

Public Document Pack



NOTICE OF MEETING

Meeting	Executive Member for Commercial Strategy, Estates and Property Decision Day
Date and Time	Tuesday 20th July, 2021 at 12.00 pm (or on the rising of BLAPP, whichever is the later)
Place	Virtual Teams Meeting - Microsoft Teams
Enquiries to	members.services@hants.gov.uk

Carolyn Williamson CBE
Chief Executive
The Castle, Winchester SO23 8UJ

FILMING AND BROADCAST NOTIFICATION

This meeting is being held remotely and will be recorded and broadcast live via the County Council's website.

AGENDA

DEPUTATIONS

To receive any deputations notified under Standing Order 12.

KEY DECISIONS (NON-EXEMPT/NON-CONFIDENTIAL)

1. **GOSPORT OLD GRAMMAR SCHOOL** (Pages 5 - 20)

To consider a report from the Director of Culture, Communities and Business Services, which provides context of the proposals to refurbish and enhance the Gosport Old Grammar School heritage museum and art hub and to seek approval to spend the funding contribution from Hampshire County Council.

2. **SCHOOLS CONDITION ALLOCATION PROJECTS** (Pages 21 - 32)

To consider a report from the Director of Culture, Communities and Business Services, which seek approvals for three schemes funded from the Schools Condition Allocation (SCA) grant.

NON KEY DECISIONS (NON-EXEMPT/NON-CONFIDENTIAL)

3. **BUSINESS SERVICES GROUP - 2020/21 ANNUAL REPORT AND ACCOUNTS** (Pages 33 - 54)

To consider a report from the Director of Culture, Communities and Business Services, which seeks approval for the 2021/22 business plans for the Business Services Group (BSG) within the Culture, Communities and Business Services (CCBS) Department.

4. PROJECT APPRAISAL: REFURBISHMENT OF ROOKWOOD (Pages 55 - 64)

To consider a report from the Director of Culture, Communities and Business Services, which provides an overview of the refurbishment of Rookwood to enable occupation by Children's and Families Teams, to set out the proposed procurement and delivery of the scheme, to identify the funding arrangements, and to seek an approval in principle for contribution by the County Council.

5. WINCHESTER DISCOVERY CENTRE (Pages 65 - 78)

To consider a report from the Director of Culture, Communities and Business Services regarding Winchester Discovery Centre.

EXCLUSION OF PRESS AND PUBLIC

To resolve that the public be excluded from the meeting during the following items of business, as it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the public were present during these items there would be disclosure to them of exempt information within Paragraphs 1 & 3 of Part 1 of Schedule 12A to the Local Government Act 1972, and further that in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information, for the reasons set out in the reports.

KEY DECISIONS (EXEMPT/CONFIDENTIAL)

6. PROPERTY SERVICES ASSET DECISIONS (Pages 79 - 102)

To consider an exempt report from the Director of Culture, Communities and Business Services regarding formal transactions relating to HCC owned or occupied assets.

NON KEY DECISIONS (EXEMPT/CONFIDENTIAL)

7. WINCHESTER DISCOVERY CENTRE - EXEMPT APPENDIX (Pages 103 - 104)

An exempt appendix for the Winchester Discovery Centre item on the open agenda.

ABOUT THIS AGENDA:

On request, this agenda can be provided in alternative versions (such as large print, Braille or audio) and in alternative languages.

ABOUT THIS MEETING:

The press and public are welcome to observe the public sessions of the meeting via the webcast.

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HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Executive Member for Commercial Strategy, Estates and Property
Date:	20 July 2021
Title:	Gosport Old Grammar School
Report From:	Director of Culture, Communities and Business Services

Contact Name: Emma Noyce and Bob Wallbridge

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Purpose of this Report

1. The purpose of this report is to seek spend approval to the project proposals to refurbish and enhance the Gosport Old Grammar School heritage museum.

Recommendations

2. That the Executive Member for Commercial Strategy, Estates and Property gives approval to spend on the project proposals to refurbish and enhance the Gosport Old Grammar School heritage museum at a cost of £998,319 to be met from funds held by the Hampshire Cultural Trust.
3. That the Executive Member for Commercial Strategy, Estates and Property Gives approval to enter into a Funding Agreement with the Hampshire Cultural Trust (HCT) to secure the funding needed to implement the project.

Executive Summary

4. This report seeks spend approval to the project proposals for the refurbishment the Gosport Old Grammar School at an estimated total project cost of £998,319.

5. The funding for the project is included in the Culture, Communities and Business Services Capital Programme at a total of £998,319.
6. The Gosport Old Grammar School project will be managed and delivered by Hampshire County Council. The project has been developed by Hampshire Cultural Trust in partnership with the County Council.
7. All funding for the project has been raised by Hampshire Cultural Trust. This funding includes a contribution of £374,000 from the Hampshire County Council Leaders Investment in Hampshire fund.
8. It is proposed to refurbish the building and provide an enhanced heritage museum and café within the existing Grade II listed premises and undertake associated internal improvements. The proposals incorporate external improvements including a new courtyard, a new corridor link and associated landscaping.
9. The redevelopment is intended to be an integral part of the High Street Heritage Action Zone to rebrand the High Street and to reflect a unique, heritage-driven experience that is compelling for residents and visitors.

Contextual Information

10. The Grade II listed Gosport Old Grammar School building is located at the western end of the High Street Conservation Area of Gosport. The building is owned by Hampshire County Council and, until 2018, was operated jointly between Hampshire Library Service as part of the Gosport Discovery Centre campus and by Hampshire Cultural Trust, as part of their SEARCH initiative, providing educational facilities to compliment the nearby Discovery Centre run by Hampshire County Council. Since 2018, HCT have had sole occupation of the building.
11. In mid-2019, Gosport Borough Council carried out a range of consultation activities to improve understanding of the challenges facing Gosport and its High Street. The most significant of which was a perceptions study which resulted in over 700 contributions from residents.
12. Residents recorded having little reason to visit the High Street, whilst seeing town centre living as key to Gosport's future. Residents requested improvements to the high street and to the visitor offer; a sense of place to be created; and new live/work opportunities to be created. Culture and heritage were identified as two of the key themes for driving transformation of the high street.

13. In response to the findings, Hampshire Cultural Trust (HCT) partnered with Gosport Borough Council on the development of a successful bid to Historic England for High Street Heritage Action Zone (HSHAZ) funding.
14. The HSHAZ redevelopment is intended to deliver the scheme's ambitions to rebrand the High Street to reflect a unique, heritage-driven experience that is compelling for residents and visitors.
15. The redevelopment of the Grade II listed Gosport Old Grammar School building will be a key element in these proposals and add to the historic streetscape reflecting local character; encourage footfall through a more balanced commercial and leisure offer in the town centre; and help to build a strong identity cultivated through heritage, culture, and community engagement.
16. The proposals will create an enhanced heritage museum, café and art hub and are designed to complement the form, character and scale of the original Grammar School building and the historical significance and setting.

Finance

17. As part of the HSHAZ scheme, the redevelopment of the Gosport Old Grammar School was identified as one of two key capital projects and was awarded £467,500 of funding from an Historic England grant.
18. HCT has also secured financial contributions from a range of other funders.
19. In April 2019, HCC funding of £374,000 was allocated to the Gosport Old Grammar School refurbishment from the Leaders Investment in Hampshire Fund, as a grant to HCT.
20. It is proposed that HCC Property Services will manage and deliver the building and fit-out works. It is estimated that the cost of the works is £998,319 including fees.
21. The remainder of the proposed improvement works, primarily exhibition and other fit-out works, are in the order of £430,000 and these will be designed, managed and delivered directly by HCT.

Capital Expenditure:

22. The following tables outline the breakdown of the distribution of capital expenditure across the project.

Capital Expenditure	Current Estimate £'000	Capital Programme £'000
Buildings	866,332	866,332
Fees	131,987	131,987
Total	998,319	998,319

23. Sources of Funding:

Financial Provision for Total Scheme	Buildings £'000	Fees £'000	Total Cost £'000
1. External Funding			
a) Hampshire Cultural Trust	866,332	131,987	998,319
Total	866,332	131,987	998,319

Furniture & Equipment:

Included in the above figures is an allocation of £14,799 for the provision of loose furniture, fittings, equipment and I.T. (inclusive of fees).

Details of Site and Existing Infrastructure

24. The Old Grammar School Museum and Art Gallery is a key destination in the heart of Gosport, conveniently situated at the western end of the High Street. It occupies an iconic Grade II listed building, constructed in 1901, and houses a local museum and public art galleries.

Scope of the Project

25. Hampshire Cultural Trust plan to redevelop Gosport Old Grammar School into Gosport Museum and Art Gallery (GMAG), a vibrant community hub to include a new museum, café, courtyard and refurbished learning spaces. GMAG will support neighbourhood regeneration in Gosport through provision of locally relevant arts and cultural experiences and learning opportunities, continuing the legacy of the Old Grammar School as a place of curiosity and learning.

26. The museum will make Gosport's rich naval, military and social heritage more visible and provide a platform for a greater range of heritage-based participatory and learning programmes, ranging from talks, workshops and

events for adults, to curriculum-linked science and history sessions for schools.

27. A new café will provide a more inviting, inclusive and informal community meeting space. Collections will be integrated throughout the space and diverse audiences will be made to feel welcome, with consideration of dementia friendly and family friendly facilities, and relaxed areas for those with additional needs. A retail offer will provide opportunities for local makers to sell original products alongside Gosport memorabilia.
28. Further targeted community outreach programmes will build on established evidence, using heritage to improve wellbeing, mental health and attainment for all, and specifically for young parents, isolated older people and those who are not in employment, education or training.
29. The proposals have been developed to ensure the building is as accessible as possible within the constraints of the existing building fabric. The building will provide level access from the main High Street Entrance to all public areas, including the Café, Museum, and Gallery spaces. It is also proposed to enhance the accessibility of the toilet accommodation within the building through the inclusion of new accessible toilets and a changing place.

Proposed Building Works

30. The proposed building works comprise:

Museum

- Improved facilities for interpreting and making accessible the extensive local history collections held by HCT.
- Objects from the collections displayed throughout the site.

Gallery

- A new link from the main entrance will be constructed. In order to enhance the connectivity of the Gallery Spaces to the High Street and to the other facilities within the building, it is proposed to create a new link gallery extension, connecting the original High Street library building directly with the gallery wing which is currently only accessed directly off Ordnance Road. The link is designed to maximise views through the building from the High Street entrance, ensuring the Gallery becomes a more accessible and visible public facility.

Café

- A new café offer including a servery and seated areas.
- New loose fixtures, fittings and equipment

Retail / Revenue Generation

- A retail offer will provide opportunities for local makers to sell original products alongside Gosport memorabilia.
- New and improved opportunities for earned income generation will also include spaces for hire.

Other internal

- Toilet refurbishment (public and staff).
- Improved access.
- Signage, branding, wayfinding and graphics.

External Works

31. The new link gallery will enable the creation of an enclosed courtyard garden in the space currently occupied by a car park. This will provide a valuable quiet external space for use by visitors to the building. The provision of a new ramp within the link gallery will enable the removal of the existing ramp and steps to Ordnance Road. Remodelling of this area will provide an increase in the area of soft landscape as well as new concealed bin storage and cycle parking.

Planning

32. The proposals are considered to be low impact and non-contentious. A Listed Building Consent application was made in January 2021 and a decision is anticipated in July 2021.

Construction Management

33. Areas of the building will be closed to the public during the planned building and fit out works. Where areas remain in use during the refurbishment, local arrangements will be put in place to manage the health and safety impact to all users. A full building closure is planned towards the end of the building contract to enable the completion phase of the project including fit out works.

34. The works will be procured through the Hampshire Minor Works Construction Framework. It is anticipated that works will commence on site during the autumn 2021 and complete during summer 2022.

Building Management

35. The building management arrangements with the Hampshire Cultural Trust are currently defined by the licence under which they have occupied the building since April 2019. A lease is currently being finalised by solicitors which will replace this licence.
36. Executive Member approval was granted for a lease term of 25 years at a peppercorn rent.
37. External and structural repairs will remain the responsibility of the County Council with internal repair, decoration and the maintenance of landscaping resting with the Trust.
38. Hampshire Cultural Trust will not be permitted to assign or underlet the premises under the terms of the lease.
39. The Cultural Trust will be responsible for the payment of all business rates and utilities.
40. Alterations to the building will only be permitted subject to consent from the County Council.

Professional Resources

41. Chargeable professional resources for the project are:

- | | | |
|------|-------------------------------|-----------------------|
| i. | Architectural/Interior Design | HCC Property Services |
| ii. | Mechanical & Electrical | HCC Property Services |
| iii. | Structural Engineering | HCC Property Services |
| iv. | Quantity Surveying | HCC Property Services |
| v. | Principal Designer | HCC Property Services |

Consultation and Equalities

42. At the outset of the project HCT engaged cultural researchers to undertake a panel survey to assess the interest and in and priorities for a redevelopment of the Old Grammar School site. Over 990 people responded. Participants were asked to rank their interest in a range of facilities, with the museum (74%), café and bar (70%), and shop (63%) emerging as the three top facilities prospective visitor were most likely to use. The study also showed with the proposed changes, the redeveloped site had an estimated annual visitor potential of 42,000, more than double current visitor numbers.
43. Following this study HCT has run further focus groups and surveys to better understand the needs and interests of the local community. Focus group

respondents identified the venue's potential to foster a sense of pride in Gosport and serve community needs.

44. In January 2021 two new long-term community engagement programmes commenced; a community reference group will be established to represent the interest of key audiences for the redevelopment; and a community story group will be established to develop the displays and interpretation in the museum.
45. HCT is also consulting with Arts Council England (ACE) to ensure the redevelopment allows accreditation of the gallery and museum for the collection to be maintained with the works planned.
46. The following have also been involved and consulted during the development of this project,
 - Hampshire Cultural Trust
 - Gosport Borough Council
 - Friends of Gosport Museum
 - Historic England
 - Arts Council
 - Gosport Borough Council Conservation Team
 - Hampshire County Council Fire Team
 - Hampshire County Council Access Team
 - Hampshire County Council Planning Officer
 - Hampshire County Council Highways Officer
 - Hampshire County Council Ecology Team
 - Hampshire County Council County Archaeologist

Risk & Impact Issues

Fire Risk Assessment

47. With respect to fire safety and property protection, the proposals have been risk assessed in line with the agreed Property Services procedures and the proposals will comply with relevant legislation.
48. The proposals will meet the requirements of the Building Regulations and are consistent with current fire safety legislation, the partnership arrangement with Hampshire Fire and Rescue Services, and are in line with the County Council's policy to manage corporate risk.

