

EXECUTIVE DECISION RECORDING SYSTEM:
REFERENCE NUMBER: 09040157

REFURBISHMENT OF WERNETH PARK MUSIC ROOMS:

REPORT OF THE EXECUTIVE DIRECTOR- ECONOMY, PLACE AND SKILLS

Delegated Item

Date: 3 April 2009



1.0 PURPOSE OF REPORT

- 1.1 To outline options for the proposed refurbishment of Werneth Park Music Rooms following initial discussions with the Heritage Lottery Fund.

2.0 EXECUTIVE SUMMARY

- 2.1 The refurbishment of the former Werneth Park Music rooms is a project that the Council has supported. The estimated costs of refurbishment have increased following completion of the design works and as a result of the further arson attack in 2007. Following further discussion with the Heritage Lottery Fund it is likely that any funding offered will be substantially lower than initially indicated. The report therefore outlines 4 possible options: abandon/mothball the project; continue with the project seeking alternative funding; examine private sector options to refurbish the building or pursue a lower cost refurbishment scheme.
- 2.2 The four options are outlined and the risks associated with each identified. On balance, given that Werneth Park Music Rooms is highly valued by the people of Oldham its refurbishment would bring many benefits and contribute to a number of agenda's.
- 2.3 It is therefore proposed that the Council continues to support the Werneth Park Music Rooms Steering Group and that they be asked to continue their work and bring forward a scheme for its refurbishment.

3.0 RECOMMENDATION (S)

- 3.1 The Council continues to support as a high priority the proposals to refurbish the Werneth Parks Music Rooms for use by the Community.

4. BACKGROUND

- 4.1 The Grade II listed Werneth Park Music Rooms is one of the most significant and valued historic buildings in the Borough. It is located in a prominent position in the Borough's second most eminent Victorian park situated between the communities of Coppice, Freehold/Werneth and Hollinwood. The building has been used for community activities since the 1930's when it was gifted to the Borough Council subject to covenants for it to remain open for community uses. In September 2001 the building was closed as a consequence of budget cuts and it is currently the responsibility of the Environmental Services Directorate.
- 4.2 In 2002, SRB6 funded a study of community facilities provision in Werneth and Freehold. The study highlighted a shortage of community facilities in Werneth and Freehold and a lack of available sites on which to develop new facilities. Local residents therefore called for the restoration of the Music Rooms for community use. A Steering Group to guide the project was established in 2003.
- 4.3 A Heritage Lottery Fund Project Planning Grant was secured and together with a contribution from SRB6 enabled preliminary studies to be undertaken, including a Business Plan, Structural Appraisal, Conservation Management Plan, Audience Development Plan and Access Study.

- 4.4 In 2005, NRF funding was secured to appoint a design team (Lloyd Evans Prichard of Manchester) to develop refurbishment proposals. A number of design options with budget costs were developed. At the same time the steering group developed proposals for establishing a Community Development Trust to take on and manage the building on behalf of the community. Whilst there are a number of issues preventing a straight transfer of the asset because of the Council's status as charitable trustee for Werneth Park (as a result of its gifting in the 1930's) these issues are not considered insurmountable.
- 4.5 At its meeting on the 2 July 2007, Cabinet considered the various refurbishment options and approved that progress be made on Option A at a capital cost of £2.85 million with estimated annual maintenance costs of £125,025. Option A provided for the refurbishment of the Music Rooms and Auditorium, retention of existing conservatory footprint as an out door space with a new conservatory and service block. The intention has been to submit a Heritage Lottery Application for 75% of the total restoration costs. Cabinet also approved the submission of the necessary planning applications and the principle of transferring the building to the proposed Community Development Trust.
- 4.6 Option B and C provided for refurbishment schemes to include restoration of the conservatory, option B being the existing 1950's structure and option C being a replica of the original 19th century conservatory. These options were costed at £3.4m capital and £148,378 revenue and £4.1m capital and £160,878 revenue respectively.

5. CURRENT POSITION

- 5.1 A planning application (PA/054487/08) was submitted in January 2008 but has since been withdrawn following requests for additional information (bat, bird and tree survey) and the need to review the scheme in light of the response from the Heritage Lottery Fund.
- 5.2 In August 2008 the building was subject to a further arson attack that substantially damaged the main hall. A further fire in the adjoining lodge building also left that part of the building without a roof. As a result the estimated cost of the refurbishment proposals increased to £3.7million. (Inclusive of fees).
- 5.3 In October 2008 at a meeting with the Heritage Lottery Fund, they advised the Council that the level of resources available had been substantially reduced and that at the proposed level of £2million the project would be in competition with UK wide projects and against this competition would be unlikely to receive the full level of funding sought. In particular, the project was deemed weak in the following areas;
1. Value for money (recent fire damage, cheaper ways to achieve same level of participation in heritage)
 2. Better ways to provide for community facility at less cost.

The scheme could be funded from the HLF regional allocation but the average award was in the region of £200,000. It is unlikely therefore that we would be successful if securing an HLF grant sufficient to restore the Music Rooms along the lines originally envisaged.

- 5.4 As a result officers have been considering the options available.

