



# EXECUTIVE BOARD DECISION

<b>REPORT OF:</b>	Executive Member for Growth and Development Executive Member for Finance and Governance
<b>LEAD OFFICERS:</b>	Strategic Director Place (Please Select)
<b>DATE:</b>	10 February 2022

<b>PORTFOLIO/S AFFECTED:</b>	Growth and Development	(Please Select...)
<b>WARD/S AFFECTED:</b>	Blackburn Central	(Please Select...)
<b>KEY DECISION:</b>	YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>	

**SUBJECT: EB (Executive Board) St John's Refurbishment**

## 1. EXECUTIVE SUMMARY

- 1.1 Following the acceptance of the insurance settlement from Zurich for the St John's Church due to the unfortunate fire that occurred on 3rd April 2019, this report seeks approval to set up a capital project for the restoration of the former St John's Church.
- 1.2 It is proposed the former St John's Church will be repurposed and refurbished to create high quality flexible workspace to meet new agile working demands, which have been accelerated by the pandemic, and will form an early phase of the new Blackburn town centre masterplan.
- 1.3 This report outlines the outcome of the tender process for procuring an architect to undertake the design for the refurbishment project and seeks approval to appoint the successful architect.
- 1.4 Following the appointment of the architect the report also seeks delegated approval to commence the procurement and appointment of the remaining design team.
- 1.5 The design team will then prepare options for the refurbishment scheme which will help inform the Council as to the best use of the building set within its historic context.
- 1.6 It is anticipated a planning application will be submitted late 2022 with contractor procurement commencing early 2023.
- 1.7 This report further seeks approval for the submission of all required consents and approvals for the works and approval to commence the contractor procurement. A further report will be prepared for the Executive Board to appoint the contractor following a competitive tender process.

## 2. RECOMMENDATIONS

2.1 That the Executive Board:

- a) Approves a capital allocation of £3.54 million to cover the design and refurbishment works for the project;

- b) Approves the appointment of Bidder A as architect for the project with the appointment of Bidder B as reserve bidder;
- c) Approves officers to proceed with the procurement and appointment of the design team and delegates authority to the Growth Director to agree the terms for their appointment;
- d) Delegates authority to the Growth Director in consultation with the Executive Member for Growth and Development and the Executive Member for Finance and Governance to agree the scheme design proposals;
- e) Approves the submission of all required consents and approvals for the works including planning, listed building consent and building regulation approval; and
- f) Delegates authority to the Growth Director to agree the contractor procurement strategy.

### **3. BACKGROUND**

- 3.1 The original church was built in 1787 and continued to be used for active worship until 1975, at which time the ownership of the building and its curtilage was transferred to the Council from the Church Commissioners for England.
- 3.2 Since the Council acquired St John's in 1975 the building was used to support civic functions before being used as a community centre from 2014.
- 3.3 St John's is a grade II listed building within the Richmond Terrace/St John's Conservation Area in Blackburn.
- 3.4 The building suffered an accidental fire in April 2019 which caused extensive damage.
- 3.5 The fire was generally contained to the main hall/chancel, leading to collapse of almost the entire roof, with damage beyond salvage/repair to the roof timbers that did not collapse. The collapse of the roof structure over the main hall led to local damage of masonry around the bearing positions on the perimeter walls.
- 3.6 Following the fire the property was made safe and temporarily secured with fencing. A contractor was subsequently appointed to remove all fire damaged materials from site. Several surveys and reports have been completed to assess the building condition to inform the Council on next steps. The Council has also recently erected permanent hoardings and safety signage for the site.
- 3.7 The building was insured under the Council's Corporate Property policy which is provided by Zurich Municipal and agreed a gross settlement figure of £3,750,212.90. This sum includes payments made to date of £210,212.90, leaving a balance of £3,540,000.
- 3.8 Payments made to date included the temporary works and reinstatement of structural members in the immediate aftermath of the fire to make the building safe.
- 3.9 To address the conservation needs of the former St John's Church and to help establish a sustainable work space use for the building, securing the long-term future of this important heritage asset, the Council now wish to secure the services of a suitably-qualified architect, to undertake the refurbishment project.
- 3.10 The refurbishment design brief will place a high importance on the historic significance of the church whilst being contemporary and contrasting in design and materiality, to make a clear

distinction between the historic host building and its new purpose, which will meet all the requirements of a modern workspace.