Health and Safety

49. Design risk assessments, pre-construction health and safety information and a Health & Safety File will be produced in accordance with the Construction Design and Management Regulations for the proposed scheme.

Climate Change

50. Hampshire County Council utilises two decision-making tools to assess the carbon emissions and resilience of its projects and decisions. These tools provide a clear, robust, and transparent way of assessing how projects, policies and initiatives contribute towards the County Council's climate change targets of being carbon neutral and resilient to the impacts of a 2°C temperature rise by 2050. This process ensures that climate change considerations are built into everything the Authority does.
51. The Adaptation Project Screening Tool identifies that in extreme circumstances, strong winds, storm events and heat waves arising from Climate Change in the future, could have the potential to affect the use of the building, but generally the scheme is considered to have low vulnerability to climate change.
52. The carbon mitigation tool does not calculate emissions for refurbishment projects so is not applicable. However, the project will incorporate the following features to reduce energy consumption and mitigate the impact of climate change:
- New lights will be energy efficient LED
 - Timber will be sustainably sourced.
 - A site waste management plan will be developed to ensure the principles of minimising waste are maintained during construction.
53. The project is important for meeting Hampshire County Councils' strategic priorities, including economic growth and contributing towards strong, resilient and inclusive communities in the following ways:
54. Strategic Outcome 1: Hampshire maintains strong and sustainable economic growth and prosperity.
- The new Gosport Museum and Gallery HCT will create new job opportunities in arts and creative programming, as well as new operational roles.
 - The enhanced cultural programme delivered by HCT will offer new learning experiences focusing on life skills, literacy and creative practice, helping people to develop and maintain skills.

- The capital works will improve the quality and quantity of cultural experiences on offer and will improve the long-term financial sustainability of both organisations.

55. Strategic Outcome 2: People in Hampshire live safe, healthy and independent lives.

- The capital works will provide more opportunities for engagement with local families by improving the dedicated area for younger children (ages 0-11) and improving the play gallery with space for facilitated activities.
- The venue offers learning opportunities for school aged children and their families, and provides a range of resources to support young people outside of the classroom.
- Gosport Museum and Gallery will bring together broad cross sections of the community, and provide spaces and events that enable shared experiences.
- Gosport Museum and Gallery will provide free leisure and cultural experiences to residents and visitors.
- Hampshire Cultural Trust will engage with under-represented and hard-to-reach communities to improve opportunities for these groups to actively participate in all aspects of culture and learning in a familiar space.

56. Strategic Outcome 3: People in Hampshire enjoy a rich and diverse environment.

- A significantly expanded cultural programme will meet visitors' needs and interests throughout their lifetime.
- Gosport Museum and Gallery is a Grade-II listed building that situated on Gosport's High Street and forming part of the High Street Heritage Action Zone. Proposed capital works will refresh and enhance the current space in a sympathetic way and in accordance with relevant listed building consents.

57. Strategic Outcome 4: People in Hampshire enjoy being part of strong, inclusive communities.

- The venue will be an important cultural hub, providing a safe, accessible, and inclusive space for individuals and groups to meet, learn and discover.

Equalities

58. An Equalities Impact Assessment has been prepared. The proposals are intended to have an overall positive impact and advance equality for members of the public.

Conclusions

59. That the Executive Member for Commercial Strategy, Estates and Property gives approval to spend, enter into the necessary contractual arrangements to implement the project and enter into a Funding Agreement with the Hampshire Cultural Trust to deliver the project.

REQUIRED CORPORATE AND LEGAL INFORMATION:

Links to the Strategic Plan

Hampshire maintains strong and sustainable economic growth and prosperity:	yes
People in Hampshire live safe, healthy and independent lives:	yes
People in Hampshire enjoy a rich and diverse environment:	yes
People in Hampshire enjoy being part of strong, inclusive communities:	yes

Other Significant Links

Links to previous Member decisions:	
<u>Title</u> Executive Member for Policy and Resources Report	<u>Date</u> 24 April 2019
Direct links to specific legislation or Government Directives	
<u>Title</u>	<u>Date</u>

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

<u>Document</u>	<u>Location</u>
None	

EQUALITIES IMPACT ASSESSMENT:

1. Equality Duty

The County Council has a duty under Section 149 of the Equality Act 2010 ('the Act') to have due regard in the exercise of its functions to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited by or under the Act with regard to the protected characteristics as set out in section 4 of the Act (age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation);
- Advance equality of opportunity between persons who share a relevant protected characteristic within section 149(7) of the Act (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation) and those who do not share it;
- Foster good relations between persons who share a relevant protected characteristic within section 149(7) of the Act (see above) and persons who do not share it.

Due regard in this context involves having due regard in particular to:

- The need to remove or minimise disadvantages suffered by persons sharing a relevant protected characteristic that are connected to that characteristic;
- Take steps to meet the needs of persons sharing a relevant protected characteristic that are different from the needs of persons who do not share it;
- Encourage persons sharing a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

2. Equalities Impact Assessment:

3. An Equalities Impact Assessment has been prepared. Overall this project has a positive impact on equalities, especially for the following protected characteristics:

- **Disability:** the venue will be accessible and will provide free leisure and cultural experiences. Where paid opportunities are offered, free tickets are available to carers. A Changing Places toilet will be built as part of the redevelopment. The venue will also provide meeting places for a range of community groups and services, such as Gosport Voluntary Action, who support and connect disabled residents. The building is accessible to carers and free tickets to any paid programmes are offered to carers visiting with those they care for. The building opening times are also being reviewed through the redevelopment, and three evening openings per

week, as well as extended hours on weekend, will improve opportunities to visit.

- Race: the venue will bring together broad cross sections of the Gosport community, and provide spaces and events that enable shared experiences. The onsite museum will also provide an opportunity to showcase diverse local stories, highlighting the role of different cultures and communities in building the present-day town.
- Pregnancy and maternity: the venue will provide dedicated facilities for parents and carers of young children, including baby change areas, nappy disposal and a play gallery specifically designed for children under 5 years. The venue will also provide a range of employment and volunteering opportunities suitable and accessible to parents looking to return to the workforce.
- Age: the venue offers formal learning programmes for school aged children and their families and provides a range of resources to schools to support young people outside of the classroom. The venue also hosts a range of low cost and free programmes designed to improve educational attainment in young people.



Location Plan



Proposed new link building.

Proposed new revised carparking bay layout

Proposed new accessible WC and baby change

Proposed new cafe with servery, prep area and retail

New cycle parking

Carpark to be removed and proposed new hard and soft landscaping to central courtyard

Proposed new WC's and changing place

Proposed new museum fit-out

Notes:

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HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker	Executive Member for Commercial Strategy, Estates and Property
Date:	20 July 2021
Title:	Schools Condition Allocation Projects
Report From:	Director of Culture, Communities and Business Services

Contact name: Steve Clow

Tel: 0370 779 8845

Email: steve.clow@hants.gov.uk

Purpose of this Report

1. The purpose of this report is to seek approvals for three schemes funded from the Schools Condition Allocation (SCA) grant.

Recommendations

That the Executive Member for Commercial Strategy, Estates and Property:

2. Approves the allocation of an additional £349,500 of Schools Condition Allocation grant to the scheme to upgrade the atrium roof at Crestwood School, with a revised total scheme value of £2,390,580.
3. Approves the allocation of an additional £400,000 of Schools Condition Allocation grant to the scheme to upgrade the roof at Stoke Park Infants School, with a revised total scheme value of £1,300,000.
4. Recommends the addition of the scheme for the upgrade of the roof at Rowlands Castle St John's CEC Primary School to the 2021/22 capital programme at a value of £407,000 funded from the 2021/22 Schools Condition Allocation grant.
5. Approves the project appraisals for the roof upgrades to Crestwood School atrium, Stoke Park Infant school and St John's CEC Primary School set out in this report.

Executive Summary

6. This report seeks approval to increase funding for two previously allocated capital projects and add a further named scheme to the 2021/22 capital programme. All schemes are funded from the Schools Condition Allocation grant as part of the wider programme of repairs and maintenance for the schools' estate and address three of the highest priority liabilities for condition and health and safety on the school estate.
7. The additional funding is required for schemes at Crestwood School and Stoke Park Infant School due to changes in the scope of works identified during detailed development of the proposals and increased market costs arising from high demand in the commercial and domestic markets, supply challenges on key materials due to the impacts of the Covid pandemic and other factors. It is not unusual for the scope of works to change during the development of the project as early estimates are provisional when allocated. Property Services manages the overall programme of work on a rolling basis to ensure that the highest priorities are addressed and contained within the annual budget allocation. The County Council was the recipient of additional grant for schools condition in the summer of 202 as well as a larger grant than in previous years in 2021. This gives the additional flexibility in the budget to accommodate the change and scope and the increase in costs.
8. There is now strong evidence of availability and supply chain pressures in the industry leading to delays and additional costs. The Director of Culture, Communities and Business Services will continue to monitor the situation carefully and make adjustment to future budgets and timescales based on the latest position. This is a national issue which will affect delivery of all construction activity over the foreseeable time period.
9. An additional named scheme, to upgrade the flat roof at Rowlands Castle St John's Primary school, is to be added to the 2021/22 capital programme.
10. Project appraisals are set out in the report together with the climate change impact assessment for each scheme.

Contextual Information

11. The [Managing Hampshire's Built Estate report](#) was presented at the Executive Member for Commercial Strategy, Human Resources and Performance Decision Day on 17 March 2021. The Executive Member approved the high-level budget allocations for the 2021/22 repairs and maintenance programme for the schools estate, including carry forward of unspent funding from 2020/21.
12. At the time of the report, the 2021/22 Schools Condition Allocation grant had not been confirmed by the Department for Education and a figure of £17.4million was assumed for the purposes of budget planning. A confirmed grant allocation of just under £23.4 million was published in late April 2021. This is excellent news for the County Council and, if maintained, represents a step change in the scale of the allocation. It is hoped the DfE will continue to

fund Hampshire at this level in the coming years. This will enable us to deliver more work although with the previous inflationary pressures referred to in this report it will inevitable that a proportion of this welcome funding will be used to cover additional costs.

Crestwood School (Shakespeare site), Eastleigh – Upgrade to Atrium Roof

13. Crestwood School was constructed in the early 1980s and comprises two, 2-storey, brick built, curved teaching blocks linked by an external atrium. The atrium roof spans across both teaching blocks to create a sheltered external area where children are able to congregate at break times. The scheme to upgrade the atrium roof was included in the P and R 2020/21 capital programme.
14. The roof is a lightweight structure comprising a steel framework covered in polycarbonate sheeting which was originally designed to shelter the area from rain and wind, but without creating an internal environment; in effect the atrium space was designed to create a covered external street.
15. When the school was constructed, the intention was that atrium would be used as a covered thoroughfare for staff and pupils to transit between the two teaching blocks. Over the years however, as the curriculum has changed and the school is open to the community, the atrium is being used for more curriculum and community-based activities, including out of hours use.
16. Over recent years the roof has started to show signs of deterioration and leaks badly during period of heavy rain. Birds are now able to gain access to the atrium space through the ventilated ridge because the netting across the opening has failed.
17. More recently the school have reported a number of incidences where small pieces of rust/paint have fallen from the steelwork of the roof structure onto the floor of the atrium which raises a health and safety concern.
18. Close up examination of the steelwork has revealed that whilst some corrosion is present the structural safety has not been compromised. Although remediation works has taken place to remove the loose material on the steelwork and make the area safe, a more permanent solution is required to address the corrosion, the ingress of rain water and to keep out birds and other wildlife from the atrium.
19. The original scheme intended to remove the existing polycarbonate roof covering, clean, rust proof and paint the existing steelwork and to recover the roof in a modern lightweight composite polycarbonate material. A tempered air ventilation system will be installed in the atrium together with improved lighting to enable the space to be more fully utilised by the school for both curriculum, extra-curriculum and community activities.
20. The revised scope of work includes provision for specialist removal and disposal of lead traces identified in the steelwork during detailed planning.

This, coupled with further phasing, site segregation and temporary pupil WC facilities for safety reasons and to enable continuity of curriculum, increased the length of the project and associated main contractor costs.

21. Planning for the scheme was submitted in February 2021 and granted by Hampshire County Councils Regulatory Committee.
22. The project is now planned to start on site during the school summer holidays 2021, with due completion during the February half-term 2022.
23. Management of works has been carefully planned through joint consultation with Hampshire County Council Property Services, the school and the main Contractor, to ensure the project can be delivered with minimum impact to the curriculum and with due consideration to the health & safety of pupils, staff and visitors to the school.
24. Careful consideration has been given to:
 - Segregation of work force and pupils by closure of the entire Mall.
 - Considered phasing of works
 - Provision of school welfare facilities outside of contractors work area
 - Carefully controlled delivery of materials to and from site

Finance

25. The scheme to upgrade the atrium roof was included in the 2020/21 capital programme and the funding envelope confirmed at. £2.04m by the [Executive Member for Commercial Strategy, Human Resources and Performance](#) on 19th January 2021.
26. Tenders returned in May 2021 have exceeded the increased funding for the scheme. The increased costs are attributed to an increase in the scope of works (circa £130,000) and rising construction costs (circa £170,000) across the industry due to high demand, stimulated by both the commercial and domestic market, coupled with supply challenges on key materials linked to the manufacturing impacts during the ongoing Pandemic and other factors.
27. To allow the scheme to progress to site, additional funding of £349,500 is now required bringing the total value of the scheme to £2,390,580. It is proposed to allocate the additional funding from the 2021/22 SCA grant.

