

**Report of: Head of Projects and Programmes**

**Report to: Chief Officer Culture and Economy**

**Date: 05 May 2021**

**Subject: Design and Cost Report for: Leeds Town Hall:**

- 1. Repairs to high level stonework - Capital Scheme Number 16996 TRR ENB**
- 2. Salix funded access provision for window replacements – Capital Scheme Number 33433 BD2 000**

Are specific electoral wards affected? If yes, name(s) of ward(s): Hunslet and Riverside	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Has consultation been carried out?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Will the decision be open for call-in?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number :	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

## Summary

### 1. Main issues

1.1 This report seeks Authority to Spend £250,000 from existing budget provision (capital scheme no16696) to fund essential safety repairs to high level stonework at Leeds Town Hall.

1.2 The report also seeks a variation of £597,000 to an existing contract on site at Leeds Town Hall with Berman Building.

1.3 Please note the breakdown below.

- Cost of Stone repairs - £25,061 (Fully funded Scheme 16696)
- Access for stone repairs - £224,939 (Fully funded Scheme 16696)
- Access for window replacements - £347,000 (Salix Grant funded Scheme 33433)
- **Total - £597,000**

1.4 A government grant of £1m has been received to replace the windows at Leeds Town Hall. A condition of the grant is that the window replacements should be

completed by September 2021. The Chief Officer should note that the Council is in the process of negotiating an extension for certain technologies across the decarbonisation programme. The extension request for this element of the grant funding will align with the programme proposed for the windows. Any extension granted is not expected to exceed March 2022. Resources have advised that they consider the risks surrounding this issue to be low and are content to proceed at risk.

1.5 The stonework repairs and window replacements both require scaffolding to the exterior of the building and the most cost-effective approach is to use the same scaffolding for both purposes. The scaffold required for the stonework repairs will rest on top of the scaffold needed for removing and replacing the windows.

1.6 The £347,000 which is referred to in this report is funded from the £1m government grant. The costs for the manufacture and installation of the windows are to follow, and are expected to be contained within the £1m grant award. When a quotation is received a further variation to contract will be requested.

## **2. Best Council Plan Implications**

- The project contributes to the Best Council Plan, Best City, Culture priority.

## **3. Resource Implications**

- In February 2019 the Council's Executive Board approved an injection into the capital programme (scheme no. 16996) of £10m to fund the partial refurbishment of Leeds Town Hall. In February 2021 Executive Board approved a further injection of £3m providing a total budget of £13m
- A financial allowance for the stonework repairs is included in the £13m already injected for the refurbishment. If approved the proposals in this report would allow £250,000 to be transferred from the refurbishment sub-scheme to fund a variation to the Berman contract currently on site.
- The Chief Officer Culture and Economy should note that the cost of the proposed stonework repairs can be funded from the existing Capital Scheme No. 16996.
- The £347,000 for access to carry out the Salix funded window replacement is funded from a £1m government grant which was injected into the capital scheme (scheme no 33433) with authority to spend by the Director Resources and Housing in October 2020.

## **Recommendations**

The Chief Officer Culture and Economy is recommended to;

- a) Provide Authority to Spend £250,000 from existing budgetary provision, Capital Scheme No. 16996 TRR ENB, for repairs to high level stonework at Leeds Town Hall.
- b) Note that £347,000 is available from Capital Scheme 33433/BD2/000 with Authority to Spend in place, to allow the provision of scaffolding as part of a £1m government grant to replace windows at Leeds Town Hall
- c) Approve a variation of £597,000 to the current Heritage Maintenance contract to allow Berman Building to carry out the stonework repairs and commence the Salix funded window replacement under their existing contract.

## **1. Purpose of this report**

The purpose of this report is;

- 1.1 To request Authority to Spend from the Chief Officer Culture and Economy the sum of £250,000 on essential repairs to high level decorative pinnacles at Leeds Town Hall.
- 1.2 To seek approval from the Chief Officer Culture and Economy to vary the current Heritage Maintenance contract at Leeds Town Hall in the sum of £597,000 noting that £347,000 of this cost will be provided from a government grant for the replacement of the windows at Leeds Town Hall.

