

Title: Repairs to the roof of the Royal Pump Rooms
Lead Officer: David Guilding, Arts Manager (Place, Arts, & Economy)
Portfolio Holder: Councillor Ella Billiald
Wards of the District directly affected: Leamington Wards

Approvals required	Date	Name
Portfolio Holder	06/06/23; 07/06/23	Cllr Ella Billiald; Cllr Paul Wightman
Finance	20/06/23	Andrew Rollins
Legal Services		N/A
Chief Executive	07/06/23	Chris Elliott
Director of Climate Change	13/06/23	Dave Barber
Head of Service(s)	08/06/23; 08/06/23	Philip Clarke; Steve Partner
Section 151 Officer	20/06/23	Andrew Rollins
Monitoring Officer	08/06/23	Andy Jones
Leadership Co-ordination Group	07/06/23	Chris Elliott
Final decision by this Committee or rec to another Cttee / Council?	Yes	
Contrary to Policy / Budget framework?	No	
Does this report contain exempt info/Confidential? If so, which paragraph(s)?	No	
Does this report relate to a key decision (referred to in the Cabinet Forward Plan)?	Yes, Forward Plan item 1,362 scheduled for 5 July 2023	
Accessibility Checked?	Yes	

Summary

This report updates Cabinet on works to repair the roof of the Royal Pump Rooms and seeks permission to draw down funds to enable this work to go ahead.

Recommendation(s)

- (1) That Cabinet approve the allocation of £528,800 from the Corporate Assets Reserve 2023/24 to the Royal Pump Rooms roof project in order for it to proceed.
 - (2) That authority to use the allocation at their discretion is delegated to the Head of Neighbourhood and Assets, in consultation with the Portfolio Holder for Housing and the Portfolio Holder for Arts and Economy.
 - (3) That Cabinet note the extent of the planned works to the Royal Pump Rooms.
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1 Reasons for the Recommendation

- 1.1 The current flat roof covering of the Royal Pump Rooms was installed during an extensive redevelopment of the site in the early 2000s, and it is now failing. There are several areas of the roof where the deck is rotten and structural integrity is compromised. Multiple areas of water ingress have resulted in the permanent closure of parts of Leamington Spa Art Gallery & Museum (LSAG&M) and there has been widespread water damage to the internal fabric of the building. Replacement of the roof covering is urgently required to protect the integrity of the building, the security of the collections, and for the safety of visitors and staff.
- 1.2 There is a significant amount of mechanical plant installed on the flat roof of the Royal Pump Rooms which serves the building, including air handling units (AHUs). This plant is at the end of its economic life and must be removed and replaced as part of this project.
- 1.3 In May 2022 Arts Council England (ACE) launched Round 2 of the Museum Estate and Development Fund (MEND). This is a government capital fund targeted at non-national Accredited museums and local authorities based in England to apply for funding to undertake vital infrastructure and urgent maintenance backlogs which are beyond the scope of day-to-day maintenance budgets.
- 1.4 An application to the MEND fund was submitted by Warwick District Council (WDC) on 30th September 2022 to fund the replacement of the Royal Pump Rooms roof. On 17th February 2023 ACE notified WDC that their application had been successful. ACE offered the full amount requested of £2,283,821, subject to acceptance of the terms of the funding agreement. In March 2023 the Chief Executive used his emergency powers, after consultation with all Group Leaders, to formally accept the terms and conditions of the grant. (Please refer to Cabinet report: Use of Chief Executive Delegated Powers for Urgent Decisions, Forward Plan reference 1,360).
- 1.5 For grants of between £500,000 and £5 million it is a condition of the MEND fund that 10 percent of the total project costs must come from other sources (i.e., 'match funding'). Therefore, WDC must contribute £253,758 from its own Corporate Asset Reserve in order to qualify for the funding.

- 1.6 The MEND fund is specifically aimed at museums and heritage buildings. However, the Royal Pump Rooms hosts a wide range of cultural services, including a library. It was clarified with ACE during the application process that works associated with Leamington Spa library are not eligible to be funded by the MEND grant. Some minor repairs to the roof of the library, which is of a different construction to the roof being replaced, will be necessary as part of the overall project and so these must be funded by directly by WDC.
- 1.7 The cost of replacing associated plant for the library has been identified as £275,042. A proportion, if not all, of this cost may be recharged back to Warwickshire County Council who operate the library, as per the pre-existing conditions of their tenancy agreement. However, in the immediate term the cost must be underwritten by WDC in order for the project to proceed to its agreed timescale.
- 1.8 Therefore, the total funds to be contributed to the project from WDC, as per the conditions of the Funding Agreement with ACE, is £528,800.