Funding	Buildings £	Fees £	Total Cost £
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Previously approved 2021/22 P&R School Condition Allocation (SCA)	1,752,000	289,080	2,041,080
2021/22 P&R School Condition Allocation (SCA)	£300,000	£49,500	£349,500
Total	£2,052,000	£338,580	£2,390,580

Climate Change Impact Assessment

28. Hampshire County Council utilises two decision-making tools to assess the carbon emissions and resilience impacts of its projects and decisions. These tools provide a clear, robust, and transparent way of assessing how projects, policies and initiatives contribute towards the County Council's climate change targets of being carbon neutral and resilient to the impacts of a 2°C temperature rise by 2050. This process ensures that climate change considerations are built into everything the Authority does.
29. The Adaptation Project Screening Tool identifies that the predominant vulnerabilities are heat waves arising from Climate Change and strong winds, extreme storms, which could affect the building. The scheme is considered to have a medium vulnerability in both factors, but a low vulnerability overall.
30. The carbon mitigation tool does not calculate emissions for refurbishment projects so is not applicable. However, the project will incorporate the following features to reduce energy consumption and mitigate the impact of climate change:
- Upgraded atrium roof to improve thermal performance, reducing heat loss in the winter and solar gain in the summer
 - Solar PV will be installed to generate sufficient electricity to offset the energy used by the new ventilation strategy. This will result in a cost neutral position for the school and will not add to their carbon footprint.

Stoke Park Infants School - Roof Covering Renewal and Insulation Upgrade

31. Stoke Park Infant School is located in Bishopstoke, Eastleigh and is of steel frame construction with masonry elevations and a pitched multi-faceted roof on rafters with glulam beam purlins. The roof coverings are a mixture of patent glazing, timber shingles and zinc sheet finishes. The building was constructed in 1990. The roof finishes have now come to the end of their useful life. The scheme to upgrade the roof covering was included in the capital programme at a value of £900,000.
32. The original scope of works included the replacement of the patent glazing and cedar shingles, which are at the end of their life, with modern equivalent materials and replacement of the zinc roofing with a coated steel system.

During the development of the scheme additional works, including repairs to the glulam beams and external decorations together with associated internal repairs and making good, were identified.

33. The project was tendered in early 2021. The project does not require planning permission and it is proposed to start on site in early Spring 2022 with completion by the end of 2022.
34. The project will be completed in five sections, the school will vacate areas in phases during the work and modular classrooms will be provided for the school to use and ensure continuity of curriculum during the project. Work is also programmed so that the hall and kitchen will be undertaken in the school summer holidays 2022 to minimise the disruption.

Finance

35. The scheme was included in the 2019/20 capital programme at a value of £900,000. The cost of the scheme has increased since the original estimate was prepared in late 2018, due to the additional works identified during development of the scheme (circa £130,000) and changes in market costs (circa £213,000).
36. Rising construction costs across the industry are attributed to high demand, stimulated by both the commercial and domestic market, coupled with supply challenges on key materials linked to the manufacturing impacts during the Covid pandemic and other impacts.
37. An additional £400,000 of funding is now required, increasing the overall value of the scheme to £1.3million. It is proposed to allocate the additional finding from the 2021/22 SCA grant.

Financial Provision for Total Scheme	Buildings £	Fees £	Total Cost £
Previously approved 2019/20 P&R School Condition Allocation (SCA)	772,000	128,000	900,000
2021/22 P&R School Condition Allocation (SCA)	343,000	57,000	400,000
Total	1,115,000	185,000	1,300,000

Climate Change Impact Assessment

38. Hampshire County Council utilises two decision-making tools to assess the carbon emissions and resilience impacts of its projects and decisions. These tools provide a clear, robust, and transparent way of assessing how projects, policies and initiatives contribute towards the County Council's climate change targets of being carbon neutral and resilient to the impacts of a 2°C

temperature rise by 2050. This process ensures that climate change considerations are built into everything the Authority does.

39. The Adaptation Project Screening Tool identifies that in extreme circumstances, strong winds, storm events and heat waves arising from Climate Change in the future, could have the potential to affect the use of the building, but generally the scheme is considered to have low vulnerability to climate change.
40. The carbon mitigation tool does not calculate emissions for refurbishment projects so is not applicable. However, the project will incorporate the following features to reduce energy consumption and mitigate the impact of climate change:
 - Provision of new roof insulation to modern standards, reducing heat loss and thermal gain.
 - Replacement of the single glazed patent glazing with new double glazed, solar reflective glass which will reduce glare and excessive heat gain whilst maintaining a good standard of daylight
 - Reduce the amount of artificial light needed.

Rowlands Castle St. Johns CEC Primary School – Flat roof thermal improvement and re-covering

41. Rowlands Castle St John's Primary school is a SCOLA 3 school constructed in the early 1970s comprising a steel frame under a flat roof. The roof is at the end of its life and the school suffers from regular leaks in a number of places, degrading the roof structure and causing damage to internal finishes. It is therefore proposed to replace and upgrade the roof covering.
42. The proposed work includes the removal of the existing roof covering and water damaged insulation, replacement insulation and the provision of a new high performance waterproof covering. The works will also include the replacement of existing rooflights and ensure that the roof drainage is sufficient and free running.
43. The project does not require planning permission and it is proposed to commence works on site in late Summer 2021 with completion by the end of the year. The works can be undertaken whilst the school is in occupation and with minimal disruption to the operation of the school.

Finance

44. The estimated value of the proposed scheme is £407,000. The scheme will be funded from the 2021/22 Schools Condition Allocation (SCA) grant.

Funding	Buildings £	Fees £	Total Cost £
2021/22 Schools Condition Allocation (SCA) grant	350,000	57,000	407,000
Total	350,000	57,000	407,000

Climate Change Impact Assessment

45. Hampshire County Council utilises two decision-making tools to assess the carbon emissions and resilience impacts of its projects and decisions. These tools provide a clear, robust, and transparent way of assessing how projects, policies and initiatives contribute towards the County Council's climate change targets of being carbon neutral and resilient to the impacts of a 2°C temperature rise by 2050. This process ensures that climate change considerations are built into everything the Authority does.
46. The Adaptation Project Screening Tool identifies that in extreme circumstances, strong winds, storm events and heat waves arising from Climate Change in the future, could have the potential to affect the use of the building, but generally the scheme is considered to have low vulnerability to climate change.
47. The carbon mitigation tool does not calculate emissions for refurbishment projects so is not applicable. However, the project will incorporate the following features to reduce energy consumption and mitigate the impact of climate change:
- Provision of new roof insulation to modern standards, reducing heat loss and thermal gain.

Conclusions

48. Property Services continues to implement effective planned and reactive strategies that improve health and safety and reduce maintenance liabilities across the schools' built estate, within the available budgets
49. Detailed development of two schemes, at Crestwood School and Stoke Park Infant School, together with current pressures in the construction market resulting from a number of factors, have led to an increase in the cost of two schemes. Approval of additional funding is now required to allow these schemes to progress.
50. The estimated value of the scheme to replace the roof covering at Rowlands Castle St. Johns Primary School has now been confirmed at £407,000 and the scheme now requires approval to spend and addition to the 2021/22 capital programme.

51. The schemes identified in this report are necessary to address three of the highest priority liabilities for condition and health and safety on the school estate.

REQUIRED CORPORATE AND LEGAL INFORMATION:

Links to the Strategic Plan

Hampshire maintains strong and sustainable economic growth and prosperity:	Yes
People in Hampshire live safe, healthy and independent lives:	Yes
People in Hampshire enjoy a rich and diverse environment:	Yes
People in Hampshire enjoy being part of strong, inclusive communities:	Yes

Other Significant Links

Links to previous Member decisions:	
Financial Update and Budget Setting and Provisional Cash Limits 2021/22	<u>Date</u> 24/11/20 03/12/20
Managing Hampshire's Built Estate report	17/03/21
2020-01-17 EMPR 2020-21 Capital programme for Policy and Resources (hants.gov.uk)	17/01/20
2019/20 to 2021/22 Capital Programme Report for Policy and Resources	18/01/19
Direct links to specific legislation or Government Directives	
<u>Title</u> N/A	<u>Date</u> N/A

Section 100 D - Local Government Act 1972 - background documents	
<p>The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)</p>	
<u>Document</u>	<u>Location</u>
None	

EQUALITIES IMPACT ASSESSMENT:

1. Equality Duty

The County Council has a duty under Section 149 of the Equality Act 2010 ('the Act') to have due regard in the exercise of its functions to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited by or under the Act with regard to the protected characteristics as set out in section 4 of the Act (age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation);
- Advance equality of opportunity between persons who share a relevant protected characteristic within section 149(7) of the Act (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation) and those who do not share it;
- Foster good relations between persons who share a relevant protected characteristic within section 149(7) of the Act (see above) and persons who do not share it.

Due regard in this context involves having due regard in particular to:

- The need to remove or minimise disadvantages suffered by persons sharing a relevant protected characteristic that are connected to that characteristic;
- Take steps to meet the needs of persons sharing a relevant protected characteristic that are different from the needs of persons who do not share it;
- Encourage persons sharing a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

2. Equalities Impact Assessment:

- 2.1 The expenditure identified in this report will ensure that the County Council's built estate continues to provide a safe, compliant and suitable environment for the delivery of public services. The programmes of work identified will have a positive impact on children of school age through improvements to school buildings through delivery of planned health and safety and condition works.

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HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Executive Member for Commercial Strategy, Estates and Property
Date:	20 July 2021
Title:	Business Services Group – 2020/21 Annual Report and Accounts
Report From:	Director of Culture, Communities and Business Services

Contact name: Shaun Le Picq

Tel: 0370 779 0482

Email: shaun.lepicq@hants.gov.uk

Purpose of this Report

1. The purpose of this report is to provide a summary of the financial and business performance of the three self-funding business units within the Culture, Communities and Business Services (CCBS) department for the 2020/21 financial year. The report also includes an overview of the aggregated accumulated surpluses of these business units.

Recommendation(s)

2. The 2020/21 annual report and accounts for the Business Services Group be approved.

Executive Summary

3. This report provides the Executive Member with a summary of the financial and business performance of the three self-funding business units, known collectively as the Business Services Group (BSG) in the Culture, Communities and Business Services Department (CCBS) for the 2020/21 financial year. The three business units within BSG are:
 - Hampshire County Council Catering Services (HC3S)
 - Hampshire Transport Management (HTM)
 - County Supplies.

4. The business units operate in a highly competitive environment and their continued trading performance is dependent on the success of their business development plans in retaining existing customer loyalty and winning new business. 2020/21 has been a very challenging year with trading disrupted by the Covid-19 pandemic. The closure of schools and other customer establishments for a significant proportion of the trading year had a considerable adverse impact on turnover.
5. Despite these difficult trading conditions, the three business units worked hard to generate efficiencies, reduce headcount and other costs where possible, make appropriate use of the Government's job retention scheme ('furlough'), deliver their original 2020/21 objectives and build new business.
6. All three business units have supported the County Council, schools and partner organisations with a range of Covid-19 pandemic response services and have been operational throughout the year, including during lockdowns.
7. The annual net trading surplus for BSG in 2020/21 was £948,000, compared to an original business plan target surplus of £115,000. This surplus was achieved by the business units delivering over £800,000 of cost reduction (not related to the Covid-19 pandemic) and corporate Covid-19 funding of £3.8 million to cover the net loss of income as a direct result of the pandemic. The business units also claimed £416,000 from the Government's Contain Outbreak Management Fund (COMF), which offset some specific additional Covid-19 costs.
8. The businesses are continuing their work, in line with their business plans, to generate efficiencies, focus on customer retention, exploit digital technologies and win new business. The investment required for these business development programmes is funded by the accumulated surpluses generated by the business units and this ensures that no financial support is provided by the County Council for this investment. During 2020/21, BSG invested £858,000 in new initiatives and projects.
9. The balance on the accumulated surpluses was £5.3 million at the end of the year. Although this was a total increase of £1.57 million during the year, £931,000 related to corporate Covid-19 funding for HC3S's loss of income in the previous financial year (2019/20) and £350,000 is the 2020/21 underspend on the schools Catering Support Service Level Agreement pooled fund. Therefore, the in-year trading movement on the accumulated surpluses was an increase of only £286,000. Over the last two years, the accumulated surpluses have reduced by £0.4m from £5.7m to £5.3m.
10. During the year HC3S was re-accredited with the Soil Association's 'Food for Life Served Here' Bronze award for all primary schools. This accreditation is

reviewed annually and confirms that at least 75% of food is cooked fresh, is good quality and sourced locally where possible.

11. The business units have also supported the delivery of County Council initiatives and objectives during 2020/21 including:
 - leading on three of the five climate change workstreams in CCBS
 - replacing existing diesel vehicles, at the end of their useful life, with fully electric vehicles
 - trialling Hydro-treated Vegetable Oil (HVO) fuel in several diesel goods vehicles as part of the climate change programme to reduce fleet carbon emissions
 - providing and promoting healthy and nutritious meals for school children
 - working in partnership with Children's Services to achieve savings on their contribution to the cost of the courier service as part of their Transformation to 2021 programme.

Contextual information

12. The three self-funding business units (HC3S, HTM and County Supplies) in CCBS are required to be financially self-sufficient by generating income through trading with the County Council, schools, other educational establishments and the wider public and third sectors in and around Hampshire. The income is intended to cover all costs, including relevant and appropriate departmental and corporate overheads. The business units are required to generate reasonable surpluses to enable them to invest in new initiatives to maintain competitiveness and business success.
13. The main aims of the business units are to provide good quality, value-for-money services to a wide range of internal and external customers, to be fully self-funding and to make a significant contribution to the County Council's corporate priorities.
14. BSG's primary trading focus is with customers in the education sector. Whilst trading is mainly with customers in Hampshire, Portsmouth and Southampton, the customer base extends into parts of Berkshire, Dorset (including Bournemouth, Christchurch and Poole), Isle of Wight, Surrey, West Sussex and Wiltshire.

