



EXECUTIVE MEMBER DECISION

REPORT OF:	Executive Member for Growth and Development
LEAD OFFICERS:	Strategic Director of Growth & Development
DATE:	Friday, 6 September 2024

PORTFOLIO/S AFFECTED:	Growth and Development
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WARD/S AFFECTED:	Darwen East;
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SUBJECT: Darwen Resource Centre - Service Relocation and Disposal
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1. EXECUTIVE SUMMARY

Darwen Resource Centre was confirmed as surplus to operational requirements following a review of Council assets in 2023/24. This review was presented to Finance Council in February 2024.

This report now seeks approval to proceed with relocating the joint Council and NHS service from Darwen Resource Centre to Darwen Town Hall and the proposed refurbishment works required to facilitate the move. The facility is also an established polling station in the Darwen East ward, and was approved by Policy Council on 30th November 2023, following a statutory review and consultation to continue as such for all elections.

Darwen Resource Centre ("Property") will then be managed as an investment property by Growth & Development and marketed for disposal.

2. RECOMMENDATIONS

That the Executive Member:

1. Notes Darwen Resource Centre was confirmed surplus by the Asset Management Group in June 2024 following a review of Council assets in 2023/24 which was summarised and presented to Finance Council in February 2024;
2. Notes a joint Council and NHS service currently operates from the building and therefore, subject to agreement requires relocation to enable continuity of the service and onward disposal of the Property;
3. Approves the plan to relocate the service from Darwen Resource Centre to Darwen Town Hall, subject to necessary agreements/consents from NHS;
4. Approves the estimated gross capital costs for the refurbishment work of £150,000 and notes the funding will be drawn down from the Development Investment Fund with all capital planned to be expended over financial year 2024/25;

5. Delegates authority to the Growth Programme Director to proceed with the procurement and appointment of consultants and contactors to undertake the works as well as obtaining any approvals necessary for the works all in accordance with procurement legislation and the Councils Contracts & Procurement Procedures Rules;
6. Approves the commencement of marketing for disposal of Darwen Resource Centre in accordance with the Council's disposal policy; and
7. Authorises the Growth Programme Director in liaison with the Deputy Director of Legal and Governance to finalise the contract terms of the contractor appointment for the refurbishment works.

3. BACKGROUND

- 3.1 The Growth and Development Department, in conjunction with all other Council Departments, completed an Asset Review in 2023/24 to identify opportunities for service improvement and revenue savings to help support the Council's Medium Term Financial Plan.
- 3.2 This review initially considered 65 of the Council's key buildings from the operational estate and assessed the assets against service needs to identify opportunities for co-location, service relocation or intensification of existing assets. Conclusions from this review were summarised and presented to Finance Council in February 2024.
- 3.3 Darwen Resource Centre was identified in the review which concluded the asset was significantly underutilised and therefore opportunities to relocate the service to other Council assets should be investigated.
- 3.4 Darwen Resource Centre was then subsequently confirmed as surplus by the Asset Management Group in June 2024 which enabled officers to commence the search for alternative accommodation and engage with the service and their respective management teams.
- 3.5 Following a property search of available Council assets, Darwen Town Hall was identified as a suitable alternative location for the service. However, the building requires some 'light-touch' refurbishment work in advance of relocating the service to ensure the building will not impact service performance levels.
- 3.6 Following site visits, surveys and engagement with colleagues based at Darwen Town Hall and the Council's facilities team, a scheme has now been prepared to undertake a light refurbishment scheme which includes works to the first floor of Darwen Town Hall. In addition to these works some minor modifications have been identified to several rooms on the ground floor.
- 3.7 As Darwen Resource Centre is also an established a polling station, an alternative location within the same polling district will need to be identified, assessed, and consultation undertaken before considered for designation.

4. KEY ISSUES & RISKS

- 4.1 A concept scheme has been prepared by surveyors to undertake minor refurbishment works to Darwen Town Hall which includes modifications to ground floor meeting rooms together with minor works to rooms on the first and second floors. These works are the minimal works required to relocate the service from Darwen Resource Centre.