## 4. KEY ISSUES & RISKS

### 4.1 Capital Allocation

- 4.1.1 The insurance settlement of £3.54 million to be allocated to cover the design and refurbishment works for the St John's project.

### 4.2 Architect Appointment

- 4.2.1 An Invitation to Tender (ITT) for the procurement of an architect for the refurbishment project was published on the Chest North West Procurement Portal on 9th August 2021 with the tender deadline set as the 10th September 2021.
- 4.2.2 The ITT evaluation criteria was split: 50% Quality / 50% Price.
- 4.2.3 The Council received eight bids. On the initial compliance check four bidders were non-compliant and their tenders were rejected. Two of the non-compliant bids were abnormally low under Regulation 69 of the Public Contracts Regulations 2015 and the other two non-compliant bids had a very high risk score for financial standing, which indicated a high possibility that the company would be unable to fulfil the contract through its duration.
- 4.2.4 Four compliant tenders were taken forward for full evaluation and the results summarised below:

Ranking	Price % Score	Quality % Score	Total % Score
1 – Bidder A	37	43	80
2 – Bidder B	39	36	75
3 – Bidder C	48	24	72
4 – Bidder D	18	28	46

- 4.2.5 Due to close scoring for Bidder A and Bidder B, a quality submission clarification meeting was undertaken to ensure the quality scores were correct. Following the clarification meetings no changes to the quality scores were required.
- 4.2.6 **Bidder A** provides the most economically advantageous Tender with strong experience in restoration and interventions made after fire damage. Significant experience in refurbishing listed and ecclesiastical buildings and is partnering with a conservation and fire damage specialist who has significant experience adding real value to the design team.
- 4.2.7 Bidder A will review any available funding streams to assess if there is an opportunity for external funding.
- 4.2.8 For the reasons above it is recommended that the Council appoint Bidder A as architect.

4.2.9 Bidder A is OMI Architects. OMI was established in 1993 and is a leading design-led Manchester based practice. The awarding winning practice has been recognised with a number of awards for design excellence including 12 national and regional RIBA awards. OMI is known for a broad range of work including residential, museums and galleries, offices, churches, education, hotels, leisure, community and public buildings, many of which are within sensitive historic settings. OMI's work includes complex heritage schemes similar to St John's which involve some of the region's most important Grade I and Grade II listed buildings, including All Souls in Bolton, which was named as RICS North West Building of the year in 2015.

4.2.10 It is recommended that Bidder B is appointed as Reserve Bidder allowing the Council to appoint Bidder B if terms cannot be concluded with Bidder A.

### **4.3 Design Team Procurement**

4.3.1 Following the appointment of the architect the remaining design team disciplines will be competitively procured and appointed to work on the project.

### **4.4 Proposed Building Use**

4.4.1 It is proposed the former St John's Church will be repurposed and refurbished to create high quality flexible workspace to meet new agile working demands, which have been accelerated by the pandemic, and will form an early phase of the new Blackburn town centre masterplan.

4.4.2 Once appointed the architect will prepare a feasibility study proposing configuration options for the refurbished space.

### **4.5 Contractor Procurement**

4.5.1 Once the design has substantially progressed the contractor procurement process will commence to ascertain the full refurbishment costs for the project.

4.5.2 The contractor procurement strategy will be agreed with the design team and approved by the Growth Director.

### **4.6 Refurbishment Costs**

4.6.1 Once the full costs of the refurbishment are known a further Executive Board report will be prepared for approval before proceeding to contract.

### **4.7 Risks**

4.7.1 If the project does not go ahead the abandoned building will remain a blight on the town centre, detracting from any future development and attracting anti-social behaviour.

4.7.2 There is a risk the identified settlement funding may not be enough to cover the full refurbishment costs and therefore additional funding may be required to achieve the desired outcomes.

## **5. POLICY IMPLICATIONS**

5.1 The Borough's Local Plan is made up of the Core Strategy (adopted 2011) and Local Plan Part 2 (adopted 2015). These documents set out the policy framework from which all planning applications are assessed. The Local Plan highlights the importance of widening the range of activities taking place in the Borough's town centres to ensure their future vitality and viability and

targeting new investment and regeneration initiatives around residential, mixed-use developments and green infrastructure.