Finance

15. The significant adverse impact on trading caused by the Covid-19 pandemic led to income being 19% below target at £48.6 million. However, with costs 17% below target at £47.7 million, BSG achieved a surplus of £948,000 for the year, compared to a target of £115,000. All three business units took management action during the year to reduce operating costs, which were not as a direct result of the pandemic, by just over £800,000, which is reflected in the increase in surplus of £833,000 compared to target.
16. The outturn includes £3.8 million of corporate funding to offset the net cost of the Covid-19 pandemic on the business units. The business units also claimed £416,000 from the Government's Contain Outbreak Management Fund (COMF). This offset some specific additional Covid-19 costs for the management of the Local Resilience Forum (LRF) PPE warehouse and the use of disposable catering items to enable schools to be 'Covid-19 Secure' in the provision of meals to pupils. The 2020/21 accounts for BSG are summarised in table 1 below and the summary accounts for each business unit are shown in appendix 1.

Table 1 – Business Services Group Actuals 2020/21

	Revised Target	Actuals	Variance to revised target	Variance
	2020/21	2020/21	2020/21	2020/21
	£'000	£'000	£'000	%
Income	57,771	48,612	(9,159)	(19%)
Costs	57,656	47,664	(9,992)	(17%)
Surplus / (deficit)	115	948	833	724%

17. Table 2 below illustrates the full impact of the pandemic on the business units. The key points to note for 2020/21 are:
- The Covid-19 pandemic reduced gross actual trading income by over £15 million, but this was offset by furlough income of £2 million, COMF funding of £0.4 million and reduced costs of just under £10 million.
 - BSG would have made an overall deficit of £5.4 million without funding support from the Government's job retention scheme, COMF and corporate Covid-19 funding.

Table 2 – Business Services Group Actuals 2020/21 - illustrating Covid-19 impact

	Revised Target	Actuals (excluding Covid-19 funding)	Variance to target	Corporate Covid-19 funding	Job Retention Scheme	COMF	Actual Outturn
	2020/21	2020/21	2020/21	2020/21	2020/21	2020/21	2020/21
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Income	57,771	42,393	(15,378)	3,775	2,028	416	48,612
Costs	57,656	47,664	(9,992)	0	0	0	47,664
Surplus / (deficit)	115	(5,271)	(5,386)	3,775	2,028	416	948

18. The most significant loss of gross income (over £13 million) was for HC3S due to lockdowns closing schools to all but vulnerable and key worker children. Although HC3S also provided free school meal lunchboxes for some schools, particularly in the first lockdown, the number of free school meals reduced in the quarter four lockdown as many schools chose to use the Government funded voucher scheme as this was more convenient and provided additional funding for schools.
19. In line with Government guidance, HC3S reduced the financial impact of the lower meal numbers by receiving financial support from schools' Universal Infant Free School Meal (UIFSM) funding and income-related free school meal funding regardless of the actual meal numbers provided. This financial support amounted to approximately £6.5 million for the periods April to September 2020 and January and February 2021. For the other four months of 2020/21, charges to schools we made on actual meal numbers.
20. In addition to generating £21.6 million of income from Hampshire schools, HC3S continued to maintain a portfolio of schools outside Hampshire (£1.6 million) and non-school sites (£1.1 million).
21. HTM's main loss of income of £270,000 was in spot hire, including the County Council's pool car fleet, as schools were not undertaking trips out and County Council staff reduced business travel. However, workshop income was above target by £98,000 primarily from increased winter maintenance work due to low temperatures for a sustained period of time in the last quarter of the year. The main income streams were:
- contract hire: £4.9 million
 - fuel: £0.96 million
 - spot hire: £0.61 million
 - workshop income: £0.6 million.

22. All of County Supplies income streams were reduced by the pandemic, though this impact was mitigated by the business maintaining a varied and broad portfolio of goods and services. The key income streams were:

- stores turnover: £8.4 million
- rebate from framework agreements: £0.7 million
- catalogue advertising: £0.2 million.

23. As self-funding business units, BSG also covers the cost of relevant departmental and corporate support services. In 2020/21, BSG contributed over £800,000 towards the cost of corporate and departmental overheads.

24. Table 3 below shows the annual surpluses generated by the business units over the last five years.

Table 3 – Annual Trading Surplus / (Deficit) 2016/17 to 2020/21

	Actual	Actual	Actual	Actual	Actual
	2016/17	2017/18	2018/19	2019/20	2020/21
Business Unit	£'000	£'000	£'000	£'000	£'000
HC3S	55	7	(280)	(2,030) ¹	106
HTM	266	183	98	14	43
County Supplies	516	317	225	392	799
Total Surplus / (Deficit)	837	507	43	(1,624)	948
% of income	1.6%	0.9%	0.1%	(3.0%)	1.9%

25. Despite the difficult trading circumstances in the year, all three business units achieved an improved position compared to the previous year. This reflects the management action taken by the business units to generate further efficiencies and new business.

26. The improvement in 2020/21 HC3S's financial position was £1.1 million compared to 2019/20 as the corporate funding of £931,000 for the Covid-19 impact in March 2019/20 was received in 2021/22. This improvement is due to the successful implementation of the HC3S financial recovery plan as previously reported to Panel and the removal of the requirement for an annual past pension contribution of £559,000 in 2020/21, based on the actuarial valuation. The details of the savings are as follows:

¹ The deficit of £2.03 million includes the adverse impact of Covid-19 on income in March 2020 of £931,000. Corporate funding to support these Covid-19 losses was received in 2020/21. Therefore, the actual in-year deficit was £1.099 million

	£'000
Past pension deficit	(559)
Operational management restructure	(120)
Catering staff cost reduction (productivity improvements)	(480)
Total	(1,159)

27. HTM's reducing surpluses from 2015/16, are due to increases in the cost of staffing and vehicle spares and consumables, whilst contract hire rates have been held throughout the life of those contracts. In line with its business plan objectives, HTM reviewed its pricing and margins for 2020/21 and this has resulted in an improvement in surplus compared to 2019/20 whilst remaining price competitive.
28. County Supplies continues to achieve a steady surplus each year as it maintains its price competitiveness, successfully retains existing customers, attracts new business and delivers further efficiencies. County Supplies achieved an increased surplus of £323,000 compared to target in 2020/21 due to additional savings from the newly combined logistics team (County Supplies drivers and HTM couriers) of £161,000, staff vacancy management savings of £88,000 and other operational efficiencies of £74,000. These operational efficiencies included reducing the number of printed catalogues, more effective use of in-house warehouse space and lower building running costs due to roof replacement works.
29. The accumulated surpluses of the businesses provide a strategic reserve that help protect the County Council from financial risk in the event of adverse trading conditions and makes it possible for the businesses to invest in initiatives that retain customer loyalty and win new business. It also enables the replacement of assets and equipment, upgrading of technology and improving services. BSG's accumulated surpluses form part of the County Council's reserves. The 2020/21 movements on the accumulated surpluses for the businesses are summarised below.

Accumulated Surpluses – movements 2020/21

	£'000
Surplus as at 01/04/20	3,761
Business Services Group surplus 2020/21	948
Depreciation, interest and finance	196
Corporate Covid-19 funding (2019/20)	931
Spending from accumulated surpluses	(858)
Underspend on Catering Support SLA pooled fund	350
Closing balance as at 31/03/21	5,328

30. The accumulated surpluses increased by £1.57 million (42%) during 2020/21 to £5.3 million. The trading surplus of £948,000 and the Covid-19 funding for 2019/20 of £931,000 accounted for the majority of the increase. £350,000 was also transferred to the accumulated surpluses from the underspend on the catering support service level agreement with schools. This is a pooled fund for equipment maintenance, servicing and replacement and was underspent for the first time in many years because of the impact of the pandemic on equipment replacement cycles. As this is a fund held on behalf of schools, this will be ringfenced for its intended purpose and is likely to be fully spent in the next couple of years as HC3S catches up from the slippage on delivery of equipment and refurbishment projects. £858,000 of investment was made in line with the approved business plans in technology and IT system improvements and other Transformation to 2021 projects. Therefore, the in-year trading movement on the accumulated surpluses was an increase of only £286,000. Over the last two years, the accumulated surpluses have reduced by £0.4 million from £5.7 million to £5.3 million.
31. Appendix 2 shows the details of the actual and planned spending from the accumulated surpluses in line with the approved business plans. All spending requires a business case approved by the CCBS Departmental Management Team and only items which are business critical or have a clear payback are included as commitments in 2021/22.
32. Taking account of future known commitments and earmarks, relating to the Business Units' transformation and efficiency programmes, there is currently an unallocated balance in the accumulated surpluses of £2.3 million.

Performance and achievements 2020/21

33. BSG's actual performance against the target key performance indicators for 2020/21 is shown in table 4 below.

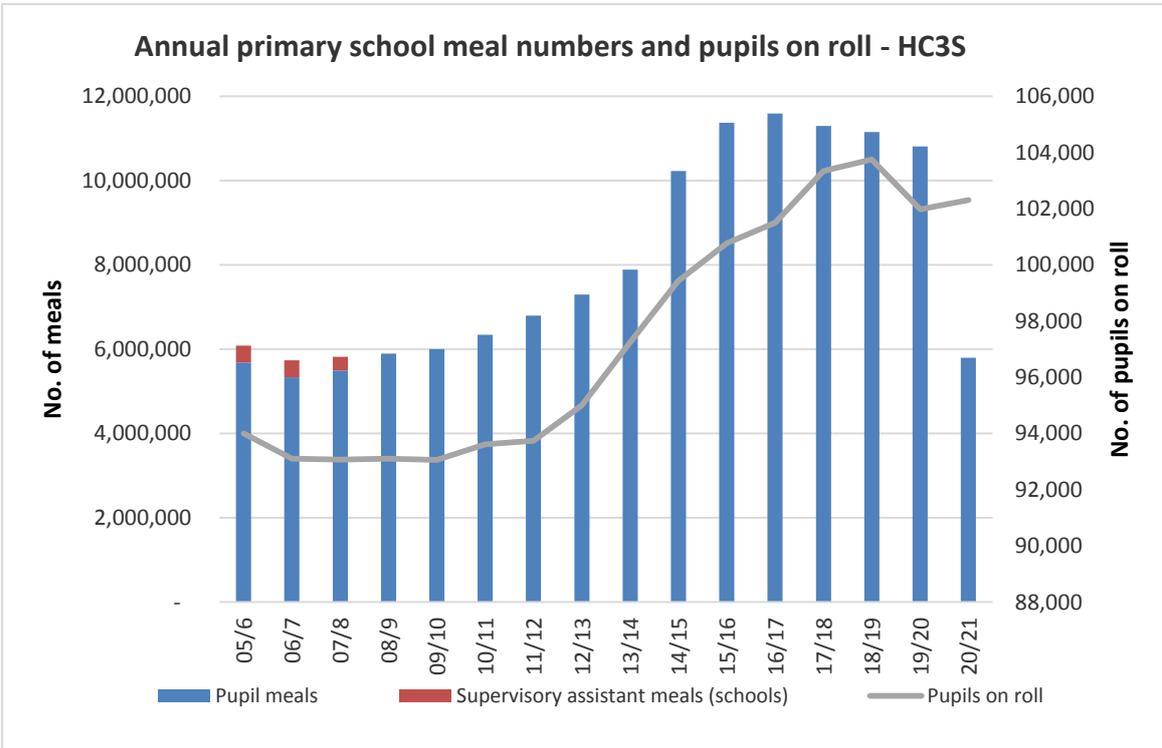
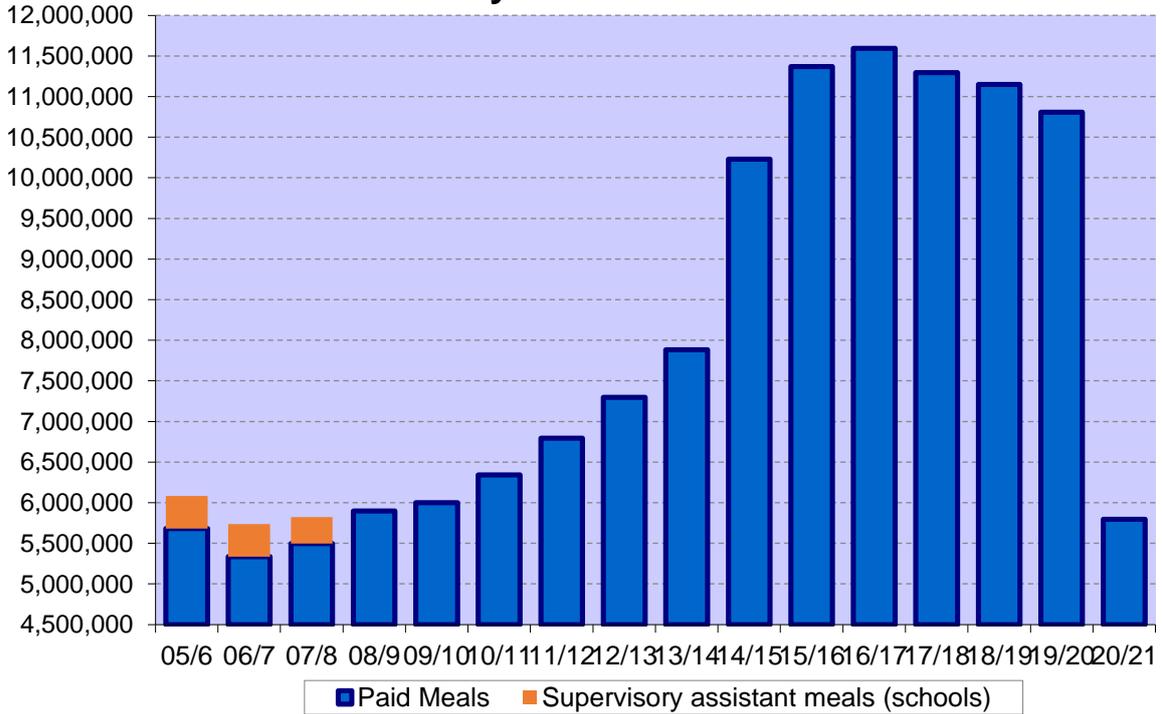
Table 4 – Key Performance Indicators: Targets and Actuals for 2020/21

