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| 12 December 2018 | | ITEM: 16 |
| Decision: 110492 | | |
| Cabinet | | |
| Grays South Regeneration: Civic Offices Project | | |
| Wards and communities affected: | Key Decision: | |
| All | Key | |
| Report of: Cllr Mark Coxshall, Portfolio Holder for Regeneration | | |
| Accountable Assistant Director: Gary Staples, Strategic Lead – Transformation | | |
| Accountable Director: Steve Cox, Corporate Director of Place | | |
| This report is Public | | |

Executive Summary

The Grays Town Centre: Civic Offices Project was first presented at Cabinet on 7 November 2017. It was agreed at that meeting that a detailed design for an extension to the existing CO2 building and the refurbishment of the ground floor of CO2 would be developed. The project will help deliver and contribute towards:

- Creating a high quality community asset for residents
- Supporting the aims of the Grays Framework in its Masterplan for the Town Centre
- Obtaining best value for money and making revenue savings
- Providing additional new homes in Grays Town Centre
- Promoting channel shift towards self-service to improve residents interaction with the Council
- Maintaining and enhancing the Council's civic presence in Grays as part of the regeneration plans for the town
- Embedding modern and adaptable ways of working for staff which reduces the requirement for building space and associated cost
- Relocation of registrars to a new, purpose-built facility which improves the offer for these sensitive statutory Council services
- Creating further options for the redesign and improved provision for the Thameside Theatre.

Appendix A of this report contains RIBA Stage 2 designs for a three-storey extension to be built on land to the west of CO2 containing:

- A newly improved customer services area (including confidential interview rooms to better meet the needs of those who present as homeless and social care users);
- a new council chamber, suite of committee rooms and Mayor's Parlour as the current facilities are out of date and require significant capital investment;

- improved meeting room space which will be available for hire by residents, community organisations and businesses;
- a new registrars' suite and garden which provides an appropriate setting for dignified ceremonies with access to various venue types which will accommodate the needs of customers;
- a new cafeteria for use by the public, visitors and staff.

The new provision of accommodation provided within the extension will in turn allow the CO1 building to be vacated and prepared for much needed residential development in the Grays Town Centre.

The designs are expected to achieve the BREEAM (Building Research Establishment Environmental Assessment Method) 'Outstanding' rating. To achieve this rating a cost efficient and environmentally sustainable building needs to be constructed. This building will set the benchmark for future developments in Grays Town Centre under the Grays Framework and contribute significantly to the continued improvements to the town.

This project was considered by Corporate Overview and Scrutiny Committee on 20th November. The key points which the Committee made were:

- to understand better how the scheme will bring benefits to residents and service users, and
- how the project complements and enhances the wider regeneration of Grays.

1. Recommendations

That Cabinet:

- 1.1 Approve the scheme for an extension to CO2 as set out in the body of the report and at appendix A;**
- 1.2 Authorise officers to submit the following;**
 - i a full planning application for an extension to CO2 based on the emerging designs contained in appendix A; and**
 - ii a planning application for approximately 120 new residential units on the CO1 site to be submitted at a later date.**
- 1.3 Authorise officers to begin a procurement process for the appointment of a main build contractor and enter into the relevant contracts to deliver the new Civic Offices.**

2. Introduction and Background

- 2.1 The Civic Offices site falls within the Grays Master Plan Framework red-line boundary, which was agreed by Planning, Transport and Regeneration Overview and Scrutiny Committee in July 2017 and Cabinet in November**

2017. The Framework is a crucial document that sets a new vision for Grays Town Centre and identifies key interventions required to catalyse its regeneration. These interventions include: a new pedestrian underpass linking the High Street; an extension to the Civic Offices with frontage onto the High Street thereby framing a new public plaza; public realm improvements to the High Street; and the redevelopment of the Thameside Centre.

