



Report for: ACTION
Item Number: 7

Contains Confidential or Exempt Information	Yes (part only) Appendix 2 is exempt by virtue of para 10.4(3) of the Access to Information Procedure Rules
Title	Ealing Town Hall development and refurbishment – consideration of a proposal following the listing of the building as an Asset of Community Value
Responsible Officer(s)	Lucy Taylor, Director of Regeneration and Planning
Author(s)	Henry Kennedy-Skipton, Head of Regeneration
Portfolio(s)	Cllr Julian Bell – Portfolio Holder for Regeneration Cllr Yvonne Johnson- Portfolio Holder for Finance and Performance
For Consideration By	Cabinet
Date to be considered	14 th February 2017
Implementation Date if Not Called In	27 th February 2017
Affected Wards	Ealing Broadway
Keywords/Index	Ealing Town Hall, Developer, Procurement, Hotel. Asset of Community Value

Purpose of Report: 1. To consider any proposal made by Ealing Voice regarding the development of Ealing Town Hall. (ETH) 2. To approve the recommendation in Appendix 1 should a proposal be received from Ealing Voice.

1. Recommendations

That Cabinet:

- 1.1 Agrees the recommendation in Appendix 1 (to follow) should a proposal be received from Ealing Voice.

2. Reason for decision

- 2.1 The purpose of this report is to set out the process that the Council will follow if it receives a proposal from Ealing Voice for development of Ealing Town Hall. At the time of publication of this report no proposals have been received by Ealing Council with regard to ETH following the listing of the building as an Asset of Community Value. Any proposal is expected on or before 10th February and officers will need to assess the proposal and make a recommendation to Cabinet in the form of a late report with confidential appendix.

- 2.2 The report cannot be deferred to a later meeting to avoid delay in progressing the development with a preferred bidder and continuing the programme set with occupiers for the decant of Ealing Town Hall.
- 2.3 The recommendation contained in Appendix 1 (to follow) is based on the evaluation of an anticipated proposal from Ealing Voice. This evaluation is set out in Confidential Appendix 2 (also to follow).

3. Background

- 3.1 In October 2014, Cabinet approved a proposal to seek a developer to refurbish and develop ETH. The development was to enable a more efficient use of space for civic use in an improved building which is old and in need of costly repair and improvement. This would help protect this important Grade 2 listed Council building's heritage and future. The aim of the project is:
 - a. To secure significant financial savings by making the developer responsible for repair and maintenance of the building
 - b. To help protect the heritage fabric of the building
 - c. To bring new uses to the building contributing to the regeneration of Ealing Town Centre.
- 3.2 The brief issued for development sought to ensure that the ETH continues to be accessible to the public, offers affordably priced and improved space to hire and retains its civic functions including council meetings and marriage rooms.
- 3.3 The Council ran an OJEU procurement process in 2016 to secure a partner who could deliver the brief. This process is now complete. Ealing Voice did not participate as a potential bidder in that process.
- 3.4 The Cabinet report of 12th July 2016 selected Mastcraft as the preferred developer for the scheme (subject to contract).
- 3.5 Following the completion of the EU compliant procurement process and the selection of a preferred bidder, Ealing Voice, a local group, made an application for ETH to be listed as an Asset of Community Value (ACV). The legal position in relation to ACVs is enshrined in the Localism Act 2011 and Assets of Community Value (England) Regulations 2012, details via the following link <http://www.legislation.gov.uk/ukdsi/2012/9780111525791/contents>
- 3.6 This allows a community organisation to apply to the Council to have a building listed as an ACV for up to five years at a time, and is intended to enable the organisation to have sufficient time to bid to make a bid to acquire/operate the building should the owner decide to dispose of it. This opportunity is secured by means of a moratorium on the sale of the property for up to 6 months after an owner has served notice of their intention to dispose of the property. It is important to note that under the ACV legislation the vendor is under no obligation to dispose of the listed property to the community organisation should they bid to acquire it during the moratorium period.

- 3.7 Following receipt of the application, the Council (as the relevant listing authority) listed ETH as an ACV on 10th August 2016. As a result the Council as landowner served notice of its intention to ‘make a relevant disposal’ for the purposes of ACV legislation on 10th August 2016. This triggered the 6 month moratorium period referred to above and which prevents the Council from formally entering into any legal agreement to dispose of ETH before the expiry of the 6 month moratorium on 10th February 2017.
- 3.6 Ealing Voice notified the Council of its intention to bid on 20th September 2016. As at the date of publication of this report no proposal has been received.