KPI	Target	Actuals	Variance
	2020/21	2020/21	2020/21
<u>HC3S</u>			
- Primary school pupil meals uptake	57.3%	26.2%	-31.1%
- Primary school food cost per meal	£0.85	£0.95	£0.10
- Productivity – meals per hour	12	7	-5
<u>HTM</u>			
- Pool car utilisation	91%	27%	-64%
- Fleet downtime	1%	0.2%	-0.8%
- Fleet size (external customers and schools)	385	348	-37
- Contract hire conversion rate: quotes to orders	60%	100%	+40%

KPI	Target	Actuals	Variance
	2020/21	2020/21	2020/21
<u>County Supplies</u>			
- Stores turnover	£9.8m	£8.8m	-\$1.0m
- Stores purchase price inflation	+1.1%	+5.2%	+4.1%
- Service levels – Top 400 lines	98%	94.4%	-3.6%
- Deliveries on due day	>99%	99.1%	+0.1%

34. The HC3S KPIs were adversely affected by lower meal numbers due to the pandemic. The actuals for 2020/21 are also best estimates as some schools were unable to provide actual meal numbers in some periods, particularly during lockdowns. With school and HC3S staff working hard to provide services effectively and efficiently in Covid-19 Secure ways of working data was not always able to be routinely collected.
35. Lower meal numbers due to schools being closed to all but vulnerable and key worker children reduced actual productivity compared to target, with meal numbers in the first lockdown being as low as 10% of target. Although some staff were furloughed, this was limited by only being available to offset the loss of paid meal income and not income funded through Universal Infant Free School Meal (UIFSM) funding and pupil premium (free school meals).
36. The cost per meal was higher than target as the free school meal lunch boxes were more expensive than the standard menu to ensure that the boxes contained a healthy and balanced diet and sufficient food for five lunches. Despite these cost pressures, HC3S managed to reduce the cost per meal during the year compared to 2019/20 and has been working on reducing the meal cost further for 2021/22 as part of its financial recovery plan. The work carried out by HC3S to reduce food costs has been achieved through smarter purchasing, improved supplier negotiation, careful product selection and identifying and removing unnecessary costs. This cost reduction programme has also included a focus on maintaining, and in some cases improving, food standards and quality.
37. 5.8 million primary school meals were provided in the year, which equates to just over 30,000 primary school meals served on average each day by HC3S. This compares to 10.8 million meals in the previous year and 11.2 million meals in 2018/19. The significant impact of the pandemic is clearly illustrated in the charts below showing annual meal numbers since 2005/06. The number of pupils on roll rose slightly in 2020/21 due to the increased number of primary schools using HC3S as their caterer.

Primary school meal numbers - HC3S



38. Whilst lockdowns reduced meal numbers considerably, in many schools HC3S has been serving hot or cold 'picnic' lunches in classrooms rather than the standard dining room menu so that the school can operate in a Covid-19 Secure way. This has also reduced demand as the menu choice is more

limited. However, meal numbers did recover well in some months. During October to December 2020 average daily meal numbers were over 50,800 (88% of the previous year's actuals).

39. HC3S mobilised a total of nine new contracts for the provision of catering services in primary schools, including two outside of Hampshire, during the year. In addition, one secondary school and one primary school in Hampshire extended existing contracts and HC3S agreed a one-year contract extension with 28 primary schools in Wiltshire to continue to work with them throughout the Covid-19 disruption. Unfortunately, HC3S lost business with two primary schools and one secondary school during the year. In addition, two commercial contracts were terminated as one client decided not to re-open their catering service following closure during the pandemic and, by mutual agreement, the Calshot Activity Centre café was transferred to the Hampshire Outdoors Service in CCBS.
40. The impact of these changes means that as at April 2021, HC3S was providing catering services to customers at 497 schools and 5 non-school (commercial) sites. This is net increase of 4 customers during the year. Further details are shown in table 5 below.

Table 5 – HC3S customer numbers April 2019 to April 2021

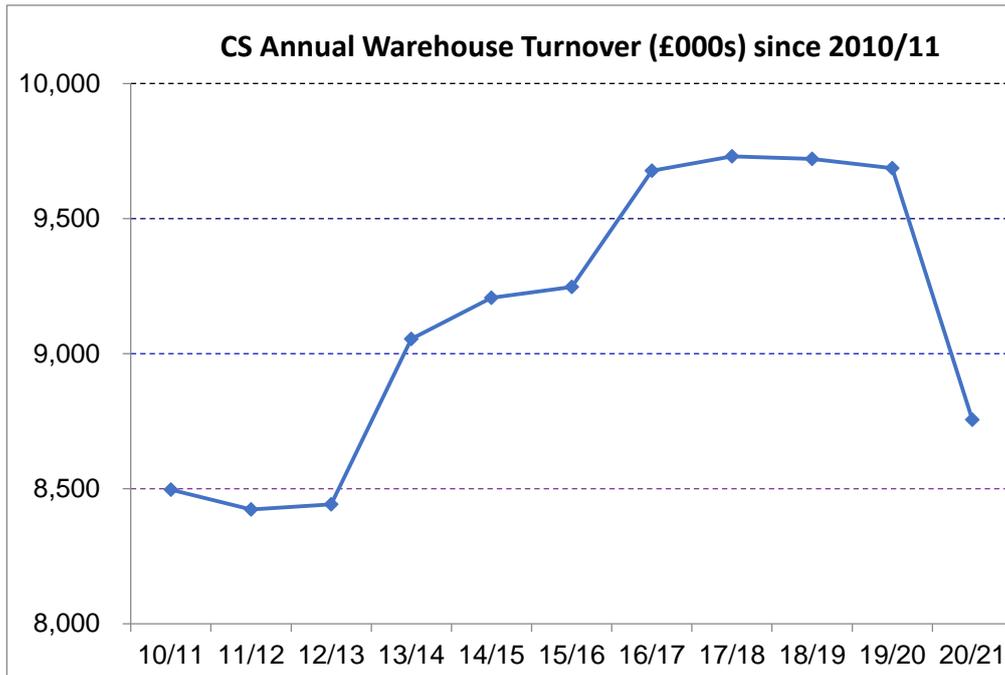
	April 2019	April 2020	April 2021
Hampshire Primary Schools	435	432	436
Outside Hampshire Primary Schools	41	42	44
Secondary Schools	21	17	17
Commercial Sites	13	7	5
Total	510	498	502

41. HC3S has been re-accredited with the Soil Association's 'Food for Life Served Here' Bronze award for all primary schools. This accreditation is reviewed annually and confirms that at least 75% of food is cooked fresh, is good quality and sourced locally where possible.
42. HTM's KPIs were also adversely affected by the pandemic, with new external business lower than target at 348 vehicles, though this external business accounts for 44% of the total fleet and demonstrates good progress on HTM's business development objective of increasing the number of external customers. This success in winning new business is also reflected in the 100% contract hire conversion rate (quotes to orders) that was achieved during the year.
43. The utilisation of the pool fleet was only 27% due to the 'work from home if you can' message from the Government for the whole of 2020/21. The utilisation of the pool car fleet has been lower than target for several years as staff aim to reduce their travel due to efficiency targets and climate change

initiatives. HTM responded to this during the year by replacing the whole of the leased diesel pool car fleet (23 vehicles) with a much smaller fleet of 6 electric vehicles during the year. The scheme is still a self-service scheme which makes it more cost effective for HTM and the County Council and enables greater flexibility for customers. The number of electric vehicles in the pool fleet will be kept under review and can be increased if required, based on demand.

44. As all five HTM vehicle workshops remained fully operational throughout the year, performance on vehicle downtime was very good at only 0.2%. The number of public MOTs completed during the year increased by 120% compared to the previous year.
45. HTM continued to provide all core services during the pandemic lockdowns in 2020/21:
 - Vehicle maintenance and repair workshops, including fuel supplies
 - Winter maintenance services to Highways England and Hampshire Highways Services Contract
 - Long-term and short-term vehicle hire
 - Drivers for Adults Health and Care (AHC) clients where required.
46. As driver training is a business development target for HTM, the theory element of the MiDAS² driver training has been converted into a virtual learning classroom environment. This has enabled this area of the business to recover quickly after the lockdowns. A greater number of delegates can attend this training without travelling to Winchester, making it a more cost-effective option. Though the practical element of the training was, of course, unable to take place during lockdowns.
47. HTM also delivered other planned improvements during the year including exploiting the Office365 digital technology by developing its first PowerApp called the 'knowledgebase.' This allows maintenance knowledge and information to be recorded and shared across the five vehicle workshop teams. HTM also promoted cheaper fuel stations to its fuel card customers, which helped to reduce customers' fuel costs by over £3,000 a year.
48. County Supplies' stores turnover was £1 million (10%) below target because of school closures and working from home reducing demand for curriculum and office supplies. The chart below shows the impact of the pandemic on stores turnover.

² Minibus Driver Awareness Scheme is a training programme that results in a nationally recognised standard of competence for driving a minibus. Retraining is required every four years.



49. County Supplies' inflation was 4.1% above target due to high inflation on hygiene products such as gloves, hand sanitiser, soaps and hand towels. Some products which were in high demand increased in price by over 400%. Although many products have recently reduced in price, some remain above pre-pandemic prices. Disruptions in the supply chain, increased demand and reduced manufacturing capacity due to the pandemic also adversely affected service levels which were 3.6% below target. Deliveries to customers performed well with 99.1% of deliveries arriving on their due day.
50. County Supplies implemented the transport and distribution review which merged the HTM courier service and County Supplies drivers into a new County Supplies logistics team. This reduced headcount and vehicles and delivered a saving of over £50,000 a year for Children's Services. It also positions the service well for delivering further efficiencies for departments and the business units over the next few years.
51. County Supplies maintained services throughout the pandemic and lockdowns, providing courier, logistics and distribution services and maintaining a purchasing, warehouse and stock delivery service for all customers.
52. Despite the pandemic, County Supplies achieved many of its planned objectives for the year, which included delivering a key business development target, with its fleet of MFDs (multi-functional devices – photocopiers/printers) increasing by 340 machines (6.9%). This additional business was with new external customers and schools.

Covid-19 Response Services

53. All three business units carried out detailed Covid-19 risk assessments and adopted new ways of working in line with Government guidance to ensure they could be 'Covid-19 secure' and could remain operational throughout the pandemic, including during lockdowns. As in-house services of the County Council, they were able to respond quickly, effectively and flexibly to provide the required support for the County Council's Covid-19 response, as well as for other customers and partner organisations.
54. During the first lockdown from March 2020, HC3S provided meals for five primary schools and two secondary schools whose external catering suppliers were unable to provide the service. HC3S stepped in to assist these schools to ensure those children entitled to free school meals continued to receive a nutritious and healthy meal at lunchtime. HC3S has subsequently agreed contracts with two of these primary schools. HC3S also developed weekly food parcels for free school meals within the first few weeks of the pandemic and ensured they provided children with five healthy and nutritionally balanced lunches for the week.
55. HC3S also used social media to assist and engage parents with Covid-19 lockdown recipes and a range of children's learning resources, provided lunches for the volunteers at the Local Resilience Forum's PPE warehouse, the temporary mortuary and the volunteers involved in surge testing in Bramley.
56. HTM provided vans for the Covid-19 temporary mortuary project at short notice, organised a refrigerated articulated truck for emergency food storage and delivered laptops and other equipment to some staff and Members at the start of the first lockdown to facilitate working from home. The team also provided emergency transport to work for some County Council staff working in critical roles and provided cover drivers for staff absence at several schools.
57. County Supplies supported the County Council and partner organisations on a wide range of Covid-19 response services. This included:
- working in partnership with Hampshire Equipment Services (HES) to move equipment to hotels and hospitals across Hampshire.
 - storing and distributing large volumes of personal protective equipment (PPE) and hygiene products on behalf of Adults Health and Care.
 - providing logistics services for the provision of over 3,000 laptops and tablets for disadvantaged children to schools across Hampshire on behalf of DFE and Children's Services.

- supporting the University Hospital Southampton NHS Trust to enable them to expand their Covid-19 saliva testing programme to schools and other public sector organisations on a pilot basis.
- jointly managing the LRF PPE Warehouse with the Emergency Planning Team.
- logistics support to the Covid-19 surge testing in Bramley.
- transporting equipment for the temporary mortuary relocation.
- purchased and distributed 420 slow cookers and 100 cookbooks on behalf of Children's Services to support households without basic cooking facilities as part of the winter grant scheme managed by Children's Services.

Sustainability and Climate Change

58. Each of the three business units leads on one of the five CCBS Climate Change workstreams within the County Council's climate change Programme, whilst also continuing to deliver a range of other sustainability initiatives. HC3S leads on the food workstream, HTM leads the travel and transport workstream and County Supplies heads up the product lifecycle workstream.
59. During the year HC3S ensured that they purchase drinks only in recyclable, reusable or refillable containers. All takeaway cutlery and straws are now recyclable or compostable and all used cooking oils are recycled into biofuels. HC3S implemented a traceable and sustainable food purchasing policy and, wherever possible, use UK seasonal vegetables and other UK produce to reduce food miles and support British farmers and growers.
60. HTM initiated a pilot using Hydro-treated Vegetable Oil (HVO) fuel in several diesel goods vehicles as part of the climate change programme to reduce vehicle emissions. HTM developed a business case and policy that all County Council fleet cars will be replaced by electric vehicles at the end of their current useful life unless there is a specific business case to require an alternative type of vehicle. This policy was approved by the Executive Member for Commercial Strategy, Human Resources and Performance at his Decision Day on 24 March 2020.
61. The replacement of the roof on the bulk storage warehouse and offices at Bar End was completed in December 2020 and included installation of solar photo-voltaic panels. This will generate sufficient energy to power the whole building for at least six months of the year.

