the new developments.
  - 1.2 The report provides an update to Cabinet on a number of the strands of work. In addition the endorsement of the appointment of consultants to undertake further feasibility work on the existing Civic Complex to enable an informed disposal of the site.
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## 2. INTRODUCTION AND BACKGROUND

- 2.1 Full Council approved the delivery of the Calverley Square Development on the 6 December 2017 (Civic Development Delivery). This included submitting a planning application for a development to be sited on the west boundary of the historic Grade II listed Calverley Grounds providing:
    - A new 1,200 seat theatre that is able to stage high quality touring shows;
    - A new shared-use building including accommodation for civic functions and offices for TWBC and third party organisations;
    - An underground car park (approximately 260 car park spaces) partly under the office building and extending under part of Calverley Grounds; and
    - Local remodelling of the public realm associated with the above buildings and car park.
  - 2.2 Cabinet recognises the significant impact the Calverley Square development proposals will have on Tunbridge Wells town centre and on the borough as a whole. The following report provides an update on progress to date on the delivery of Calverley Square.
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## 3.0 KEY DATES

- 3.1 The Council has progressed with the development since the 6 December 2017 Full Council decision to progress. The key dates on activities to date are:
    - 9 May Planning Committee
    - 28 Feb Appointment of Client Project Management – GVA
    - 24 May Appointment of Construction Contractor - Mace
    - 12 Jun Commencement of Stage 4 detailed design
    - 15 Jun Planning Decision confirmed
    - 19 Jul CPO decision by Cabinet
    - 24 Jul Appropriation of Council land for development
    - 23 Aug Compulsory Purchase Order made
    - 17 Sept CPO consultation period closed
  - 3.2 The programme remains on track as outlined in the master programme attached to the December Full Council report.
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## **4.0 PLANNING PERMISSION AND JUDICIAL REVIEW**

- 4.1 The Planning Committee unanimously agreed on the 9 May 2018 to grant planning permission subject to conditions. The legal agreement (Memorandum of Understanding) that forms part of the planning decision was signed on the 15 June 2018. The Council is now working through the detailed design which will enable the conditions and other obligations to be met.
  - 4.2 The statutory period for a Judicial Review on the planning decision ended on the 4 August 2018. Members will however be aware that an application for a judicial review against the Council, the Secretary of State, Grant Thornton (as our auditors) and all 48 current councillors was lodged within the timeframe on the 26 June. The judicial review claim was lodged by Mr B Ransley who has previously stood for local election as a member of the Tunbridge Wells Alliance.
  - 4.3 The Council submitted its case against the application to Court on 11 July 2018. Due to timing it was expected that any decision by the Court would be after the summer recess, however the Court Judgement was issued earlier than anticipated, on the 2 August 2018. The decision was to refuse the application for a Judicial Review. The decision highlighted that the case was “totally without merit”. In addition costs (£5,428.38) were awarded to be paid by the Claimant to the Council. The Council has now received cleared funds from the Claimant.
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## **5.0 CALVERLEY SQUARE BUDGET**

- 5.1 Across all workstreams for the Calverley Square Development Programme a total allocated revenue budget of £5,126,786 has been approved. Overall expenditure up to the end of Stage 3 was £4,390,988. This is a slight increase on the anticipated figure however the additional costs after reconciliation represent the additional work carried out to ensure the planning application met all requirements including design, planting and economic assessments to enable a positive outcome.
- 5.2 Full Council approved an overall development cost of £90m for the Calverley Square development which formed the planning application. Work has now commenced on the detailed design (RIBA Stage 4). In approach the Council is using a two stage design and build. We have appointed Mace Ltd in a pre-construction services agreement (PCSA) with a view to awarding the Design & Build (D&B) contract on successful completion of the pre-construction phase. It is anticipated, and subject to a number of key dates in the timetable, that the contract with Mace to progress with the second stage and deliver the development will occur in mid-July 2019.
- 5.3 The net construction cost will be established through open-book competitive procurement of the sub-contract packages through the pre-construction phase between October 2018 and April 2019. Mace are expected to submit their proposals at the end of March 2019 with a detailed review by the project team during April in advance of a recommendation and appointment for July. While at an early stage in the overall process cost projections remain within the overall budget set by the Council.
- 5.4 In the delivery of Stage 4 the Council has entered into contracts with GVA for the Design and Project Management and with Mace to deliver the Pre-Construction Management Agreement. The budget for both of these elements is set out as part of the development costs (Fees) reported to Full Council in December 2017. Progression with the Stage 4 designs is progressing well. It is anticipated that the technical design elements should be completed in December 2018 though in reality some elements of