4. Ealing Council requirements

- 4.1 Should any proposal be received from Ealing Voice, it will be considered in the context of the Council’s brief which set out the Council’s requirements. These are:
- Refurbishment of the Eastern Wing, the Democratic retained part (DRP) to be handed back to the Council. This area will include the Council Chamber, Marriage rooms, meeting rooms and some councillor offices.
 - Creation of space for new commercial uses that regenerate Ealing Town Centre.
 - Inclusion of space for the public local groups to hire for functions, activities and meetings.
 - The long term maintenance and repair of the building by the developer
 - A financial return

The bid assessment criteria and scoring in the OJEU procurement process were as set out in Table 1.

Table 1: Bid Assessment Criteria

Main Criteria	Sub Criteria	Sub Criteria Weighting
Quality: 60%	Proposed Uses	15%
	Design	15%
	Delivery strategy	12%
	Public/community use strategy	10%
	Long term management/maintenance	8%
Commercial: 30%	Business plan and finance	10%
	Financial return to council	10%
	Certainty of delivery	10%
Legal: 10%	Lease compliance/variation	10%
		100%

- 4.2 The EU Procurement process for the selection of a developer to redevelop ETH has already been completed, therefore if the Ealing Voice proposal is considered to meet the Council’s requirements and may therefore be one that it is in the Council’s interests to pursue due to the benefits it generates, the Council would then need to consider undertaking a further EU compliant

procurement process which EV would need to respond to. This is likely to add around 12-18 months to the programme.

6. Financial

- 6.1 Detailed finance implications will be contained in Appendix 1 with a full financial evaluation of any proposal from Ealing Voice.
- 6.2 As referred to in the Cabinet report of 12th July 2016, the current MTFS includes a saving of £0.650m attached to the Ealing Town Hall project. The report further stated that it was expected that the financial savings in the Mastcraft bid were able to meet this requirement.
- 6.3 The evaluation of any proposal therefore needs to take due consideration of this MTFS saving requirement.

7. Legal

- 7.1 It is noted that:
- a late addendum will be issued with specified further content; the reason being the expiry of the moratorium period and potential submission of a bid close to the Cabinet date.
 - Officers have advised that the report cannot be deferred to a later meeting to avoid delay in progressing the development with a preferred bidder and continuing the programme set with occupiers for the decant of the Town Hall
- 7.2 Further Legal comments are contained throughout this report and will be set out in Appendices 1 and 2 (to follow) as necessary.

8. Value for Money

- 8.1 Value for money comments are contained in Appendix 2 (to follow).

9. Sustainability Impact Appraisal

- 9.1 The refurbishment of Ealing Town Hall would result in the building having a better energy performance. Building work would meet the current modern standards for refurbishment projects.

10. Risk Management

- 10.1 The redevelopment of ETH are detailed on the Risk Log monitored by the Ealing Town Hall Project Board.

11. Community Safety

- 11.1 A redevelopment will seek to increase pedestrian flow and activate this part of the town, helping improve community safety.

12. Links to the 6 Priorities for the Borough

12.1 This will be is referred to in the assessment of any proposal.

13. Equalities, Human Rights and Community Cohesion

13.1 This will be is referred to in the assessment of any proposal.

14. Any other implications:

None

15. Consultation

15.1 The project has been developed in consultation with different services within the Council, those services affected (e.g. Registrar's) and those which have helped guide the redevelopment work (e.g. Facilities Management).

16. Appendices

1. Summary of Ealing Voice proposal and Recommendation (tbc)
2. Confidential – Evaluation of Ealing Voice proposal (tbc)

17. Background Information

Property Strategy - September 2010
Cabinet Report – 21st October 2014
Cabinet Report - 12th July 2016

Consultation

Name of consultee	Post held	Date sent to consultee	Date response received	Comments appear in paragraph:
Internal				
Councillor Julian Bell	Leader and Cabinet Member for Regeneration	27.01.17		
Councillor Yvonne Johnson	Finance and performance	27.01.17		
Pat Hayes	Executive Director of Housing and Regeneration	24.01.17		
Jackie Adams	Head of Legal (Property and Regulatory)	22.01.17		
Andrew Reeve	Finance Business Partner	22.01.17	22.01.17	6.1, 6.2, 6.3

Report History

Decision type:	
Key	Yes
Report no.:	Henry Kennedy-Skipton, X5290