## **2. Background information**

- 2.1 The Chief Officer Culture and Economy should note that on 22<sup>nd</sup> October 2020 the Director of Resources and Housing approved the injection of £25m for a range of decarbonisation projects and provided Authority to Spend against capital scheme 33433. The £25m is funded by the government as part of the Public Sector De-carbonisation programme managed by Salix. The £25m includes £1m of grant for the replacement of the windows at Leeds Town Hall.
- 2.2 A maintenance contract with Bermar Building, mainly involving roof repairs, has been on site since October 2018. In December 2019 a number of high level stonework repairs were identified as being necessary. Though not in need of immediate attention the Council was advised by NPS structural surveyors that for safety reasons remedial works should be carried out within three years. In order to maximise value for money for the Council it was determined to carry out these repairs under the separate refurbishment contract, expected to commence in January 2022.
- 2.3 The rationale for this approach was that the refurbishment works would include repairs to the windows. Both the high level stonework repairs and the window repairs require scaffold outside the building. Carrying out the works in tandem under a single contract would prevent significant duplication of time and cost with regard to the provision of the scaffold access.
- 2.4 However in March 2021 the Council received confirmation of a grant of £1m to replace all of the windows at the Town Hall under the Government Public Sector De-Carbonisation Fund administered by Salix. A condition of this grant is that works should be completed by September 2021. This deadline means works have to commence before the January 2022 date referred to in para 2.2 above. Therefore it is proposed that a variation to contract to the existing contract with Bermar be instructed to carry out the window replacement.
- 2.5 For clarity the same scaffolding will be used for both window and stonework repairs and will be raised and dropped in advance of the main refurbishment works commencing in 2022. The stonework repairs therefore need to be instructed at the same time as the window replacements and in advance of the main refurbishment contract being awarded.
- 2.6 In line with the Council objective of spending money wisely and in order to progress these works in a timely fashion, and reduce risks of coordination issues it is proposed to instruct the stonework repairs as a variation to the heritage maintenance roofing

works currently on site. This will mitigate the risk of delays to the refurbishment scheme design programme, and avoid additional costs on pre-lims and site set up, which would be incurred if a procurement exercise to appoint a separate contractor was undertaken.

### **3. Main issues**

- 3.1 The Salix grant currently contains a condition requiring works to be complete by September 2021. This presents a significant challenge and officers from Resources and Housing have written to Salix seeking an extension of this date to March 2022.
- 3.2 NPS Leeds have provided a programme for the works the main dates appear below;
  - Windows schedule and design complete 10.05.21
  - Listed Building consent application 10.05.21 – 02.07.21 (risk this may extend to 30.07.21)
  - Building Control Application 10.05.21 – 21.06.21
  - Instruct high level stone repairs and access for windows installation as a variation to the current contract 10.05.21
  - Stone repairs complete 26.07.21
  - Window manufacture and installation 26.07.21 – 12.11.21
  - Main refurbishment commences on site- January 2022.

### **4. Corporate considerations**

#### **4.1 Consultation and engagement**

- 4.1.1 The nature of the approvals requested in this report constitute a Significant Operational Decision due to the value and because they are consequent on previous key decisions to inject the funds.
- 4.1.2 The proposals which are the subject of this report support a larger scheme for the refurbishment of the Town Hall and also support the Councils Carbon Reduction priority.
- 4.1.3 Heritage England and the Councils Conservation Officer have been consulted and are supportive of the works described in this report.
- 4.1.4 Elected members have previously been consulted on the decarbonisation works and the Town Hall refurbishment proposals

#### **4.2 Equality and diversity / cohesion and integration**

- 4.2.1 An Equality Impact Assessment is not required for the approvals requested in this report.

#### **4.3 Council policies and the Best Council Plan**

##### **4.3.1 Climate Emergency**

Leeds City Council has declared a climate emergency. The proposed works directly address the climate emergency through improvements to the thermal efficiency of the building thus making significant reductions to the carbon footprint of Leeds Town Hall.