the design do not need to be finalised for a year or two. In addition the first of the work packages are being put out to tender. Expenditure to date at Stage 4 on these elements is:

|                             |            |
|-----------------------------|------------|
| Design & Project Management | £ 340,496  |
| Legal & CG Management Plan  | £ 66,448   |
| Mace                        | £1,271,062 |
| Total                       | £1,725,749 |

- 5.5 In total costs of £1,725,749 has been spent excluding the recent acquisition costs of The Lodge. However it should be noted that the acquisition costs for the Lodge are covered within the development costs outlined in the December Full Council report.
- 5.6 As part of the detailed work with Mace the Council is holding a local supplier (meet the buyer) event. The emphasis on local supplier is required as some people outside of the business community appear in social media to have mis-interpreted 'meet the buyer' as if the Council had sold something. The local supplier event took place on the 2 October at the Spa Hotel attended by 24 local businesses. The event enabled local businesses an opportunity to set out their experience and potential to meet the business requirements within the supply chain of our contractor, Mace. It should also be recognised that local businesses may not be a tier one or tier two supplier. Mace have indicated that suitably qualified local businesses will be advised to the sub-contractors for their consideration. The event was strongly promoted on the website, Facebook and other social media. The Council is grateful for the support from the Spa Hotel who provided their venue for this event.

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## 6.0 FUNDING STRATEGY

- 6.1 A key element of the overall development is the funding and strategy to deliver the funding. The full project financials report including the consolidated business case, Theatre business plan prepared by Bonnar Keenlyside (Appendix T pages 169-213), detailed funding strategy and independent professional reviews are outlined in the Full Council report of 6 December 2017 (Appendices R - Z pages 151-276) on the Council website.
- 6.2 As with every aspect of the development we have sought professional expertise to ensure our approach is both evidence based and robust. Throughout the professional expertise has been listed and for transparency as much information as is possible has been made available in public with members having access to all the information. The funding strategy has for example been professionally assessed by the Chartered Institute of Public Finance and Accountancy (CIPFA) who are the leading professional body regarding the use of public finances which identified that the savings strategy appeared deliverable, prudent financial planning approach and the quality and thoroughness of the pre-tender work. A copy of the full CIPFA report is available in public in the Full Council report of 6 December 2017 (Appendix Z pages 255-276).
- 6.3 In addition Capita Asset Services were commissioned to undertake a desk-top review of the Councils balance sheet which identified that the Council has an available working capital surplus which will help absorb fluctuations in cash-flow over the medium term.
- 6.4 It is worth reiterating the main points of the funding strategy and clarifying that the Council Tax strategy is unaffected by the Calverley Square development. Council Tax is forecast to increase by the maximum allowed by the government currently 3 per cent per year to meet the rising costs and demands of providing local services. Investing in

the local economy will safeguard Council services as its future funding will not come from a government grant, but will be linked to the prosperity of the borough – and growth in business rates.

- 6.5 The net revenue cost of the project a total of £2.3 million of new recurring cost reductions or income is required from the Council's base budget allowed for within the Medium-Term Financial Strategy. The schedule of budget changes that need to be made ready for when the project is completed in 2022/23 is shown below.

|   | <b>By<br/>2022/23</b> |
|---|-----------------------|
|   | £000s                 |
| 1 Options for a new recycling and waste collection contract in 2019     | (700)                 |
| 2 Alternative ways to support community groups and Environmental Grants | (280)                 |
| 3 Review of development programme resources/ ROI                        | (500)                 |
| 4 Increased share of business rates                                     | (300)                 |
| 5 Relocate Weald Information Centre to Hub                              | (40)                  |
| 6 Project Executive savings   | (100)                 |
| 7 Senior Management savings (Achieved April 2017)                       | (120)                 |
| 8 Pension reserve contribution ends                                     | (250)                 |
| <b>TOTAL</b>  | <b>(2,290)</b>        |