- 4.2 More detailed survey and design work will be required to complete the detailed design to enable the scheme to be tendered to local contractors. Given the relatively low complexity and value of the work there may be an opportunity to utilise the Council's in-house building team to complete in part or full the proposed works. These discussions will be progressed with colleagues and concluded prior to tendering the works.
- 4.3 The proposed refurbishment works are planned to be undertaken in the autumn with service relocation planned for January 2025.
- 4.4 Council officers will market Darwen Resource Centre as a property available for lease and, subject to interest, could potentially accelerate the works and service relocation if required to facilitate a disposal, otherwise it is anticipated a disposal would most likely occur during 2025/26.
- 4.5 The Council has received correspondence from the NHS to confirm the status of Darwen Resource Centre and any financial interest and Council officers are assessing records to confirm. At this stage, it has not been possible to confirm or otherwise any legal or financial interest the NHS may have in the building and, if that is the case, what liability (if any) may arise as a consequence once the property is vacated and no longer in use by them.
- 4.6 Council officers from Growth & Development are currently working up proposals for Darwen Market Hall refurbishment and plans have been shared to ensure works are coordinated.
- 4.7 The Market Hall refurbishment plans present an opportunity to include further works to Darwen Town Hall to modernise the accommodation to provide flexibility for further workforce reconfigurations and partner collaborations. These works would need to include a comprehensive refurbishment plan of both the internal and external fabric together with a full building services upgrade. The costs of these works will be presented as part of the Market Hall proposals.
- 4.8 A number of approvals will be required, and Council officers will engage with all stakeholders to obtain all necessary approvals.

5. POLICY IMPLICATIONS

None.

6. FINANCIAL IMPLICATIONS

- 6.1 The estimated gross capital costs of £150,000 will be drawn down from the Development Investment Fund with all capital to be expended over financial year 2024/25 and therefore no additional capital is required.
- 6.2 It is proposed the works will be undertaken using a combination of the Council's in-house team and a procured contractor using an Invitation to Quote via the Chest procurement system utilising local suppliers for packages between £10,000 and £80,000.
- 6.3 Work packages are not expected to exceed £80,000 and the Council's procurement procedures will be adhered to.
- 6.4 Whilst no detailed assessment has been undertaken at this stage given the detailed design work is still to be completed, it is anticipated that the cost of operating the services from Darwen Town Hall can be contained within the existing budget for the Darwen Resource Centre. Where that is not the case, and to the extent it is possible from the method of disposal, any additional costs will be met by way of an abatement from the proceeds on disposal.

6.5 The NHS has to provide evidence of any legal or financial interest in the building and, if that is the case, then the Council will consider what liability (if any) may arise as a consequence once the property is vacated and no longer in use by them. There may be a requirement for part of the financial benefit received from leasing the property to be paid to the NHS.

6.6 Darwen Resource Centre is used during elections as a Polling Station and therefore upon disposal alternative Council properties will need to be used should it not be possible to secure use by way of a condition on disposal. Alternative locations are being assessed. The alternative location should be in the same polling district (DE2) of the Darwen East ward and must comply with the Electoral Commission criteria.

7. LEGAL IMPLICATIONS

The works contractor will be procured in accordance with the Council's Contract & Procurement Procedures Rules, the Constitution and the Public Contracts Regulations 2015. The lack of a documented status for the NHS does pose difficulties in delineating the parties' respective rights as to the resource centre. Risks for the Council particularly will continue to diminish as the NHS look to relocate to a new premises and have this new occupation formalised.

Designation of an alternative polling station would be subject to relevant legislation and delegations under the Council's Constitution.

8. RESOURCE IMPLICATIONS

Current staff resources from the Council's Growth, Property, Procurement and Legal teams will be utilised to complete the legal agreements and supervise the design and works on site.

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

Internal engagement and consultations with Council departments and service teams have been undertaken and completed as part of the relocation plans.

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 and published if applicable.

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CONTACT OFFICER:	Simon Jones, Growth Programme Director, Growth and Development
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DATE:	August 2024
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BACKGROUND PAPER:	None
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