- 2.2 By placing the new extension onto the High Street, it will play a vital part in shaping Grays into a high quality place in which to live and work by acting as a catalyst and setting the tone for further development within the Town Centre and the surrounding area.
- 2.3 Following Cabinet approval in December 2017, various consultants were formally procured to develop the scheme. LSI Architects was chosen to develop the scheme from its initial concept designs to RIBA Stage 3.
- 2.4 The brief to LSI Architects was to design a building that best meets the needs of residents and businesses as well as contributing to the continued regeneration of Grays Town Centre.
- 2.5 Several internal and external organisations that frequently use the Civic Office, key organisations adjacent to the Civic Office and CABA (Commission for Architecture in the Built Environment), were consulted to inform the design of the new extension. Feedback received included:
 - the need to ensure meeting rooms are flexible and can be used by the public;
 - ensuring the building is fully accessible for people with disabilities;
 - modern fit for purpose design that enables agile working;
 - a customer services area that is welcoming, easy to use and maintains the dignity of all users;
 - a design that instils civic pride and confidence and reflects the Council's gravitas;
 - a need to have a foyer that allows multi-use, provides a café facility and can potentially be used after hours by local residents;
 - an environmentally efficient building;
 - a building that sets the tone for development in the Town Centre, enhances the townscape and its architecture is award winning;
 - a building that reflects Thurrock's and Grays' heritage in use of materials and design;
 - the need to ensure the building is integrated into the proposals for the underpass and the public realm improvements noted in the Grays' Framework;
 - the need to sensitively address the relationship with St Peter and St Paul Church.
- 2.6 Many of these suggestions are incorporated in the proposals as outlined in Appendix A. In particular, it is worth highlighting the early engagement with CABA, which has assisted in shaping the current design. CABA emphasised the need for the building to sensitively address the setting of the church and

for the building to be of exemplar design and specification that reflects Grays heritage. Ensuring the environmental efficiency of the building was also considered key, and as such the building needs to achieve an “Outstanding” BREEAM assessment.

- 2.7 The CO1 building has undergone very few modifications and upgrades to its plant and services. The building’s fabric and services are rapidly approaching “end of life”, and significant interventions need to be made. For example, the air-handling units are in need of replacement and the Building Management System (BMS), which has experienced multiple failures over the last two years, is also in need of replacement. Additionally, the building energy performance is very poor, and lighting and ICT infrastructure need replacement. The BMS for CO1 is estimated to cost circa £250k, and other refurbishment works are anticipated to cost a further £5.5m (excluding professional fees and preliminaries). Despite these refurbishment costs, the building would still have an inefficient layout and would result in unnecessary and unviable additional floor space. Much of the CO1 building has been standing empty since 2015, and there is no requirement for this additional space.

3. Issues, Options and Analysis of Options

Benefits for Grays

- 3.1 In November 2017 Cabinet approved the Grays Development Framework Refresh. The Framework provides a spatial context for the Council’s regeneration activities in implementing a range of key projects to achieve the policy objectives contained in the local plan. The Grays South Regeneration Area is identified as a key part of the Council’s strategy for the town centre. It provides for a pedestrian underpass to address significant safety issues and barrier to people accessing the town centre; linked mixed use developments on adjacent plots of land; and an extension to the Civic Offices as a coordinated phased approach to transforming Grays town centre.
- 3.2 Plans for the Civic Offices will support the delivery of the Grays Framework and together with the pedestrian underpass, will set the tone for a high quality public realm along Grays High Street and a gateway into the town from the station.
- 3.3 Designed to achieve BREEAM ‘Outstanding’ the new building will be energy efficient and will have low carbon emissions helping to make Grays a cleaner, greener place to live and work whilst also achieving savings on future building running costs. This will allow the Council to reinvest revenue savings into frontline services. The building will set the standard expected for new development in Grays and across the Borough.

