

Agenda Item 6

Druitt Hall

Report Type:	Public Report for Decision
Purpose of Report:	To highlight options to Members concerning the issue of Druitt Hall renovations to its windows; and to relay to Members the outcome of the costings survey for exploration of rebuilding the hall.
Recommendations:	It is RECOMMENDED that: The Committee: (a) Notes the contents of the recent costing survey work conducted by Adam Elcock MBE. (b) Decides which option to pursue considering the Council’s financial position and lending options without committing expenditure at this stage; (c) Recommends to Full Council a consultation on preferred option and ALL options prior to moving forwards.
Wards:	All Wards
Contact Officer:	Daniel Lucas – Town Clerk

1. BACKGROUND

Survey Work to Date

- 1.1. Members previously resolved to delegate to the Town Clerk a costings request from a chartered surveyor to undertake an assessment of costs relating to exploring the re-build option for Druitt Hall. Attached at Appendix 1 is the surveyor’s report highlighting the costs involved in a potential rebuild project.
- 1.2. The report highlights multiple options in terms of project and budget planning. The Summary of Costs table illustrates a traditional build construction, a SIPS (Structural Insulated Panels) construction approach, as well as factoring in a potential second floor hypothetical model. The costs for new windows and roof are also outlined.
- 1.3. Members should note that the figures have been produced upon the lapsed planning permission plans submitted and approved in 2013.

Potential Project Costs

- 1.4. The Summary of Costs clearly details and itemises the costs involved in the potential options available. However, to provide an at a glance summary the table below illustrates the financial commitment required to a project of this size:

Replacing Windows and Roof	£175,737.60
Traditional Construction Rebuild	£768,097.79
SIPS Construction Rebuild	£895,331.82
Potential Second Floor Rebuild	£1,019,988.35

Current Financial Position

- 1.5 Members shall be aware that the Council has already “earmarked” reserves for the replacement of windows at Druitt Hall. The sum already earmarked in the reserves has been previously agreed at £40k.
- 1.6 As of writing this report the Town Clerk can confirm that the Town Council currently holds approximately £60k in its current account and £750k in the Public Sector Deposit Fund. Committed to Earmarked Reserves currently is the sum of £331,825 of which £40k has been allocated to the replacement/maintenance of the Druitt Hall windows. Ongoing commitments and forecasting for the rest of the financial year (1 July to 31 March 2022) (inclusive of new staffing salaries and superannuation) are calculated to be at £283k.
- 1.7 In terms of headroom once commitments are deducted from the annual budget and the surplus added to the general fund balance held by the Council as of 31st March 2021, along with the earmarked Druitt Hall Reserve, the forecasted headroom is in the sum of approximately £425k.
- 1.8 Table 1 illustrates this position for ease of reference.

Table 1

General Fund Balance (31-3-21)	154,773.51	
Annual Budget		513,576.62
Commitments		
252,200 (Last year expenditure) +		252,000
2,250.78x9= 20,257.02 (Salary uplift new roles)		20,257.02
11,000 (Quomps Trees)		11,000
Total Forecast Commitments		283,257.02
Sub-Total		230,319.60

Earmarked	40,000	<hr/>
Reserve		
	194,773.51	<hr/>
Total		
(Sub Total + General Fund balance + Reserve)		425,093.11
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- 1.9 Currently the Council is able to finance the roof and windows project within its current resources. Nevertheless, any consideration relating to any of the rebuild options shall have to consider alternative financing arrangements via a loan.
- 1.10 Attached at Appendix 1a is the Public Works Loan Board (“PWLB”) details which provides Members with information about the lending options available via the PWLB and interest costs. This appendix provides information about projected loan repayments based on a 50/50 funding basis (capital/loan) 60/40 (capital/loan), for the Traditional Build Option identified. This is to provide a representation of what interest costs shall be over a given term and what the expected repayments shall relate to. They are provided for illustration only to give an understanding of the commitment expected for the first re-build option identified.

2. IMPLICATIONS

Legal

- 2.1. The Council has a commitment to its current tenant and any decision should be made bearing in mind the lease situation and in working with the Druitt Hall Trustees. Furthermore, given the impact upon community services a period of public consultation shall be required in light of Equality Act 2010 duties such as the public sector equality duty.

Environmental

- 2.2. Any option to maintain or rebuild the option may have an impact upon the immediate Druitt Hall gardens. Such impacts would be assessed further down the line and as a normal matter of course when engaging with the Planning and/or Building Control regulatory processes.

Financial and Risk

- 2.3. Members are referred to the body of the report in terms of the financial considerations here.

Equalities

- 2.4. None directly from this report.

Consultation and Engagement

- 2.5. This report recommends that Members having been furnished with costings and information available come to a conclusion about a preferred option at this stage. This way, Council can then consider how best to arrange any consultation and via what method/channels. The preferred option shall also give some further insight into the financial principles Members wish to engage which in turn can allow the Town Clerk to report to Council with further details and projections. All options are also recommended for consultation so that a fully informed collaborative community appraisal can be considered.

3. CONCLUSION

- 3.1. Members are asked to consider the report and to approve the recommendations outlined.

Appendices:

Appendix 1 Surveyor's report

Appendix 1a PWLB Loan Illustrations.