6. OPTIONS/ALTERNATIVES

- 6.1 The following options have been identified together with the associated risk:

OPTION ONE: Abandon/ mothball

Risks:

- Continues to be a liability/source of complaint
- Detracts from Park and Study Centre – discourages further investment in area
- Demonstrates Council does not care, several listed buildings uncared for – reduces Council's case when seeking to demolish other listed buildings– Hartford Mill.
- Costs of refurbishment likely to increase,
- No certainty funding position will change/get easier.
- Continued shortage of facilities for community use in Werneth/Derker

OPTION TWO: Seek alternative funding for proposed use as Community Facility

An initial trawl of potential funders identified the following grants/loans, (nb Trusts have not yet been explored)

Grants:

Clore Foundation Main Grants – up to £1m

Capacitybuilders Flagship Projects £500,000

Garfield Weston Foundation. No indication but unlikely to exceed £250,000

Myplace (Focuses on Young People and could therefore be difficult) £5m

Loans:

Community Asset Transfer Loan up to £6m (80% of property value & 1% above base rate)

Risks:

- no certainty of success
- community drivers/supporters become disillusioned and do not have capacity for a long haul and therefore abandon project
- costs increase
- difficulty in putting a package together

OPTION THREE: Seek alternative use including private sector involvement.

Risks:

- lack of investors in current market
- will still need public subsidy
- ability of Council, given its position as Trustees to be able to dispose of building in a manner acceptable to a private investor.
- community likely to be against proposal and would seek to discourage any tentative interest.

OPTION FOUR: Explore revised/cheaper options for refurbishment

Risks:

- more money spent on consultants fees with no guarantee of success
- lower quality scheme may not be value for money in long run
- lack of community support
- increase in ongoing maintenance costs that could not be supported by the business plan

- business plan not viable.

7. PREFERRED OPTION

- 7.1 Werneth Park Music Rooms is one of Oldham's iconic buildings that has many memories for the residents of the Borough. Its refurbishment would bring substantial non-financial community benefits as well as contributing to the Council's achievement of maintaining its public parks as well as providing a valuable venue for community and other activities and events.
- 7.2 It is therefore proposed that Option 2 be adopted. Officers continue to develop the project working with the Werneth Park Music Rooms Steering Group. In pursuing Option2, officers should also explore the possibility of reducing the overall costs but without jeopardising the future viability of the project.
- 7.3 A further report is to be submitted to Cabinet once a suitable funding package has been identified. Any funding package should not make any demands on the Council either for initial capital or ongoing revenue expenditure.

8. CONSULTATION

- 8.1 The Werneth Park Music Rooms Steering Group, which comprises of both officers and members of the public have met regularly to develop the scheme. The scheme has been presented to the Area Committee and featured regularly at events and in publications produced as part of the SRB6 Scheme.

9. FINANCIAL IMPLICATIONS

- 9.1 The Financial implications will depend upon which option the members wish to pursue.

OPTION ONE: Ongoing costs of security and ultimately costs of dealing with the building, either refurbishment or demolition.

OPTION TWO: Staff costs in developing and supporting the project. Possible capital contribution to the refurbishment costs.

OPTION THREE: Marketing costs and ongoing security costs until a suitable partner is found

OPTION FOUR: Staff costs in developing and supporting the project. Possible capital contribution to the refurbishment costs.

10. CORPORATE HUMAN RESOURCES COMMENTS

- 10.1 Not required

11 LEGAL SERVICES' COMMENTS

- 11.1 The recommendation has no direct legal implications and is within the powers contained in section 2 Local Government Act 2000.

- 11.2 The Council holds the Werneth Park and the buildings therein as charitable trustee and must act in the best interests of the trust when dealing with its assets. (DH)

12 TREASURER'S COMMENTS

- 12.1 The direct financial implications at this stage from this report will initially be staff time involved in dealing with costing up the option/options chosen by member to pursue.
- 12.2 Any further costs that will need to be incurred will be subject to further detailed reports, highlighting the costs and outcomes. (JK)

13 IT IMPLICATIONS

- 13.1 *NONE.*

14 PROPERTY IMPLICATIONS

- 14.1 The building was closed as a budget option some years ago and has been disused since. Vandalism and arson have caused damage to the building as mentioned in the report. Apart from a small maintenance budget there is no provision within current budgets to operate the building. Any future use would need to be financially self sustaining, and the whole life costs of the refurbished building will need to be explored as part of the business case.

15 ENVIRONMENTAL AND HEALTH AND SAFETY IMPLICATIONS

- 15.1 The building has been made secure following the arson attack in 2007.

16 COMMUNITY COHESION IMPLICATIONS (INCLUDING CRIME AND DISORDER IMPLICATIONS IN ACCORDANCE WITH SECTION 17 OF THE ACT)

- 16.1 A refurbished building being used by the community would enhance the opportunities to promote community cohesion. Leaving the building vacant and derelict may encourage further vandalism to the Music Rooms and other assets in Werneth Park.

17 EQUALITY IMPACT ASSESSMENT

- 17.1 **COMPLETED: - YES.**

- 17.2 **If YES: -**

Initial assessment completed 17 May 2006. The project is at the early stages and the issue of access be it physical/racial/gender/sexual/age/religious etc can and will be addressed by the proposed management body to ensure the aspiration that the building is brought back into beneficial use for the whole community and becomes an exemplar "Zone of Exchange."

18 FORWARD PLAN REFERENCE

- 18.1 **April 2009 R32-08**

18.2 **KEY DECISION: - YES/NO.**

19 SUPPORTING PAPERS

19.1 The background files can be viewed by contacting Nick Andrews at Economy Place and Skills, Oldham Business Centre, Cromwell Street, Oldham - Tel: 0161 770 5143 during normal office hours.

The following is a list of the background papers on which this report is based in accordance with the requirements of Section 100(1) of the Local Government Act 1972. It does not include documents which would disclose exempt or confidential information as defined by that Act.

File Ref –AT 12/2 Werneth Park Music Rooms

*Any Person wishing to inspect copies of the above background papers should contact: -
Nick Andrews,
Email nick.andrews@oldham.gov.uk
Tel 0161 770 5143*

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Signed <hr/> Cabinet Member <hr/>	Dated <hr/>
Signed <hr/> Executive Director <hr/>	Dated <hr/>