- 6.6 The above funding strategy does not assume any external funding towards the Calverley Square development. The approach to external funding was outlined in the December Full Council report. The Council has started to examine potential external funding opportunities to complement our base funding strategy, this includes a Strategic Outline Business Case (SOBC) submission to the South East Local Enterprise Partnership (SELEP) for Local Growth Funding 3b (LGF) of up to £5m.
- 6.7 An expression of interest was submitted to the Kent and Medway Economic Partnership (KMEP) on the 31 August 2018 with consideration at the KMEP meeting on 26 September 2018. KMEP approved the project proceeding to a full business case. The submission to SELEP was lodged on the 26 October 2018 together with supporting information and a letter of support from the local MP Rt Hon Greg Clark.
- 6.8 In addition as part of the 2018/19 Business Rate Retention Pilot Housing and Commercial Growth Fund at least £317,000 is being allocated to the project.
- 6.9 In accounting terms the savings are transferred from the base budget into the reserve each year. The delivery of savings is running ahead of the above schedule for example business rate growth was higher in 2017/18 and the Senior Management Restructure was also completed in that year which enabled £316,000 to be transferred to the reserve. In addition to the planned £220,000 of savings for 2018/19 the Project Executive has already left the Council giving an extra £82,000. The balance of the reserve is as follows;

| <b>Calverley Square Reserve</b> | £000s      |
|---------------------------------|------------|
| Opening balance 2017/18         | 316        |
| Transferred from Base Budget    | 302        |
| <b>Closing Balance 2018/19</b>  | <b>618</b> |

### Increased Share of Business Rate Growth

- 6.10 The Council now has less exposure to business rate appeals and the largest outstanding appeal has been settled. The Council campaigned for a fairer system of appeals which is now in place (Check, Challenge & Appeal) and there are further changes ahead which could see the cost of appeals being funded at a national level.
- 6.11 In addition the government has reaffirmed its policy of seeing councils retain 100 per cent of business rate growth and introduced interim pilots to help to achieve this. The Council has also been working for some time to become financially self-sufficient and to provide an environment that encourages business rate growth through both public and private sector investment. This financial and economic strategy has been working and the table below shows the additional net proceeds to the Council from business rate growth.

| Year   | Type of Business Rate Retention | Local Growth Share | TWBC Share of Growth<br>£000s | West Kent Housing & Commercial Growth Fund<br>£000s |
|--|---------------------------------|--------------------|-------------------------------|---|
| 2015/16                                      | Kent Pool                       | 50%                | 64                            |   |
| 2016/17                                      | Kent Pool                       | 50%                | 595                           |   |
| 2017/18                                      | Kent Pool                       | 50%                | 1700                          |   |
| 2018/19                                      | Kent & Medway Pilot             | 100%               | 600 est.                      | 1055 est.   |
| 2019/20*                                     | Kent & Medway Pilot             | 75%                | 460 est.                      | 780 est.  |
| <b>April 2020 System Reset (details TBC)</b> |                                 |                    |                               |   |

\* If bid is successful and excludes major development schemes

- 6.12 There is now evidence that the Council will receive a much greater share of business rate growth than was set out in the funding strategy. The funding strategy expected that by 2022/23 an extra £300,000 would be received but this is now likely to be at least £460,000 based on 75 per cent retention, if 100 per cent were to be introduced then £600,000 would be retained.

### Adjustment to Funding Strategy

- 6.13 It is recommended that the Funding Strategy be amended to utilise the higher proceeds from business rate growth to support community groups.

|   | 2020/21<br>£000s | 2021/22<br>£000s |
|---|------------------|------------------|
| <b>2. Alternative ways to support community groups and Environmental Grants</b> | (140)            | (210)            |
| Change in support for community groups  | 70               | 140              |
| Revised funding strategy  | (70)             | (70)             |
| <b>4. Increased share of business rates</b>                                     | (200)            | (250)            |
| Proceeds from additional net growth   | (70)             | (140)            |
| Revised funding strategy  | (270)            | (390)            |

### **Sources of Funding**

- 6.14 In addition to the Public Works Loan Board from which funding is guaranteed the Council is in discussion with a number of financial institutions who are interested in providing funding for this scheme. The Council's financial standing remains excellent and is based on nine consecutive clean Annual Audit Letters (the objection to the 2016/17 accounts was completely dismissed). The Council's balance sheet is also regarded as being very strong.
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## **7.0 DESIGN DEVELOPMENT**