Benefits for Residents

- 3.4 The Civic office scheme will bring a number of benefits to the residents of Grays as well as longer term savings and operational efficiencies for the Council.
- 3.5 The proposed extension is designed to provide flexible and multi-use spaces. This will not only facilitate Council meetings and events, but is designed to promote the Civic Centre as a Community Asset, which can be used by local residents and businesses. The proposed extension will have facilities (i.e. café that is WiFi enabled) to operate as a drop-in/touch down point for residents and local businesses, those with no study space at home and local business will have that provided by virtue of the café seating area which will be fully Wi-Fi accessible.
- 3.6 Multi-use space and rooms will be available for hire for social and business purposes ensuring a full utilisation of this asset and increased revenue generating opportunities. In doing so, it is envisaged that the Civic Office will become a key place for the local community to interact.
- 3.7 The opportunity for extended opening hours of the building will activate the immediate High Street area especially in the evening where it will contribute to the night-time economy, and it will further complement the southward extension of the High Street which is to be achieved via the proposed underpass.
- 3.8 The incorporated registrar's suite will allow statutory functions to take place in dignified surroundings whilst affording the opportunity for weddings and other ceremonies to take place in a location that has gravitas and importance.
- 3.9 The Civic Centre scheme will also result in the co-location of several public sector organisations, allowing these organisations and Council officers to work seamlessly thereby enhancing community services and benefits for local residents.
- 3.10 Interim works to the existing CO2 reception and customer areas are already proving the concept of channel shift and a self-service approach which combined with staff 'floorwalking' has seen a reduction in waiting times and unnecessary re-visits for residents. The new purpose built reception and customer service area of the extension will take this concept forward gaining further service enhancements and efficiencies.
- 3.11 The building of a new extension also allows the CO1 site, and potentially part of the Thameside Centre, to be released for much needed affordable housing to be built in the town centre. These new housing units will aim to incorporate modern design standards of environmentally sustainable and energy efficient homes resulting in lower running costs for the occupants. Additionally, these new residential units will have a positive impact in generating additional footfall for businesses in the town centre thereby supporting and sustaining existing and new businesses.

Budget and costings

3.12 In 2017, the scheme was originally anticipated to cost circa £8m. Through consultation with key stakeholder and user groups, changes in the planning approach and survey results, Table A below highlights key changes that results in a scheme that better responds to the user needs, the context of the Town Centre and also results in a higher project budget of c. £9.8m.

Table A – Additional design elements breakdown

| | | | |
|---|---|--------------|--------|
| Concept design | No additions – basic box style with rendered exterior - estimated costs | | 7.98m |
| BREEAM Outstanding | Required by planning and will set the tone for both public and private sector Masterplan developments in the future | | 0.5m |
| External works; These items are required to break up the 'box' shape of the building and to complement the surrounding area | | | |
| Exterior shape of building | External design elements to better complement the relationship with the church recommended by CABE | 75k | |
| Additional windows/fenestration | To allow more light penetration and give a sense of openness and transparency | 190k | |
| Extra entrance storey height | To replicate but improve the entrance featured in the current reception based on feedback from service users | 205k | |
| Defensive landscaping | To avoid areas that might attract anti-social behaviour as recommended by Essex Police Secure By Design team. | 170k | |
| External Terrace for cafe | To connect the building to the adjacent square and create an active frontage | 40k | |
| Parapet to 2 nd floor terrace | Required for Mayor's parlour | 26k | |
| Additional cut for terraces and retaining walls | Due to significant ground slope | 75k | |
| Additional height due to ground slope of the site | Due to ground slope. | 300k | |
| | Externals sub total | | 1.081m |
| Internal works (additional access and facilitates) | | | |
| | Internals sub total | | 0.106m |
| | | | |
| Prelims associated with above | (prelims include subcontracts, testing, approvals and completion) | | 0.110m |
| Total | | 9.78m | |

3.13 In addition to the existing Civic Office budget of £7.98m earmarked in the Capital Programme, there are also existing budgets that can be utilised to fund the remaining balance that include the feasibility budget (i.e. to fund testing and design work), the Property Board capital allocation that includes various items (such as the BMS for CO1) that will now not be necessary should this scheme take place and the Digital and Service Review allocations to meet the IT enhancements the scheme will bring to service provision. As such, the scheme can be financed as follows:

Table B – scheme financing

| | Build Cost | Net Income | Existing Budget |
|---|------------|------------|-----------------|
| Detailed design to BREEAM Outstanding | 9.78m | | |
| New build residential on CO1 | | (2.80m) | |
| Existing Civic Offices refurbishment budget | | | (4.80m) |
| Existing Service Review Related Budgets | | | (2.18m) |
| | | | |

Next Steps

- 3.14 The completion of LSI Architect's work to RIBA Stage 3 will culminate in a full planning application in early 2019. A fuller planning application will be made at a later date for the development of circa 120 residential units on CO1.
- 3.15 Procurement of a build contractor can begin as soon as designs are submitted for planning permission. The contractor would, however, only be appointed subject to full planning consent being granted and the scheme remaining within the agreed budget envelope.