5.2 Development of the St John's Church site will be in accordance supporting policies in the Local Plan, most notably Policy 26: Town Centres – A Framework for Development and Policy 39 Heritage.

## 6. FINANCIAL IMPLICATIONS

6.1 Following the acceptance of the insurance settlement figure the report seeks approval for a capital allocation of £3.54 million to cover the design and works for the refurbishment project.

6.2 The expected annual spend profile is as noted in the below table:

	Total	2022/23	2023/24	2024/25	25/26	Future Years
	£'000	£'000	£'000	£'000	£'000	£'000
Capital Programme	3,540	450	1,350	1,640	100	0

6.3 A further executive board report will be prepared for approval once the full costs are known for the refurbishment project.

6.4 Design fees and surveys costs are estimated to be in the region of 15% of the total construction costs. Further protection works may be required once the architect has been appointed and reviewed the current condition of the building.

6.5 The architect will work with the Council to review the availability of external funding to potentially support the cost of the refurbishment works.

6.6 Bidder A tendered a fixed fee for RIBA Plan of Work Stages 1 to 6 of £210,250 (excl VAT), with an allowance for additional work outside the scope capped at £43,313 (excl VAT) which will be instructed if required on a time-charge basis.

6.7 Should external funding not be available there may be a requirement for additional funding to be provided by the Council in addition to the identified £3.54m in order to deliver the desired outcomes for the building. The details of this requirement, should it be required, will be presented in a future executive board report.

## 7. LEGAL IMPLICATIONS

7.1 The procurement of the architect has been carried out in accordance with the Council's Contract and Procurement Procedure Rules. The terms of the appointment will be on the basis of the Council's standard Terms and Conditions for Services.

7.2 The Church Commissioner will be consulted on the refurbishment proposals to ensure the Council complies with any restrictions on building use. The Council will look to formalise the approval of the new building's use with the Church Commissioners by suitably amending the restrictive covenants placed on the title when the Council acquired it in 1975.

7.3 All subsequent procurements of the design team will be undertaken in conjunction with the CAPS team to ensure compliance with the Council's Contract and Procurement Procedure Rules and the drafting of appropriate legal documentation to ensure commercial protections for the Council.

## 8. RESOURCE IMPLICATIONS

8.1 Existing staff resources will be provided from the Council's Growth, Property, Planning, Procurement, Building Control and Legal teams.

8.2 Consultants will be procured to prepare the designs and provide contract administration for the refurbishment works.

## 9. EQUALITY AND HEALTH IMPLICATIONS

Please select one of the options below. Where appropriate please include the hyperlink to the EIA.

Option 1 ☒ Equality Impact Assessment (EIA) not required – the EIA checklist has been completed.

Option 2 ☐ In determining this matter the Executive Member needs to consider the EIA associated with this item in advance of making the decision. *(insert EIA link here)*

Option 3 ☐ In determining this matter the Executive Board Members need to consider the EIA associated with this item in advance of making the decision. *(insert EIA attachment)*

## 10. CONSULTATIONS

10.1 Key stakeholder consultation will be undertaken throughout the design process. Early consultation with statutory heritage bodies to minimise the risk of developing proposals. Further statutory stakeholder consultation will be undertaken during the planning pre-application and application process.

## 11. STATEMENT OF COMPLIANCE

The recommendations are made further to advice from the Monitoring Officer and the Section 151 Officer has confirmed that they do not incur unlawful expenditure. They are also compliant with equality legislation and an equality analysis and impact assessment has been considered. The recommendations reflect the core principles of good governance set out in the Council's Code of Corporate Governance.

## 12. DECLARATION OF INTEREST

All Declarations of Interest of any Executive Member consulted and note of any dispensation granted by the Chief Executive will be recorded in the Summary of Decisions published on the day following the meeting.

<b>VERSION:</b>	<b>1</b>
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<b>CONTACT OFFICER:</b>	<b>Simon Jones – Growth Director</b>
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<b>DATE:</b>	14 <sup>th</sup> January 2022
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<b>BACKGROUND PAPER:</b>	Executive Board Decision - Growth Programme 20121/22 – April 2021 Executive Board Decision - Corporate Capital Budget And Balance Sheet Monitoring Report 2021/22 – Quarter 1 (3 Months To 30th June 2021) – August 2021
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