

# GUILDHALL REFURBISHMENT - PART I

## ADDITIONAL FUNDING BUSINESS CASE



### Purpose of report

This business case has been put together to support the additional funding requirement needed to ensure that Plymouth Guildhall's electrical, fire and intruder alarm systems and internal lifts are fit for purpose, all statutory safety measures are compliant ensuring the safety of the building and its users.

### Background

The refurbishment of the Guildhall was agreed following a review of the opportunities that the Guildhall could offer, along with market research and stakeholder engagement. This enabled the scope for an internal refurbishment programme to be produced and £3.9m grant funding from the Future High Street Fund to support the works to be secured.

The original scope of the project, subject to planning and budget, was as follows;

- An increased number of toilets and upgrades to existing amenities, including the Green Room, to increase capacity, support large events and the customer experience.
- Replacing the stage in the Great Hall as well as improving the acoustics and lighting rigs in the hall and the Drake Room thereby improving the variety and quality of events including increasing the offering for the music provision.
- Upgrades to the Great Hall kitchen to allow opportunities for large parties, galas, and dinners to be able to prep, reheat and serve food.
- Improving the two bars, to provide a larger workspace and improving the lighting encouraging additional bar use, enabling a better customer experience and increased sales.
- Improving the lounge kitchen area enabling this space to be used and rented when the bar is not open.
- Upgrading the WIFI, allowing for larger numbers of clients on site, supporting our retail customers, conferencing capability and university partnerships.
- Astor, Charter, and North Rooms to benefit from general refurbishment allowing for multi-functional activities and improved conferencing options.
- Accessibility improved with an external ramp, internal platform lifts and refurbished existing lifts.
- The space currently occupied by the NHS for Breast Screening will be converted to flexible office and hot desk space.
- Mechanical and electrical improvements to the building to support other works and reduce the need for regular maintenance and repairs.
- A full marketing strategy will be developed to support the launch of the rebranded offer.

The project received planning and listed building consent, subject to conditions, in May 2023.

The detailed designs and the tender process were completed which resulted in all pricing submissions coming in over budget. The decision was taken for the client team to review the scope and to provide a ranking for works based on necessity for customer experience and income generation. Please see below:

**Must Have:** WIFI, acoustics, main stairwell, ramp, and stairs at the entrance to the building, stage in Great Hall, trusses for lighting including internal PA system, with the appropriate infrastructure to support these works.

**Reduce Specification:** Drake Room bar, Lounge bar, Crittall windows, toilets in Lower Hall and Lounge Bar areas, concertina door between Astor/Charter room, entrance doorways, kitchen & Paxton access

**Not do:** Platform lift in main entrance, reception area, staff welfare area, stairwells, and display screens

**Other Options:** No works to be undertaken in the packels and breast screening area and for it to be used as is, storage area under the stairs to be reconsidered, Green Room to be left as is and reviewed post refurbishment, ventilation and Mechanical and Electrical (M&E), this is a large ticket item with no immediately discernible benefits, however need to review the scope based on condition reports, reduce lighting specification focusing on the key areas of the building, review of the benefits of cleaning stonework in Great Hall, & remedial works to the floor in meeting rooms, scale back works in the Astor and Charter room.

Some initial analysis regarding impact of the above on the estimated costs were calculated and it was agreed that in principle works to the Lower Ground Floor and the Second floor would be omitted from the scope. This was shared with the tenderers for them to resubmit their costing's, however revised resubmissions were still over budget.

The contract was awarded in principle with value engineering being required to ensure that the refurbishment package could be completed within budget. This meant that areas within the building where works were not required were omitted from the project scope, adjustments were considered in respect of the specification of fixtures and fittings and as the largest cost was for the M&E work this was also reviewed. The original design included a high quantity of plant and ducting being replaced. The review, taking into account the areas that had been omitted from the programme, was able to reduce costs by reusing plant and ducting and only replacing where needed.

On completion of the value engineering exercise possession of the Guildhall building was given to TEC construction on 23 September who have started works on site.

The delays to the commencement of the programme due to the value engineering requirement has meant a change in the programme which was initially for a 12-month package of works due to be completed at the end of March 2025. Due to the reduction in scope this timeline has been reduced however the planned works will still take 8 months to complete, with the current timeline being for the building to be handed back to the Council early May 2025 with the first bookings being in late June 2025.

## **Current Position (Electrical, Fire & Intruder Alarm, Internal Lifts)**

### **I. Electrical Works**

An electrical installation condition report (EICR) was undertaken on 29 May 2024 to assess the condition of the electrical systems prior to any works being completed. This identified that some of the electrical infrastructure had been upgraded piece meal as required, however much of the circuitry was approximately seventy years old and appeared to be at the end of its serviceable life. The report showed that the current status was unsatisfactory. With 78 % of the identified actions being classified C1, danger present/ risk of injury and immediate remedial action required or C2, potentially dangerous with urgent action required to ensure compliance with the current safety regulations.

Although an element of electrical upgrades was included in the refurbishment work to support the future requirements for maintenance of the building, the poor condition of the existing services and therefore the level of necessary electrical upgrades was not expected. increasing the amount and cost of the electrical works needed on the ground floor and first floor.