- 7.1 As with the financial approach, the design development throughout has been on the basis of professional advice and expertise. This expertise has been listed and for transparency as much information as is possible has been made available in public with members having access to all the information.
- 7.2 With the appointment of Mace we entered the detailed design stage and further iteration of the design approved by the local planning authority. Key elements to ensure that the planning conditions are being addressed together with refining the detail and materials around the balcony fronting the Council Chamber and facing the park, refining the internal layout of the theatre back and front of house including a detailed assessment of the catering strategy and operation of the bars. In addition the key areas of auditorium design are being addressed including the seating and balcony frontages which provide the true feeling of the Theatre and its use. The focus is on delivering a modern theatre to meet the market requirements for West End based shows. The show fit and early discussions with key operators remain available on our website:

[http://www.tunbridgewells.gov.uk/\\_data/assets/pdf\\_file/0003/159402/TP-1339-Tunbridge-Wells-Show-Fit-170703.pdf](http://www.tunbridgewells.gov.uk/_data/assets/pdf_file/0003/159402/TP-1339-Tunbridge-Wells-Show-Fit-170703.pdf)

[http://www.tunbridgewells.gov.uk/\\_data/assets/pdf\\_file/0007/159415/Theatre-Operators-feedback-2017.pdf](http://www.tunbridgewells.gov.uk/_data/assets/pdf_file/0007/159415/Theatre-Operators-feedback-2017.pdf)

- 7.3 Detailed ground investigation has continued on the site over the summer with a number of boreholes being drilled. This work will enable Mace to review the ground conditions and approach to delivery and potentially further minimise the ground risk element of the project. Further refinement of the structural elements and construction process has been undertaken. As part of the preparation early meetings with both the Council and Mace with key stakeholders adjacent to the development site have taken place. These meetings have included direct discussions with Great Hall Arcade, tenants of the Arcade including Sainsburys and the BBC, and other businesses along Mount Pleasant Avenue and Crescent Road. More regular meetings with these businesses are planned. While there are concerns that we need to address regarding the construction phases, a good proportion of discussions have been to correct mis-interpretations provide by third parties. In addition we have met with the resident association representative at Grove Hill House.
- 7.4 The design team have been considering the layout of the proposed car park to improve its operation and accommodate an increased number of blue badge bays within the car park. Other design aspects that will be more visible to users of the new facilities include the landscaping including the types and mix of meadow grass, species of tree to be selected for the 20 additional trees now included in the proposal. The scheme now promotes 70 new trees in what will be an agreed planting scheme to complement the landscape of Calverley Grounds. The new trees to be planted will be approximately 7 to 15 years old replacing the 66 trees mostly poor condition, self seeded trees or those near the end of their lifespan. The detailed assessment of the condition of the existing



trees to be removed was included in the Stage reports available on the Council website.

- 7.5 Alongside the Calverley Square development, a Calverley Grounds Management Plan is being developed, a draft of which will be consulted on in the near future.
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## **8.0 LAND ASSEMBLY**

- 8.1 Alongside discussions with neighbouring businesses and residents we continue to progress the negotiations with the various land owners and interests that the Council require to enable the development. In many cases the negotiations are with the same organisations or individuals. An initial discussion with the representative of Grove Hill House regarding the timing and implementation of the noise mitigation measures has taken place. Further discussions are more likely to progress when the outcome of the CPO inquiry is known.

- 8.2 **Negotiations** - A brief update on the negotiation position is:

AXA – Positive meetings have recently taken place with a local senior manager at AXA and we anticipate that heads of terms are close to agreement.

The Dentists Lodge – The acquisition of the freehold interest was completed on 31 October 2018 with full and final settlement being agreed. The Council will benefit from the leasehold income in the meantime.

Lodge leasehold – we have agreed to bear the reasonable costs of the leaseholder's appointed surveyor to search for alternative accommodation and have also suggested potential possibilities.

Great Hall Arcade – while the negotiations are directly with the owner of the Arcade the Council through its agents is continuing to engage with Sainsburys, BBC, Sunniva, Sofa Workshop and the office and basement tenants. Negotiations are progressing as we begin to understand more clearly their concerns and requirements.