Apprenticeships

62. County Supplies supported nine apprenticeships during the year. Three staff undertaking a Level 4 apprenticeship in Commercial Supply and Procurement, three staff on a Level 3 apprenticeship in Business Administration, one team member doing a Level 2 Customer Service Practitioner apprenticeship and two staff on a level 3 apprenticeship in Team Leadership and Management.
63. HTM continued to have five vehicle technician apprentices in the vehicle workshops. As Members will recall, HTM has fully engaged with the apprenticeship programme since 2006 and has enabled 26 apprentices to be trained and qualified during that period. The apprentices have been an integral part of HTM's succession planning strategy. Without the workshop apprentices working through the apprenticeship system, HTM would struggle to maintain operations with a decreasing number of fully qualified technicians available to recruit in the market.
64. HC3S has sixteen staff undertaking an Apprenticeship programme. Ten staff are completing a Level 2 Production Chef programme, three are on a Level 2 Hospitality Team Member and three staff are undertaking a Level 3 in Hospitality Supervision and Leadership. Covid-19 has led to a delay in some learners completing their programmes within expected timeframes, however, four staff were successful in completing their Apprenticeships during the year.

Climate Change

65. Hampshire County Council utilises two decision-making tools to assess the carbon emissions and resilience of its projects and decisions. These tools provide a clear, robust, and transparent way of assessing how projects, policies and initiatives contribute towards the County Council's climate change targets of being carbon neutral and resilient to the impacts of a 2°C temperature rise by 2050. This process ensures that climate change considerations are built into everything the Authority does.
66. The climate change tools were not applicable to this decision report because this is a retrospective financial and performance report for the Business Services Group for the last financial year. It is not proposing any future changes to current service provision and therefore has a neutral impact on climate change.

Conclusions

67. The performance of all three business units has been adversely affected by the Covid-19 pandemic reducing turnover during the year. However, by

delivering efficiencies, continuing to operate throughout the pandemic and winning new business, the business units were able to deliver a financial surplus for the year, with the Covid-19 losses being funded corporately by the County Council.

68. The business units have contributed to County Council initiatives and objectives during the year, including climate change, providing and promoting healthy and nutritious meals for school children and offering a range of apprenticeship opportunities. As in-house services of the County Council, the business units were also able to respond quickly, effectively and flexibly to support the County Council, schools, partner organisations and other customers with a range of Covid-19 response services.
69. BSG's business development plans, which focus on on-going efficiencies, exploiting digital technologies, meeting customers' changing expectations, retaining customer loyalty and winning new business remain critical to achieving on-going success and long-term financial sustainability for the three business units in a highly competitive marketplace.

REQUIRED CORPORATE AND LEGAL INFORMATION:

Links to the Strategic Plan

This proposal does not link to the Strategic Plan but, nevertheless, requires a decision because it enables the business units to demonstrate appropriate reporting mechanisms and to operate on a self-funding basis within the County Council's financial regulations.

Other Significant Links

Links to previous Member decisions:

<u>Title</u>	<u>Date</u>
Business Services Group – 2019/20 Annual Report and Accounts	13 October 2020
Business Services Group – Business Plans 2020/21	24 March 2020

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

<u>Document</u>	<u>Location</u>
None	

EQUALITIES IMPACT ASSESSMENT:

1. Equality Duty

The County Council has a duty under Section 149 of the Equality Act 2010 ('the Act') to have due regard in the exercise of its functions to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited by or under the Act with regard to the protected characteristics as set out in section 4 of the Act (age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation);
- Advance equality of opportunity between persons who share a relevant protected characteristic within section 149(7) of the Act (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation) and those who do not share it;
- Foster good relations between persons who share a relevant protected characteristic within section 149(7) of the Act (see above) and persons who do not share it.

Due regard in this context involves having due regard in particular to:

- The need to remove or minimise disadvantages suffered by persons sharing a relevant protected characteristic that are connected to that characteristic;
- Take steps to meet the needs of persons sharing a relevant protected characteristic that are different from the needs of persons who do not share it;
- Encourage persons sharing a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

2. Equalities Impact Assessment:

This report outlines the financial position and performance of the Business Services Group for 2020/21 and therefore an Equalities Impact Assessment has not been considered necessary in the development of this report as it is not proposing any changes to current service provision and therefore will have no impact on groups with protective characteristics.

**CCBS Business Services Group
Final Accounts 2020/21**

Hampshire County Council Catering Services (HC3S)					
	Target	Actuals	Variance	Variance	Surplus as %age of income
	2020/21	2020/21	2020/21	2020/21	2020/21
	£'000	£'000	£'000	%	%
Income	37,795	29,745	(8,050)	-21.3%	
Costs	38,169	29,639	(8,530)	-22.3%	
Surplus / (deficit)	(374)	106	480	228.0%	0.4%

Hampshire Transport Management (HTM)					
	Target	Actuals	Variance	Variance	Surplus as %age of income
	2020/21	2020/21	2020/21	2020/21	2020/21
	£'000	£'000	£'000	%	%
Income	7,886	7,494	(392)	-5.0%	
Costs	7,873	7,451	(422)	-5.4%	
Surplus / (deficit)	13	43	30	230.8%	0.6%

County Supplies					
	Target	Actuals	Variance	Variance	Surplus as %age of income
	2020/21	2020/21	2020/21	2020/21	2020/21
	£'000	£'000	£'000	%	%
Income	12,090	11,373	(717)	-5.9%	
Costs	11,614	10,574	(1,040)	-9.0%	
Surplus / (deficit)	476	799	323	67.9%	7.0%

Business Services Group					
	Target	Actuals	Variance to revised target	Variance	Surplus as %age of income
	2019/20	2019/20	2019/20	2019/20	2019/20
	£'000	£'000	£'000	%	%
Income	57,771	48,612	(9,159)	-15.9%	
Costs	57,656	47,664	(9,992)	-17.3%	
Surplus / (deficit)	115	948	833	724.3%	2.0%

Appendix 2

	2020/21	2021/22
	£'000	£'000
Balance as at 1st April 2020	3,761	
Actuals 2020/21		
Corporate funding for Covid-19 loss 19/2	931	
BSG (Surplus) / Deficit 2020/21 (incl. corporate Covid-19 funding)	948	
BSG depreciation & capital charges	196	
HC3S kitchen and servery improvements / investments	(33)	
HC3S digital efficiencies (allergen system)	(10)	
HC3S School Meal Income system replacement	(155)	
HC3S ASDM Consultancy	(33)	
HC3S Catering Support Pooled Fund ('20/21 underspend)	350	
County Supplies Bar End site roof replacement	(460)	
County Supplies customer ordering system modernisation	(121)	
HTM fleet management system re-procurement	(46)	
Balance at 31 March 2021	5,328	
Forecast 21/22 Commitments		
Forecast BSG Surplus 2021/22		837
BSG depreciation & capital charges		148
Traded Services Online & CRM system (HCC Sold Services)		(34)
County Supplies customer ordering system modernisation		(300)
HTM fleet management system re-procurement		(138)
HTM IT infrastructure upgrades at workshops		(30)
HTM Micheldever lift and brake rollers for MOT bay		(37)
HC3S School Meal Income system replacement		(127)
HC3S Social Marketing / Customer Insight Research		(60)
HC3S ASDM Consultancy		(50)
HC3S Allergen System		(30)
Potential HC3S kitchen and servery improvements		(50)
HC3S Catering Support Pooled Fund ('20/21 underspend)		(350)
Forecast balance at 31 March 2022		5,108
Future Potential Earmarks and Contingencies		
HTM Petersfield workshop refurbishment		(1,290)
HTM: Tablets for Workshop Technicians		(40)
HTM provision for final year capital charges (2024/25)		(340)
County Supplies SAP enhancements		(55)
County Supplies Digital Solutions for Logistics Team		(95)
HC3S mobile electronic catering - devices refresh (earliest 2023/24)		(176)
HC3S Alternative Service Delivery Model implementation		(70)
BSG contingency (1.25% of 2021/22 target turnover)		(719)
Forecast Uncommitted Balance		2,323

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HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Executive Member for Commercial Strategy, Estates and Property
Date:	20 July 2021
Title:	Project Appraisal: Refurbishment of Rookwood
Report From:	Director of Culture, Communities and Business Services

Contact Name: Rebecca Thompson

Tel: 03707 792072

Email: Rebecca.thompson@hants.gov.uk

Purpose of the Report

1. The purpose of this report is to provide an overview of the refurbishment of Rookwood to enable occupation by Children's and Families Teams, to set out the proposed procurement and delivery of the scheme, to identify the funding arrangements, and to seek an approval in principle for contribution by the County Council.

Recommendations

- That the Executive Member for Commercial Strategy, Estates and Property:
2. Approves the addition of the proposed capital scheme at Rookwood to the 2021/22 capital programme at a total capital value of £380,000.
 3. Approves the capital and revenue funding for the scheme as set out in this report.
 4. Approves the project appraisal for the refurbishment of Rookwood as set out in this report.
 5. Delegates authority to make the arrangements to implement the scheme, including minor variations to the design or contract, to the Director of Culture, Communities and Business Services.

Executive Summary

6. Following the exit of Hampshire House at the end of the lease period, Children and Families area-based teams in Eastleigh will move into Rookwood, a building previously occupied by Hampshire Music Services.

7. A scheme to undertake refurbishment of the Rookwood building to make it fit for purpose for the new occupants and meet the requirements of new ways of working has been developed by Property Services in consultation with Children's Services.
8. Project proposals are now brought forward for approval by the Executive Member for Commercial Strategy, Estates and Property so that the project can be added to the 2021/22 capital programme to enable the scheme to be progressed.

Background

9. In September 2020, CMT approved a recommendation to exit Hampshire House by the end of October 2020, at the end of the existing lease period, realising a significant annual saving within the corporate office accommodation budget as part of the T19 savings strategy.
10. Children's Services (CS) proposed that the Children and Families services previously located in Hampshire House, move into the Rookwood site as an opportunity to create a new hub for Children and Families teams that serve the Eastleigh area. It was agreed that the Hampshire Music Service (HMS) would move to Monarch Way in Winchester.
11. When the decision to relinquish the lease on Hampshire House was made it was agreed that there would be longer-term changes to ways of working to create capacity in the buildings that teams would be moving to. Future ways of working would be based around a hybrid model of home, office, and mobile working allowing an increased staff to desk ratio and a greater focus on meeting and collaboration space. Children's Services are keen that Rookwood will provide an exemplar of this new way of working.

Finance

12. The project is a £380k capital scheme with an additional £50k of one-off revenue costs. This will be resourced by funding set aside to meet the one-off costs of vacating Hampshire House and from the capital receipt from the sale of 180 Culver Road. 180 Culver Road is a former children's home site that was subsequently used as an office base for the Youth Offending Team, who vacated the site in 2013. The site is surplus to the County Council's requirements and its sale was approved in 2020.

Capital Expenditure

13. The capital cost of the scheme is estimated at £380k including professional fees.

Capital Expenditure	Current estimate £'000
Building works	337
Professional fees	43
Total	380

14. There is a further estimated revenue cost of £50k for the movement and relocation of furniture and equipment.
15. Funding sources for the scheme include a £200k capital receipt from the sale of land at 180 Culver Road, which was previously earmarked for reinvestment in office accommodation, together with allocation of revenue funding previously identified to cover dilapidations costs associated with the exit of Hampshire House.

Funding source	Allocation £'000
Capital receipt from sale of 180 Culver Road	200
Capital allocation from funding set aside to meet the one-off costs of vacating Hampshire House	180
Total capital funding	380
Revenue allocation from funding set aside to meet the one-off costs of vacating Hampshire House	50
Total revenue funding	50

Furniture & Equipment

16. Included in the capital costs is an allocation of £65,000 for the provision of all loose furniture, fittings, equipment and I.T. (inclusive of fees).
17. The majority of furniture for the project is being supplied from items stored as a result of vacating other properties. Additional items required relate to CSD new ways of working including creating additional collaboration space, customer facing spaces and addressing hybrid working models.

Details of Site and Existing Infrastructure

18. Rookwood is located on Penhurst Way, Eastleigh

19. Rookwood was originally constructed as an infant school. Rookwood Infants School closed in August 1997. For the past 15 years it has been the base for the Hampshire Music Service and prior to that it was used by IT support technicians and as a home for Eastleigh Youth services.
20. The building was erected in 1980 of steel-frame construction, together with an ancillary, detached, service building of load bearing masonry construction. The existing building is situated near the North-West corner of the site and is triangular in form.
21. All land and buildings are owned freehold by Hampshire County Council. The site itself is surrounded by mature trees and hedges, bounded to the west by Penshurst Way, to the north by Woodside Avenue, to the east by the A335, and to the south by a small number of more mature dwellings. There is parking marked out on the site, to the north and to the south of the building, and an open, grassed area to the east of the building. The site is not within a flood risk area. It is adjacent to the major Boyatt Wood residential area to the west, and Allbrook to the east, and is less than a mile from Junction 12 of the M3.
22. The existing gross site area is 0.93 hectares;
23. The existing services infrastructure to the site are sufficient to accommodate the project proposals.

Scope of the Project

24. The building will be reconfigured to accommodate Children and Families teams including the Family Contact Service. This requires fitting out the space with conventional desks, break out space, collaboration space, quiet areas, meeting rooms, family contact centre and spaces for case meetings and other public contact activity. Some additional condition and fabric works are required to address roof leaks and window repairs. The IT infrastructure will be updated.

Detail of Works

25. The proposed capital works comprise:
 - internal builders work including new doors, partitions, cupboards, decoration;
 - conversion of the former assembly hall to meeting room / breakout space;
 - conversion of male toilets to female to ensure sufficient provision of both;
 - external works including external redecoration, roof and window repairs;
 - electrical works – upgrade of main switchgear and distribution boards, additional lighting installation, CCTV, telecom and upgrade of alarms;
 - mechanical works – modification of water supply, installation of additional heaters, additional ventilation;

- provisional allowance for asbestos removal, subject to survey;
- new furniture;
- upgrade of broadband installation;
- new signage.

26. Revenue works include moves of furniture, files and lockers.

Planning

27. A planning application is not required for this project as it is a refurbishment and there is no change of use.

Construction Management

28. The site will be vacated prior to the works period.

29. The works will be procured through the Hampshire Minor Works Construction Framework. It is anticipated that works will commence on site during the autumn 2021 and complete by February 2022.

Building Management

30. Facilities Management will take over building management arrangements once the refurbishment is completed.

Professional Resources

31. All professional services will be provided by HCC Property Services with additional resource from Property Services' private sector partner where required.