4. Reasons for Recommendation

- 4.1 In conjunction with the new pedestrian rail crossing, a new Civic extension and the freeing up of the CO1 site, are key enabling elements to the regeneration of Grays Town Centre and demonstrates to the private sector and other public sector partners that the Council is willing to invest in the Town's future and encouraging them to do likewise.
- 4.2 The development on the civic offices achieves and/or supports a number of Council objectives as follows;
- Supporting the aims of the Grays Framework
 - Obtaining best value for money and making revenue savings
 - Contributes to new build housing targets
 - Promotes channel shift towards self-service
 - Taking 'digital by design' to the very core of building design
 - Maintaining and enhancing the Council's civic presence in Grays
 - Embedding modern and adaptable ways of working for staff
 - Relocation of registrars supporting the review of options to replace Thameside functions

5. Consultation (including Overview and Scrutiny, if applicable)

- 5.1 As stated in Section 2 above, several bodies were consulted and included:
- Thurrock CVS
 - Corporate Workforce Group

- Staff Networks (BME, Disability, DWG and Women's)
- Democratic Services
- Clinical Commissioning Group
- Essex police
- South Essex College
- Customer Services Reception
- Registrars
- ICT (for new server room requirements)
- St Peter's and St Paul's Church

5.2 CABE has also been consulted and has provided initial design comments as noted in Section 2.

5.3 In addition to the extensive consultation listed above, this report was also considered by Corporate Overview and Scrutiny Committee on 20th November. The key points which members made were:

- To better understand of how the scheme will bring benefits to residents and service users
- how the project complements and enhances wider Grays regeneration including public realm improvements and the underpass

5.4 This report has been amended to reflect the comments made by Members at the committee meeting and the additional information requested.

5.5 As the project progresses, further public consultation will take place with residents, prior to statutory consultation required under the planning process.

6. Impact on corporate policies, priorities, performance and community impact

6.1 This project will contribute to the delivery of the objectives of:

- Deliver channel shift to support council digital and customer services strategies
- Housing New Build
- Review of options to enhance Thameside functions

6.2 Other partners have expressed an interest in co-locating with the council in order to provide a multi-agency facility for the public from a single location. These partners include Essex Police, Clinical Commission Group, Borough-wide CCTV control room, National Fraud Service, Youth Offending Service. Further work on adjacencies is being carried out to ensure the right service is located in the right place within the Civic and all will be subject to the final accommodation schedule. However, this represents an exciting opportunity to shape public service delivery going forward.

7. Implications

7.1 Financial

Implications verified by: **Sean Clark**
Director of Finance and IT

The costs of the project are set out within the body of the report and total £9.78m. This is over and above original estimates but reflect the more ambitious scheme now proposed to deliver a better building for residents and other users, complement the Grays Town Centre regeneration programme and address the feedback from initial consultations.

Whilst the original budget will be fully utilised, further existing budgets will be utilised to meet the existing costs, namely: the feasibility budget in bringing the scheme up to the point it is at present; the Property Board capital allocation reflecting projects in CO1 and CO2 that will either no longer be necessary or are wrapped up within the proposed scheme; and the Digital and Service Review Board capital allocations reflecting the enhancements to the service provision to residents and wider regeneration benefits.

7.2 Legal

Implications verified by: **Robert Capstick**
Planning & Regeneration Locum

External legal advice has been procured to support this project around land acquisition, dealing with easements/covenants and fulfilling planning obligations. The external legal team is to be retained at least until planning permission has been granted and all necessary land acquired.

7.3 Diversity and Equality

Implications verified by: **Becky Price**
Community Development Officer

Consultation to date has included the council's in-house networks and the Corporate Workforce Group. However, all new build and interior design will meet or exceed current access and use standards. Diversity and Equalities issues will need to be addressed through a Community & Equality Impact Assessment informed and developed by appropriate stakeholder engagement during the design stage.

7.4 Other implications (where significant) – i.e. Staff, Health, Sustainability, Crime and Disorder)

None

- 8. Background papers used in preparing the report (including their location on the Council's website or identification whether any are exempt or protected by copyright):**

None

- 9. Appendices to the report**

Appendix A - GRAYS SOUTH REGENERATION - CIVIC OFFICE PHASE
RIBA STAGE 2 REPORT

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