Hoopers – Hoopers' agents have now entered into negotiation with the Council's surveyors and we are providing further information that they have requested.

Grove Hill House Freehold Rights – constructive negotiation is taking place with the Freeholder and we are expecting a response to move matters forward in the next couple of months.

- 8.3 **Compulsory Purchase Order** - In tandem to securing the site assembly through private treaty the Council has progressed with the use of its statutory powers through Compulsory Purchase Order (CPO). Cabinet on the 19 July approved progressing with the CPO and with minor amendments to final documentation approved via an officer delegated report the CPO process commenced on the 23 August. A statutory objection period of 21 days followed though it should be noted the Council allowed a few extra days with the consultation period ending on the 17 September. Copies of the CPO documentation were made available at the Gateway and Library throughout the consultation period and these documents remain available for public scrutiny. In addition the documents were made available on our website. It should be noted that in accordance with GDPR personal details have been excluded from the publically available documents.

- 8.4 In terms of process the Planning Case Work Unit has approximately three weeks to consider whether or not an inquiry is required, though it is expected that an inquiry will be required. The Planning Case Unit has indicated that clarity on a timetable will follow. There may be some delay due to a shortage of qualified planning inspectors. However we have built some capacity into the overall timetable which was published in December 2017. Previously in making and assessment we have assessed that an inquiry could be as early as December this year. However we are not anticipating this to be the case and an Inquiry early in 2019 is now more likely. There is an opportunity for the decision still to be made in March/April 2019, however whether this is a Secretary of State decision or decision by the Inspector is yet to be determined under the new system.
- 8.5 Unsurprisingly there are a number of objections to the proposed scheme. In total there were 317 objections submitted. Of these 301 are non-statutory objections with a large proportion based on two templates issued and promoted by the Tunbridge Wells Alliance team. A couple of respondents even included copies of the sample templates that had been circulated in their final submissions.
- 8.6 There are 16 substantive objections, these are objections directly related to the assets and interests outlined in the CPO. Understandably even if negotiations were close to an agreement the land owner would wish to protect their legal position. Agents for the Council have written to these objectors confirming receipt and that a fuller response to the issues raised would be provided in due course. The Council has approximately 6 weeks to prepare and finalise our case in advance of the public inquiry.
- 8.7 It has now been confirmed by PINS that the decision will be with them rather than the Secretary of State. It remains anticipated that the Public Inquiry will be held early in the new year.
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## **9.0 TRAFFIC REGULATION ORDERS**

- 9.1 Traffic Regulation Orders (TROs) are required to enable the development. These are both temporary and permanent orders which Mace with their transport consultant Vectos are preparing. Ward members were notified on 31 October of the proposed TROs. The TROs include a number of new and amended restrictions on Mount Pleasant Avenue and Mount Pleasant Road. The statutory three week consultation period commenced on Friday 2 November when details were published in the local press, the Council website and via notices displayed on site. A message was also placed on the Councils social media site.
- 9.2 As some of the proposed amendments to waiting restrictions are on the highway fronting retail premises on Mount Pleasant Road, a letter was distributed to them prior to the 2 November advising of the changes and the consultation process involved. These businesses are also being invited to a business breakfast on the 15 November where these proposals will be discussed face to face.
- 9.3 Once the consultation period ends, a report will be prepared for consideration at the Joint Transportation Board on 21 January as per normal procedure where traffic regulation orders are concerned.
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## **10.0 COMMUNICATIONS**

- 10.1 The Council have moved away from using the term Civic Development rebranding as Calverley Square. It was felt important to make a distinction to avoid confusion

between this project and other developments happening over the next few years, so Calverley Square became a natural choice.

- 10.2 The website has recently been revised and updated [calverleysquare.co.uk](http://calverleysquare.co.uk). In addition the Council website has been updated although the main information including the redacted RIBA Stage reports all remain available on the website.
- 10.3 Within the current work engagement has been limited due to the scope of work. However we recently published a newsletter and will now be providing more regular newsletters in future. The current newsletter introduces our contractor Mace.
- 10.4 As the project continues to develop, we will continue to share information in the newsletter and on the website.