Consultation and Equalities

32. The Corporate Management Team has discussed and approved the proposed changes. Children's Services have been involved throughout as the project affects various teams within the department. Hampshire Music Service staff are being formally consulted on the proposed move by HR. Teams that will move into Rookwood after the refurbishment have already been consulted as part of the vacation of Hampshire House.

33. Childrens Services have been fully involved in the redesign process and have carried out an Equalities Impact Assessment.

34. Rookwood provides greater equality of access for all users including members of the public than Hampshire House as the building is all at ground level. The refurbishment design is based on best practice and is accompanied by a Design Access Statement.

35. Childrens Services will be notifying nearby neighbours as a courtesy that the occupants of the building will be changing.

Risk & Impact Issues

Fire Risk Assessment

36. Detailed technical design has now been completed and the fire risk assessment will be completed by end June 2021.
37. Consideration of secure by design principles including specific site security, bin storage away from building, external lighting etc.
38. With respect to fire safety and property protection, the proposals will be risk assessed in line with the agreed Property Services procedures and the proposals will comply with relevant legislation.
39. The proposals will meet the requirements of the Building Regulations and be consistent with current fire safety legislation, the partnership arrangement with Hampshire Fire and Rescue Services, and in line with the County Council's policy to manage corporate risk.

Health and Safety

40. Design risk assessments, pre-construction health and safety information and health and safety file will be produced and initiated for the proposed scheme in accordance with the Construction Design and Management Regulations.

Climate Change

41. Hampshire County Council utilises two decision-making tools to assess the carbon emissions and resilience impacts of its projects and decisions. These tools provide a clear, robust, and transparent way of assessing how projects, policies and initiatives contribute towards the County Council's climate change targets of being carbon neutral and resilient to the impacts of a 2°C temperature rise by 2050. This process ensures that climate change considerations are built into everything the Authority does.
42. The following climate variables pose a vulnerability to the project, as identified by the adaptation tool. The main vulnerabilities to this project are heat and extreme weather. The project is a refurbishment to an existing building so those risks were extant. Refurbishment includes repairs and maintenance to the roof to keep the building in good condition. It includes upgrading mechanical and electrical systems to make them more fit for

purpose. The building is not particularly vulnerable as the form is low rise and not in any flood zone. Artificial cooling may be required to address extreme heat. Improving the longevity of the building and increasing its capacity and useability makes best use of its embodied carbon.

43. Carbon mitigation. The project is a refurbishment of an existing building. Works include roof and window repairs, modification of water supply, installation of additional heaters and additional ventilation. These measures will reduce heat and energy loss. The outcome will be a building with increased capacity and therefore greater efficiency in terms of floor area and costs per member of staff.

Conclusion

44. The proposals in this report represent a cost-effective solution to providing accommodation for the Childrens and Families team that replaces the former office base at Hampshire House and will provide a working environment that meets the requirements for future ways of working.
45. Locating these teams at the Rookwood site, ensures that the services remain embedded in the local community.

REQUIRED CORPORATE AND LEGAL INFORMATION:

Links to the Strategic Plan

Hampshire maintains strong and sustainable economic growth and prosperity:	Yes
People in Hampshire live safe, healthy and independent lives:	Yes
People in Hampshire enjoy a rich and diverse environment:	Yes
People in Hampshire enjoy being part of strong, inclusive communities:	Yes

Other Significant Links

Links to previous Member decisions:	
Officer Decision Record on Culver Road https://democracy.hants.gov.uk/documents/s47668/Decision%20Record.pdf	<u>Date</u> 30/04/2020
Direct links to specific legislation or Government Directives	
<u>Title</u> N/A	<u>Date</u> N/A

Section 100 D - Local Government Act 1972 - background documents	
<p>The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)</p>	
<u>Document</u>	<u>Location</u>
None	

EQUALITIES IMPACT ASSESSMENT:

1. Equality Duty

The County Council has a duty under Section 149 of the Equality Act 2010 ('the Act') to have due regard in the exercise of its functions to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited by or under the Act with regard to the protected characteristics as set out in section 4 of the Act (age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation);
- Advance equality of opportunity between persons who share a relevant protected characteristic within section 149(7) of the Act (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation) and those who do not share it;
- Foster good relations between persons who share a relevant protected characteristic within section 149(7) of the Act (see above) and persons who do not share it.

Due regard in this context involves having due regard in particular to:

- The need to remove or minimise disadvantages suffered by persons sharing a relevant protected characteristic that are connected to that characteristic;
- Take steps to meet the needs of persons sharing a relevant protected characteristic that are different from the needs of persons who do not share it;
- Encourage persons sharing a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

2. Equalities Impact Assessment:

- 2.1 The expenditure identified in this report will ensure that there continue to be suitable facilities to support the provision of Children's and Families services in the Eastleigh area of the County and that the County Council's built estate continues to provide a safe, compliant and suitable environment for the delivery of these services.

The proposed scheme will have a positive impact on the staff providing these services and the families and children accessing the services. CSD will have responsibility for carrying out in conjunction with HR assessment of the impact of service relocation to this building.

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HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker	Executive Member for Commercial Strategy, Estates and Property
Date:	20 July 2021
Title:	Winchester Discovery Centre
Report From:	Director of Culture, Communities and Business Services

Contact Name: Emma Noyce and Bob Wallbridge

Tel: 03707 798373
03707 794084

Email: emma.noyce@hants.gov.uk
bob.wallbridge@hants.gov.uk

Purpose of this Report

1. The purpose of this report is to seek spend approval for the Hampshire County Council elements of the project to refurbish and enhance Winchester Discovery Centre (WDC), as well as approval for key property and staffing arrangements linked to the transfer of operational responsibility with the building.

Recommendations

- That the Executive Member for Commercial Strategy, Estates and Property
2. Approves the project proposals set out in this report at a total cost of £515,000.
 3. Approves the property arrangements by which the operational responsibility for WDC is transferred to Hampshire Cultural Trust (HCT) (including the nature and duration of tenure).
 4. Approves the proposals contained in the exempt Appendix.

Executive Summary

5. This project will transfer operational responsibility for the WDC building (including associated day-to-day running costs) and for cultural programming to HCT. The Library Service will continue to deliver a highly successful library service, free at the point of access, within WDC.
6. Hampshire County Council and Hampshire Cultural Trust are developing a new partnership model which will enhance and develop Winchester Discovery Centre's position as a strategically important hub for culture and creativity in

Hampshire. The overall strategy has been agreed by the Executive Member for Recreation, Heritage and Rural Affairs.

7. This report sets out proposals to refurbish elements of WDC, including essential maintenance work, interior refurbishment and spatial reorganisation to enable the future strategy to be realised.
8. The HCC element of the project is to be funded from the CCBS Capital Programme 2021/22 and was approved by the County Council in February 2021 at a value of £500,000 with a further £15,000 allocated from CCBS Cost of Change funding.
9. In addition to the refurbishment project, the proposals include the transfer of operational responsibility for the building (including associated day-to-day running costs) and for cultural programming to HCT. The Library Service will continue to deliver a highly successful library offer, free at the point of access, within WDC.

Background

10. On 19 March 2021, the Executive Member for Recreation, Heritage and Rural Affairs approved plans in principle for a new partnership model between Hampshire Library Service and Hampshire Cultural Trust at Winchester Discovery Centre. The plans were also approved in principle by HCT's Board of Trustees on 26/02/21.
11. The partnership will enhance and develop Winchester Discovery Centre's position as a strategically important hub for culture and creativity in Hampshire. In addition, the partnership will bring financial and non-financial benefits to both organisations and secure the long-term viability of the venue.
12. This proposal will transfer operational responsibility for the building (including associated day-to-day running costs) and for cultural programming to HCT. The Library Service will continue to deliver a highly successful library service, free at the point of access, within WDC. Hampshire County Council will retain the freehold ownership of the building and associated repair and maintenance responsibilities.
13. The proposals also include refurbishment of WDC, including essential maintenance work, interior refurbishment and spatial reorganisation.

Finance

14. The Capital Expenditure has already been approved. The scheme was included at a value of £500,000 in the 2021/22 CCBS capital programme approved by the County Council in February this year and a further £15,000 has been allocated from the CCBS Cost of Change funding. The table below outlines the breakdown of its distribution across the project:

Capital Expenditure	Current Estimate £	Capital Programme £
Buildings	469,900	469,900
Fees	45,100	45,100
Total	515,000	515,000

16. Sources of Funding

Financial Provision for Total Scheme	Buildings £	Fees £	Total Cost £
1. From Own Resources			
a) Capital Programme (as above)	456,214	43,786	500,000
B) CCBS Cost of Change	13,686	1,314	15,000
Total	469,900	45,100	515,000

17. In addition, there are other fit-out works that will be managed and delivered separately by HCT, outside of the HCC elements of this project.

Details of Site and Existing Infrastructure

15. WDC is a key destination in the heart of Winchester, conveniently situated between the railway station and High Street. It occupies a site on Jewry Street in a Grade II listed building and houses the County's busiest lending library; two public art galleries; a 180-seat performance space; and a café.

Scope of the Project

16. Achieving the shared vision, and the expected financial and non-financial benefits for both HCC and HCT will require improvements to the building including essential maintenance works, internal refurbishment and spatial reorganisation. These works will be designed to create a welcoming environment that encourages movement and exploration for customers, as well as maximising income-generating potential.

17. The building handover date to HCT is planned for Quarter 4 of the 2021-22 financial year.

Proposed Building Works

18. The proposed building works to be delivered by HCC comprise:

Café

- Refurbished and upgraded café, including servery equipment

- New decorations
- New feature lighting
- New loose fixtures, fittings and equipment (FFE)

Children's Library

- New decorations and loose furniture

City Space

- Creation of additional library and quiet study space in current City Space gallery on the ground floor, including redecoration and new loose furniture
- Relocation of City Space gallery to mezzanine, to occupy approximately half the space, with library book stock to remain on other half.

Railway Room

- New loose furniture and rebranding of space

Other internal works

- Toilet refurbishment (public and staff)
- Works to upgrade the lift as well as installation of emergency call points in designated refuge points throughout the building to bring fire safety up to the latest standards
- New floor finishes to the main public staircase
- Creation of 'heart space' including new welcome desk and retail area

External Works

19. The proposed external works comprise:

- Refresh of the external space including the terrace in front of the building.

Planning

20. Interventions are minimal and considered to be low impact and non-contentious. However, Listed Building Consent will be sought as required for some minor elements of the internal works.

Construction Management

21. The building works will be phased with some areas of the building being closed to the public to facilitate the works. Where areas remain in use during the refurbishment, local arrangements will be put in place to manage the health and safety impact to all users. A full building closure is planned in December 2021/January 2022 to enable the completion of the project including fit out works.

22. The works will be procured through the Hampshire Minor Works Construction Framework and are anticipated to commence in November 2021 and complete in February 2022.

Building Management

23. Under the proposed model, operational management of the building will be passed to HCT, including associated day-to-day running costs, through a formal leasehold agreement with a duration of up to 35 years (with a break clause at the end of the financial year 2024-25).
24. In parallel with other agreements with HCT, the lease will require that HCT will be responsible for payment of business rates and utilities. The costs associated with internal repairs and decoration are to be apportioned between the parties reflecting their use and occupation of the building. External and structural repairs will remain the County Council's responsibility. Alterations will be subject to the County Council's consent and assignment and subletting of the lease will not be permitted as a whole, with subletting of part permitted subject to HCC consent.
25. HCT will manage the venue and run the enhanced cultural programme, including continued operation of The Gallery and City Space. HCT will be recruiting to their 'Destination Winchester' team to facilitate this.
26. The County Council will retain the freehold ownership of the building and will enter into a licence or similar legal agreement with HCT to secure accommodation for the delivery of the continuing library service. This licence will align with the Service Level Agreement and existing Management and Funding Arrangement with HCT to ensure clarity between the parties in the occupation and shared use of accommodation within WDC.
27. Hampshire Library Service will continue to deliver a highly successful library service free at the point of access within WDC.

Professional Resources

28. Professional resources for the project are:

Architecture & Interior Design	HCC Property Services
Mechanical & Electrical	HCC Property Services
Structural Engineering	HCC Property Services
Quantity Surveying	HCC Property Services
Principal Designer	HCC Property Services
Fire and Access	HCC Property Services

Consultation and Equalities

29. In early 2020 the Library Service conducted a significant public consultation on the future strategy for the Service. This consultation elicited c28,000 responses and in July 2020 the Executive Member for Recreation and Heritage agreed to the proposals. This included proposals to generate additional income and deliver services differently. There was strong public support for partnering with other services to reduce costs.
30. Later in 2020 the Library Service ran a subsequent consultation on opening hours. Specific feedback was received regarding the opening hours at Winchester Discovery Centre.

31. The information gleaned through both of these consultation exercises has been taken into account in the development of the future strategy.
32. The future strategy has been considered by both the Executive Member for Recreation, Heritage and Rural Affairs and the Culture and Communities Select Committee, who agreed the recommendations and expressed their support for the proposals.
33. The Local Member, Councillor Hiscock, is aware of the proposals and spoke positively at the Culture and Communities Select Committee at which the strategy was presented.
34. Winchester City Council invested in the original refurbishment of the Discovery Centre and, as a condition of this investment, maintains the right to operate City Space from the premises. Winchester City Council comments:
- “Winchester City Council welcomes this new partnership between Hampshire County Council and Hampshire Cultural Trust which seeks to enhance the cultural and customer experience at the Winchester Discovery Centre. As a founding partner to the Trust and with a continued desire to support the District’s cultural and creative sectors, the council supports this new approach to how the centre is operated. It will provide an opportunity to build on the offer already available at the City Museum, The Westgate, and City Space which, under this proposal, will be enhanced and benefit from closer operational links with The Gallery. We look forward to working with both HCC and HCT as the plans progress over the coming year.”*
35. Draft Equalities Impact Assessments for both staff and service users have been prepared. The proposals are intended to have an overall positive impact and advance equality for members of the public. Equalities impacts on staff have been assessed as low. The EIAs will be further developed and informed as the wider partnership develops.
36. The following stakeholders have been involved and consulted during the development of this project:
- Local County Councillors
 - Members of the public
 - Hampshire Cultural Trust
 - Winchester City Council
 - Arts Council England
 - Hampshire County Council Planning Officer
 - HCC Staff and Unions

Risk and Impact Issues

Fire Risk Assessment

37. With respect to fire safety and property protection, the proposals have been risk

assessed in line with the agreed Property Services procedures, the proposals will upgrade the lift to an evacuation standard and provide emergency call points in designated refuge points throughout the building to improve means of escape for the buildings occupants, no other changes to the buildings fire escape strategy or existing fire detection systems are required.