- 4.3.2 The works which are the subject of this report contribute to the Best Council Plan, Best City, Culture priority, and in particular the objective of *Growing the Culture and creative sector*

#### 4.4 Resources, procurement and value for money

4.4.1 Having regard to the nature of the proposed works, the programme constraints of the project, the Council's approach to risk transfer, and the desire as far as possible to achieve cost certainty, the proposal to vary the current maintenance contract provides the most cost effective, time efficient, and lowest risk means of carrying out the stone repairs and completing the Salix funded window works in compliance with the grant condition.

##### 4.4.2 Capital funding and Cash Flow

A breakdown of the £597,000 appears below;

Cost of Stone repairs - £25,061  
 Access for stone repairs - £224,939  
 Access for windows - £347,000  
**Total - £597,000**

Previous total Authority to Spend on this scheme	TOTAL £000's	TO MARCH 2021 £000's	FORECAST				
			2021/22 £000's	2022/23 £000's	2023/24 £000's	2024/25 £000's	2025 on £000's
LAND (1)	0.0						
CONSTRUCTION (3)	0.0						
FURN & EQPT (5)	0.0						
DESIGN FEES (6)	0.0						
OTHER COSTS (7)	0.0						
<b>TOTALS</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
Authority to Spend required for this Approval	TOTAL £000's	TO MARCH 2021 £000's	FORECAST				
			2021/22 £000's	2022/23 £000's	2023/24 £000's	2024/25 £000's	2025 on £000's
LAND (1)	0.0						
CONSTRUCTION (3)	597.0		597.0				
FURN & EQPT (5)	0.0						
DESIGN FEES (6)	0.0						
OTHER COSTS (7)	0.0						
<b>TOTALS</b>	<b>597.0</b>	<b>0.0</b>	<b>597.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
Total overall Funding (As per latest Capital Programme)	TOTAL £000's	TO MARCH 2021 £000's	FORECAST				
			2021/22 £000's	2022/23 £000's	2023/24 £000's	2024/25 £000's	2025 on £000's
LCC Funded	250.0		250.0				
SALIX Funded	347.0		347.0				
Total Funding	597.0	0.0	597.0	0.0	0.0	0.0	0.0
<b>Balance / Shortfall =</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

#### 4.5 Legal implications, access to information, and call-in

4.5.1 The approvals requested in this report are classed as a Significant Operational Decision, as they are the consequence of previous key decisions to inject funds into

the capital scheme. The works can be approved by the Chief Officer Culture and Economy under the scheme of delegation.

4.5.2 Officers from Legal and Procurement have been consulted and advise that provided the increase in price does not exceed 50% of the value of the original contract the Council is able to make the variation to the existing contract with Berman in accordance with LCC Contract procedure rules and under regulation 72 of the EU Contract regulations, where a change of contractor;

(i) cannot be made for economic or technical reasons such as requirements of interchangeability or interoperability with existing equipment, services or installations procured under the initial procurement

(ii) would cause significant inconvenience or substantial duplication of costs for the contracting authority,

In the context of the advice above the Chief Officer Culture and Economy should note that the value of the original Berman contract was £2.5m.

#### **4.6 Risk Management**

4.6.1 Separate risk registers have been developed for the current contract on site and the proposed refurbishment works. These are regularly updated and available on request.

### **5. Conclusions**

5.1 The high level stonework repairs at Leeds Town Hall described in this report are essential from a health and safety perspective.

5.2 Carrying out the stonework repairs and externally funded window replacement works in tandem is the most efficient and cost-effective use of council resources, and provides the best route for complying with Salix grant conditions relating to the windows

### **6. Recommendations**

The Chief Officer Culture and Economy is recommended to;

- a) Provide Authority to Spend £250,000 from existing budgetary provision, Capital Scheme No. 16996 TRR ENB, for repairs to high level stonework at Leeds Town Hall.
- b) Note that £347,000 is available from Capital Scheme 33433/BD2/000 with Authority to Spend in place, to allow the provision of scaffolding as part of a £1m government grant to replace windows at Leeds Town Hall
- c) Approve a variation of £597,000 to the current Heritage Maintenance contract to allow Berman Building to carry out the stonework repairs and commence the Salix funded window replacement under their existing contract.

## **7. Background documents<sup>1</sup>**

7.1 None

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<sup>1</sup> The background documents listed in this section are available to download from the council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.