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## **11.0 CIVIC COMPLEX**

- 11.1 The Full Council decision on the 6 December 2017 outlined a decision to prepare the Civic Complex including but not restricted to the Town Hall and Assembly Hall Theatre for disposal and redevelopment, bringing appropriate reports on the approach and valuation for a future decision prior to completion of the approved Calverley Square Development.
- 11.2 As previously reported to O&S Committee the Council has commenced with this work. Consultants have now been commissioned to undertake further work on the future of the Civic Complex so an informed disposal can be undertaken. The appointment of consultants was finalised on 5 November 2018. It should be noted that consideration of disposal also includes renting or leasing as an approach to the building no longer being an operational asset.
- 11.3 The Council has sought to use an OJEU compliant framework. In this case the Crown Commercial Services Estates Professional Services framework (RM3816) has been utilised. The CCS Professional Services framework is a competitive tender framework. In accordance with the framework the details of the proposed contract were circulated to all 12 suppliers on the framework, inviting them to submit an expression of interest in participating in a further competition. All were invited to express their interest in the work on the 13 August 2018 with final submissions by 14 September 2018. Tenderers were then invited to clarify a number of issues in advance of formal interviews on 27 September 2018.
- 11.4 As per other major procurements with Calverley Square the interviews included a technical interview and an interview with senior Councillors. Assessment was undertaken based on the evaluation criteria, with 70% quality and 30% price, that had been outlined as part of the tender contract including. The appointment of Consultant B was approved in line with the delegated authorities outlined in the 6 December 2017 Full Council decision. The cost of this work will be funded from the development programme and delegated authority for the budget was approved as agreed under the development programme. It is anticipated that the initial piece of work will be completed early in the new year.

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## **12.0 AVAILABLE OPTIONS**

- 12.1 The updates on the Calverley Square development are for Members to note. In terms of the appointment of consultants for the Civic Complex there are two options:

12.2 Option A: Do nothing. This is not an option. The progression with the Calverley Square development including the Civic Complex was part of the suite of decisions including delegated decisions in the Full Council report on 6 December 2017.

12.3 Option B: Endorse the delegated decision to appoint Consultant B via the OJEU-compliant framework to undertake further work on the Civic Complex enabling an informed decision prior to the completion of the Calverley Square development.

### 13.0 NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

13.1 The views of Cabinet and F&G CAB Committee will be reflected in the minutes of the meetings which will be published on the Council's website.

### 14.0 CROSS-CUTTING ISSUES AND IMPLICATIONS

| Issue  | Implications  | Sign-off   |
|--|---|--|
| <p><b>Legal</b> including Human Rights Act</p> | <p>The Local Government Act 1972, section 111(1) empowers a local authority to do anything (whether or not involving the expenditure, borrowing or lending of money or the acquisition or disposal of any property or rights) which is calculated to facilitate, or is conducive or incidental to, the discharge of any of their functions.</p> <p>S120(1)(2) of the 1972 Act enables the Council to acquire land to be used for the benefit, improvement or development of their area; or for the purpose of discharging the Council's functions.</p> <p>The Compulsory Purchase (Inquiries Procedure) Rules 2007 prescribe the procedure to be followed in connection with the inquiry relating to the CPO which may be held when considering whether to confirm the compulsory purchase order for the required land.</p> <p>The framework agreements for professional services referred to in the report have been through a process of formal procurement in accordance with the Council's Contract Procedure Rules and the Public Contract Regulations 2015.</p> <p>The recommendations are in accordance with the above statutory powers.</p> | <p>Patricia Narebor,<br/>Head of Legal Partnership</p>             |
| <p><b>Finance</b> and other resources</p>      | <p>With the loss of all government grants, future funding will be dependent on this Council's ability to deliver growth and to retain a greater share of business rate growth proceeds.</p>   | <p>Lee Colyer,<br/>Director of Finance, Policy and Development</p> |