38. The proposals will meet the requirements of the Building Regulations and are consistent with current fire safety legislation, the partnership arrangement with Hampshire Fire and Rescue Services, and are in line with the County Council's policy to manage corporate risk.

Health and Safety

39. Design risk assessments, pre-construction health and safety information and a Health & Safety File will be produced in accordance with the Construction Design and Management Regulations for the proposed scheme.

Climate Change

40. Hampshire County Council utilises two decision-making tools to assess the carbon emissions and resilience of its projects and decisions. These tools provide a clear, robust, and transparent way of assessing how projects, policies and initiatives contribute towards the County Council's climate change targets of being carbon neutral and resilient to the impacts of a 2°C temperature rise by 2050. This process ensures that climate change considerations are built into everything the Authority does.

41. The Adaptation Project Screening Tool identifies that in extreme circumstances, strong winds, storm events and heat waves arising from Climate Change in the future, could have the potential to affect the use of the building, but generally the scheme is considered to have low vulnerability to climate change.

42. The carbon mitigation tool does not calculate emissions for refurbishment projects so is not applicable. However, the project will incorporate the following features to reduce energy consumption and mitigate the impact of climate change:

- New lights will be energy efficient LED
- Timber will be sustainably sourced
- A site waste management plan will be developed to ensure the principles of minimising waste are maintained during construction.

43. The project is important for meeting Hampshire County Councils' strategic priorities, including economic growth and contributing towards strong, resilient and inclusive communities in the following ways:

44. Strategic Outcome 1: Hampshire maintains strong and sustainable economic growth and prosperity.

- The partnership has the potential to attract external investment from funding streams not currently accessible to local authorities.

- Operational handover of the building to HCT will create new job opportunities in arts and creative programming, as well as new operational roles.
- The enhanced cultural programme delivered by HCT will offer new learning experiences focusing on life skills, literacy and creative practice, helping people to develop and maintain skills.
- The capital works will improve the quality and quantity of cultural experiences on offer and will improve the long-term financial sustainability of both organisations.

45. Strategic Outcome 2: People in Hampshire live safe, healthy and independent lives.

- The enhanced cultural offer will align with Hampshire Libraries' Strategy to 2025, which has a particular focus on supporting literacy in the Early Years (age 0-5).
- The capital works will provide more opportunities for engagement with local families by improving the dedicated area for younger children (ages 0-11) and creating a play gallery with children's books and space for facilitated activities.
- The capital works will also provide additional facilities for teenagers, students and young adults by creating a digital lab with computers and software for design, coding, animation, video and audio production and game design, alongside relevant library stock.
- The venue offers learning opportunities for school aged children and their families, and provides a range of resources to support young people outside of the classroom.
- WDC will continue to bring together broad cross sections of the Winchester community, and provide spaces and events that enable shared experiences.
- WDC will continue to provide free leisure and cultural experiences to residents and visitors.
- Both partners will engage with under-represented and hard-to-reach communities to improve opportunities for these groups to actively participate in all aspects of culture and learning in a familiar space.

46. Strategic Outcome 3: People in Hampshire enjoy a rich and diverse environment.

- A significantly expanded cultural programme will meet visitors' needs and interests throughout their lifetime.
- WDC is a Grade-II listed building that was originally opened in 1838, originally serving as the city's Corn Exchange. Proposed capital works will refresh and

enhance the current space in a sympathetic way and in accordance with relevant listed building consents.

- The unique character of the county will be enhanced by this bold cross-organisational partnership, with the potential to act as an exemplar model of libraries working in partnership with cultural organisations.

47. Strategic Outcome 4: People in Hampshire enjoy being part of strong, inclusive communities.

- WDC is Hampshire's busiest library - it is the third most-visited library building of any English County Authority - and will remain an important community hub, providing a safe, accessible, and inclusive space for individuals and groups to meet, learn and discover.
- The venue will continue to provide meeting places for a range of community groups and services, such as Winchester Go LD, who support and connect disabled residents.
- The partnership with HCT will strengthen and evolve the relationship with Winchester City Council (WCC), who are key stakeholders in the building, having made a significant financial contribution to the refurbishment of the building in 2008, as well as developing City Space Gallery (now operated by HCT on behalf of WCC).
- Hampshire Libraries and HCT already offer extensive volunteering opportunities across the county; further voluntary opportunities are expected to be available at WDC as a result of this partnership.

**REQUIRED CORPORATE AND LEGAL
INFORMATION:**

Links to the Strategic Plan

Hampshire maintains strong and sustainable economic growth and prosperity:	Yes
People in Hampshire live safe, healthy and independent lives:	Yes
People in Hampshire enjoy a rich and diverse environment:	Yes
People in Hampshire enjoy being part of strong, inclusive communities:	Yes

Other Significant Links

Links to previous Member decisions:	
Culture and Communities Select Committee - Report	18 March 2021
Minutes of Select Committee	18 March 2021
Executive Member for Recreation, Heritage, Countryside and Rural Affairs Decision Day - Report	19 March 2021
Executive Decision Record	19 March 2021

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose

Document

Location

None

EQUALITIES IMPACT ASSESSMENT:

1. Equality Duty

The County Council has a duty under Section 149 of the Equality Act 2010('the Act') to have due regard in the exercise of its functions to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited by or under the Act with regard to the protected characteristics as set out in section 4 of the Act (age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation);
- Advance equality of opportunity between persons who share a relevant protected characteristic within section 149(7) of the Act (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation) and those who do not share it;
- Foster good relations between persons who share a relevant protected characteristic within section 149(7) of the Act (see above) and persons who do not share it.

Due regard in this context involves having due regard in particular to:

- The need to remove or minimise disadvantages suffered by persons sharing a relevant protected characteristic that are connected to that characteristic;
- Take steps to meet the needs of persons sharing a relevant protected characteristic that are different from the needs of persons who do not share it;
- Encourage persons sharing a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

Equalities Impact Assessment

Draft Equalities Impact Assessments for both staff and service users have been prepared in relation to the proposed partnership.

For service users, impacts on age, disability and pregnancy and maternity have been assessed as positive, due to opportunities offered by the partnership, including an enhanced cultural offer that will align with Hampshire Libraries' Strategy to 2025, which has a particular focus on supporting literacy in the Early Years (age 0-5).

WDC already provides dedicated facilities for parents and carers of young children, including baby change areas and nappy disposal. A play gallery specifically designed for children under 5 years will be added to the current Children's Library.

The venue offers learning opportunities for school aged children and their families, and provides a range of resources to support young people outside of the classroom.

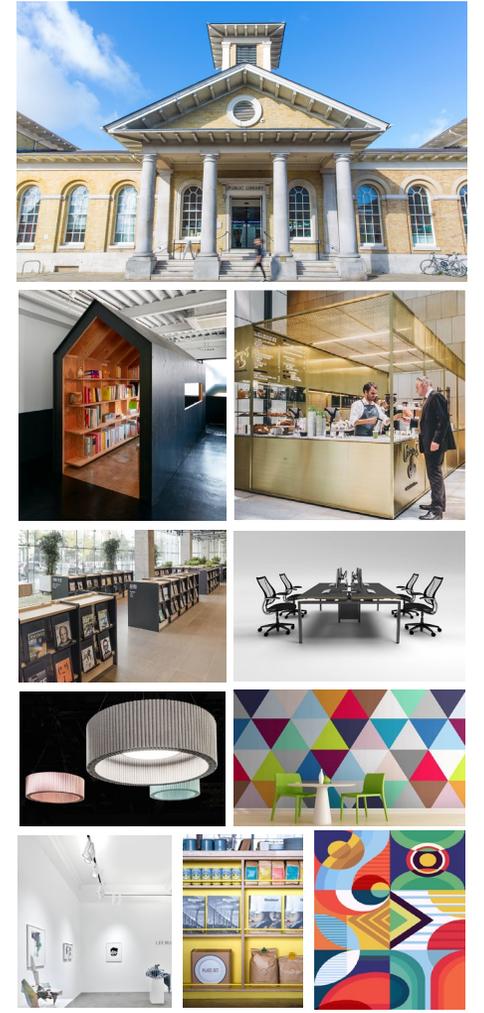
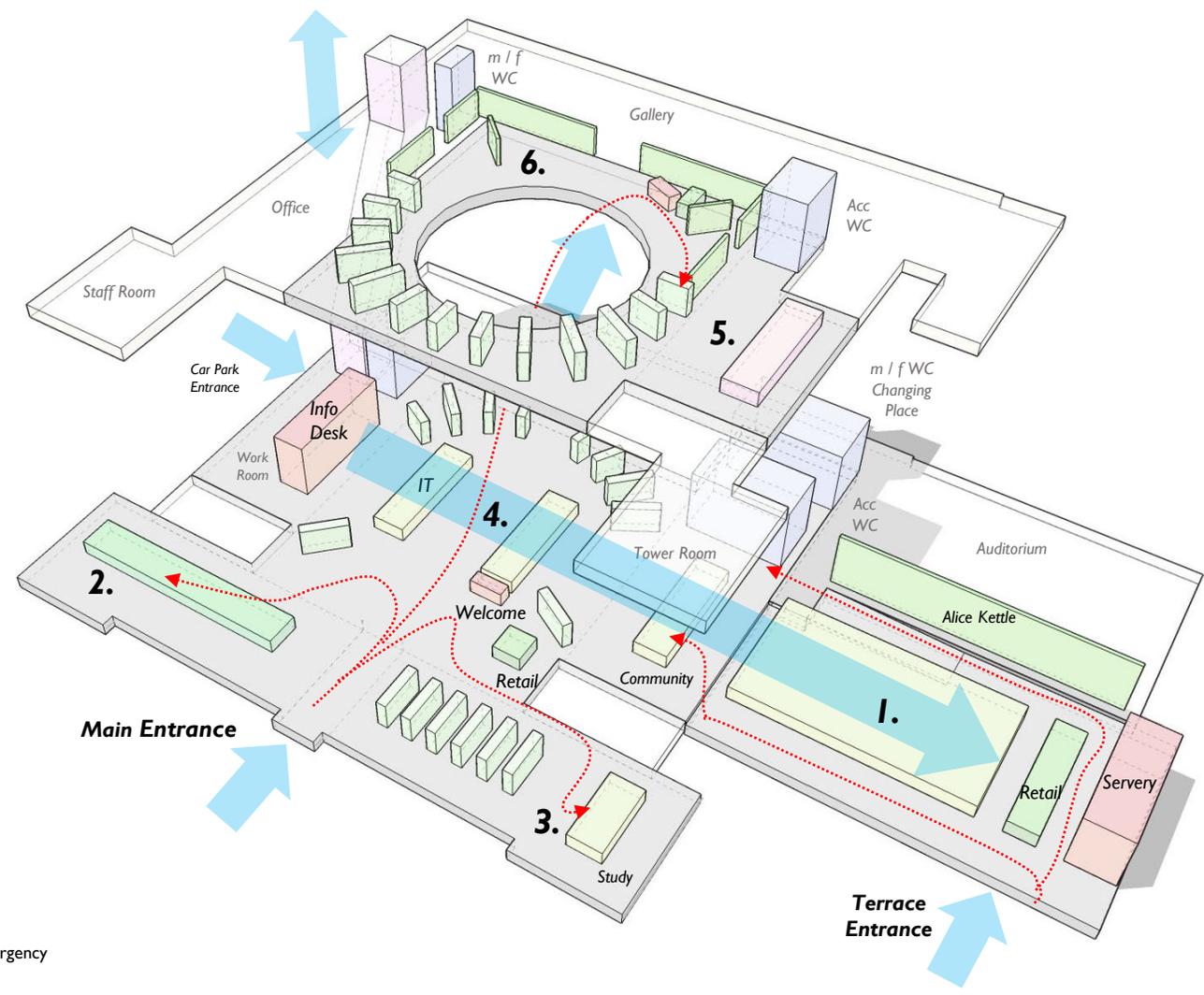
The venue will continue to bring together broad cross sections of the Winchester community, and provide spaces and events that enable shared experiences. It will continue to be accessible and to provide free leisure and cultural experiences to residents and visitors. Where paid opportunities are offered, free tickets will be available to carers. The venue will continue to provide meeting places for a range of community groups and services, such as Winchester Go LD, who support and connect disabled residents.

Improvements to facilities (including updates to the public toilets and Changing Spaces toilet), potential increases to the building opening hours, and the continued promotion of the building as a safe and welcoming community space will all impact positively on service users.

For staff, impacts on age, disability, gender and pregnancy and maternity have been assessed as low. A lower percentage of the workforce at WDC are over 55 compared to the wider Library Service. Reasonable adjustments will continue to be made for staff who have declared a disability, where appropriate. 76% of the workforce at WDC identify as female and 24% identify as male and impacts on gender, pregnancy and maternity have been assessed as low.

PROPOSALS

- 1. Café**
 - Refurbished and upgraded café, including servery equipment
 - New decorations
 - New feature lighting
 - New loose fixtures, fittings and equipment (FFE)
 - New audio-visual / digital art installation
- 2. Children's Library**
 - New decorations and loose furniture
 - Installation of Play Gallery equipment
- 3. City Space**
 - Relocation of City Space gallery to mezzanine
 - Creation of library and quiet study space,
 - New decorations
 - New loose furniture
- 4. Creation of "Heart Space"**
 - New Welcome Desk
 - New Retail Units
- 5. Railway Room**
 - Creation of Digital Lab
 - New loose furniture and rebranding of space
- 6. Mezzanine**
 - Creation of Art Gallery
- Other internal**
 - WC refurbishment (public and staff)
 - Works to upgrade the lift to evacuation and installation of emergency call points in designated refuge points throughout the building
 - Main staircase new floor finishes
 - Signage, branding, wayfinding and graphics



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