Works to the lower ground and second floors had been omitted from the refurbishment project scope of works due to the necessity to reduce costs in the areas which have the lowest impact to the customer experience or income generation opportunities. However not completing the electrical upgrades in these areas of the building would create a risk of electrical failure, increase the risk of fire and reputational damage to the council with high profile events planned in the future.

The electrical works need to be completed as a matter of urgency. Some elements will be completed as part of the refurbishment programme, however the works required to lower ground floor, and second floor are out of scope. All electrical works being completed a part of the refurbishment programme will provide economies of scale by reducing the need of additional building works having to be undertaken if the additional electrical works are completed post refurbishment.

Based on the electrical report these works will costs in the region of £175,000 which includes replacement where needed, using existing fittings etc where possible, building related works and a 10% contingency.

## **2. Fire and Intruder Alarm systems**

The fire and intruder alarm systems at the Guildhall are outdated and replacement parts have been difficult to source over recent years. The latest fire maintenance certificate dated February 2024 identified that the fire panel is working but is in excess of 15 years old and requires an upgrade, we have also been advised that the cabling needs to be replaced, and detection added to meet current standards.

The upgrades to the electrical systems will require connectivity to the control panel, which due to its age, is not compatible and will therefore be obsolete. The fire specialist has reviewed the current situation and advised that a replacement of the fire control panel only would not be an option as other areas of the system are obsolete. An estimate has been provided for a new fire alarm, renewing the fire alarm panels and cabling, however there may be additional works needed in respect of the new plant room, but this will not be known until a full review of works is conducted. The total indicative costs of a replacement system would be in the region of £144,383.

Works to this system are not included in the refurbishment programme and will need additional funding.

Preparatory works needed to safely isolate and disconnect all the electrical services throughout the ground and first floors, to enable the safe removal of ceilings, walls and services to these areas has already identified issues with the alarm system. This is due to the way the fire and intruder alarms have been installed/adapted over the years.

The contractors are recommending that both the fire and intruder alarm systems are decommissioned for the duration of their works and temporary systems installed where required. In the interest of best value for money it is recommended that the works be agreed and completed as a top priority in the refurbishment programme. Failure to complete these works during the refurbishment programme could result in closure of the building or 24-hour fire watch process, creating risk to programme and operational delivery.

## **3. Internal Passenger Lifts**

As part of the original scope of works the options to refurbish the 2 passenger lifts in the Guildhall were considered and it was agreed that Facilities Management would pay for this work as it was due to be completed as part of standard repairs and maintenance during the lifespan of the lifts.

### **Funding;**

The refurbishment of the Guildhall is funded by the Future High Street Fund of £3.9M. This does not allow for any unplanned Electrical or Fire & Intruder Alarm works, without which the building is non-complaint with regulations and compliance standards nor the refurbishment of the passenger lifts

Electrical works for the lower ground and second floor can be undertaken during the programme of works ensure economies of scale.

Replacement of the fire alarm system is required as elements are at end of life and therefore not compatible with the improved electrical circuits. The current system is not suitable to support the refurbishment programme nor the future of the site post completion. A temporary solution will be installed at circa £10,000 to mitigate current risks.

Works required	Costs	Borrowing Period	Annual Borrowing Cost
Electrical works	£175,000	N/A	
Fire & Intruder Alarms	£144,383	N/A	
Lifts refurbishment	£170,991	20 years	£14,005.28
<b>TOTAL</b>	<b>£490,374</b>		<b>£14,005.28</b>

The £319,383 that relates to the urgent health and safety works and will be funded by Health and Safety corporate borrowing

The refurbishment of the passenger lifts will be met by Facilities Management (Soft Services) service borrowing. Borrowing costs of £14,005.28 pa over a 20-year period will be covered from the additional income generated post refurbishment.

#### Recommendations:

The Electrical, Fire & Intruder Alarm packages of works to be completed as part of the refurbishment programme with additional funding provided. This will ensure that the building is compliant with all electrical and fire safety standards

The refurbishment lifts to be met by Facilities Management to enable other critical elements of the project scope to be undertaken enabling increased income opportunities and improved customer accessibility and experience

Confirmation of the additional funding is key to being able to finalise the package of works, manage the supply chain and complete the refurbishment on time. No funding being agreed or a delay in the decision to agree funding will put the completion of the project at risk, the ability to retain the Future High Street Funding, which needs to be spent by 31 March 2025, deliver the project scope and meet the necessary project outcomes

The 3 aspects of funding may be able to be allocated in different financial years to support the current financial position, based on the health and safety risks and spending profile of the project, as long as the firm commitment to the funds being available is given. Please see table below

Works	Cost	Reason for Requirement	When funding needed to be allocated	FM Maintenance Matrix
Fire/Intruder Alarm replacement	£144,383	Current system failing and is incompatible with new electrical provision	November 2024	Proceed Urgent
Electrical improvements	£175, 000	Current system is out of date and failure to upgrade will cause a risk of failure and potential fire.	December 2024	Proceed Urgent

Lift refurbishment	£170, 991	Refurbishment needed by FM as part of repairs and maintenance.	April 2025	Refer for Consideration *

\*NB without funding critical packages will not be able to be completed causing reputational risk