|                               |   |               |
|-------------------------------|---|---------------|
|                               | <p>The finances of the Calverley Square development scheme were identified in the Full Council report on 6 December 2017. The finances have been independently reviewed and the council does have the financial capacity to deliver the scheme provided the schedule of cost reductions is achieved.</p> <p>An update is provided as part of the core report.</p>   |               |
| <b>Staffing establishment</b> | <p>Staff will be impacted in many ways by this project and engagement with them will be important to delivering aspects of the project successfully. Workforce transformation and moving to new more flexible ways of working will be a significant piece of work. It will be necessary to review how we use the resources we have for delivery on an ongoing basis to ensure that we have the right people, working on the right things, at the right time.</p> <p>The appointment of the consultants will require management from the core staff team. Provision of external resources will reduce the staffing impact in-house required to deliver a project of this scale.</p>  | Report Author |
| <b>Risk management</b>        | <p>The Council has already developed a number of 'gates' to manage the allocation of resources and introduce a phased approach to development. This approach has continued to be used for this project with the RIBA Workplan stages forming the break points. Broader risks for each development have been assessed as the project has progressed.</p> <p>Risks for the Calverley Square development project have been identified at three levels: project, operational, and strategic risk. All risks identified are recorded on a risk register, using a risk policy framework which directs that risks are assessed for impact and likelihood. Existing controls and actions are identified for each risk, specifically to manage high level risks to an acceptable level. The risk registers are regularly reviewed, updated and reported to either the Calverley Square Steering Group (Management Board), Leadership Board, Development Advisory Panel or Audit and Governance Committee.</p> <p>Through use of the Crown Commercial Services OJEU-compliant framework to procure the consultant, the Council is seeking to de-risk the process.</p> | Report Author |
| <b>Data Protection</b>        | <p>There are no specific data protection issues arising from the appointment of Consultant B for feasibility work relating to the civic complex.</p>  | Report Author |

|  |   |                      |
|--|---|----------------------|
|  | <p>The Council takes data protection seriously, and where necessary will apply the principles of the Data Protection Act 2018, and the GDPR 2016 to workstreams within the Calverley Sq development, such as the decision to remove personal details from the publicly available compulsory purchase order consultation paperwork.</p>  |                      |
| <p><b>Environment and sustainability</b></p> | <p>The aim of the council is to influence place shaping and develop a theatre and office complex fit for the 21<sup>st</sup> Century, recognising its responsibility for civic leadership.</p> <p>It is therefore anticipated that the assessment of space and design will enable the delivery of the best possible environmentally sustainable building, include energy efficiency, exploring use of renewables, and keeping the use of resources such as water to a minimum. Thereby, ensuring long term, corporate energy bills are kept low; resources are used sustainably with the Council demonstrating leadership in supporting carbon reduction as set out in Climate Local Tunbridge Wells 2014 and the adopted Kent Environment Strategy 2016.</p>             | <p>Report Author</p> |
| <p><b>Community safety</b></p>               | <p>There are no specific community safety issues arising from this project.</p>   | <p>Report Author</p> |
| <p><b>Health and Safety</b></p>              | <p>There are no specific H+S issues at this stage. Specific H+S issues may arise at subsequent stages of the project and these will need to be managed during construction and post construction.</p>   | <p>Report Author</p> |
| <p><b>Health and wellbeing</b></p>           | <p>The proposal supports the wider determinants of health by providing improved facilities for cultural, social and community engagement.</p>   | <p>Report Author</p> |
| <p><b>Equalities</b></p>                     | <p>There are no specific equalities issues arising from the appointment of Consultant B for feasibility work relating to the civic complex.</p> <p>Previous decisions on Calverley Square have included an Equalities Impact Assessment on the Five Year Plan policy 2017-2022, which included proposals to build a new theatre, offices and car park, an Access and Inclusivity Statement from an Access Consultant, prepared at RIBA Stage 2 of the design work, and an Equalities Impact Assessment prepared for the CPO process.</p> <p>Future decisions relating to either Calverley Square or the civic complex, including implementation decisions for the funding strategy, will be accompanied by an Equalities Impact Assessment relating to those specific</p> | <p>Report Author</p> |

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|  | decisions as they arise.<br><br>Decision makers are reminded of their duty under the Public Sector Equality Duty (s149 of the Equality Act 2010) to have due regard to (i) eliminate unlawful discrimination, harassment, victimization and other conduct prohibited by the Act, (ii) advance equality of opportunity between people of different groups, and (iii) foster good relations between people from different groups. |  |
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**15.0 REPORT APPENDICES**

The following documents are to be published with and form part of the report:

- Exempt Appendix A: CCS Estates Professional Services Framework Appointment
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**16.0 BACKGROUND PAPERS**

- None