2 Planned Works

- 2.1 LSAG&M is an Accredited museum based in the grade II listed Royal Pump Rooms. Over 450,000 people visit the building annually. It houses collections on human and local history, arts & science; and provides cultural opportunities to residents and visitors. The site includes a café, tourist information desk, a shop, and events spaces all of which serve the art gallery and museum.
- 2.2 Warwick District Council have appointed Atkins, a world-leading design, engineering, and project management consultancy, to design and manage the project. Atkins have been procured and commissioned via the Fusion 21 Framework. A team of experienced consultants has been formed to take the project forward comprising of chartered building surveyors, chartered building engineers, structural engineers, mechanical engineers, sustainability consultants, and specialist heritage & planning consultants.
- 2.3 The works will include the replacement of the single ply membrane flat roof covering with a three-layer bitumen felt roof covering; replacement of five roof-mounted AHUs and associated duct work above roof level; consolidation of existing air conditioning (AC) units into one Variable Refrigerant Flow system (VRF); associated building work on the roof including repairs to stonework, rainwater goods, leadwork, tiles & slates; replacement of six lanterns with new metal-framed rooflights; and targeted repair of internal ceilings and walls which have been badly water damaged.
- 2.4 This project will secure the building fabric and arrest ongoing deterioration; provide a robust flat roof covering with a lifespan of at least thirty-five years; enable more efficient environmental performance, raising the building's U Value to at least 0.25W/m²K, in accordance with building regulations; protect the collections and display spaces within LSAG&M, improving access and enabling full use of the gallery and museum; protect public health & safety by arresting ongoing deterioration of the stone balustrades around the building; and ensure ongoing maintenance to the roof and AHUs can be carried out safely.
- 2.5 The project has reached RIBA Work Stage 3 where the spatial coordination design, project timeline, and budget have been completed. The project team are now working towards RIBA 4 at which point the detailed schematics will be finalised, consents obtained, and a contractor appointed to deliver the works.

- 2.6 A Listed Building Consent Application for the works was submitted on 12 April 2023 and it is not anticipated that there will be any material objections as the roof is being replaced like-for-like or reducing impact.
- 2.7 The procurement pack is currently being designed by officers, with the aim of appointing a contractor by August 2023.
- 2.8 It is anticipated that works on site will commence in October 2023 and will run through until completion in June 2024.
- 2.9 Replacement of the roof covering will be delivered in a single phase. It is anticipated that disruption to the operation of the building will be managed so that total closure of the site will be unnecessary. However, short-term partial closure of certain areas may be required due to work at height, access issues, noise, and temporary utilities interruptions. Access to services will be maintained as far as possible throughout. The extent of any disruption will become clearer once the contractor is appointed.
- 2.10 Works may potentially encroach upon the area surrounding the Royal Pump Rooms, including the Pump Room Gardens, depending on the requirements of the contractor for access to the roof and the location of secure site compound for materials and equipment. The council's Green Spaces team and Events team will be consulted when the tender pack is created to minimise impact.
- 2.11 It should be noted that the works outlined above are Phase 1 of improvements to the Pump Rooms. Whilst the roof repairs will deliver some carbon savings, Phase 2 will focus on other measures to achieve decarbonisation, subject to listed building approval. The Phase 2 proposals include rooftop solar and potentially other measures to change the heat source and to improve thermal efficiency. Subject to funding and consents, officers will aim to incorporate these works alongside the roof repairs. Should that not prove to be possible, Phase 2 will be considered as part of the Council's wider asset decarbonisation investments.

3 Alternative Options

- 3.1 Members could opt not to support the allocation of funds and not grant the delegation as recommended in this report.
- 3.2 This option is not recommended by officers as WDC has formally accepted the MEND grant and its terms and conditions. The funding arrangements and timelines agreed with ACE are non-negotiable. If WDC did not provide the match funding required, it would break the terms of the grant agreement and place the project in jeopardy.

4 Legal Implications

- 4.1 The terms and conditions of the ACE grant agreement require WDC to provide certain securities and assurances. Stratford-on-Avon District Council Legal Services have reviewed these terms and conditions on behalf of WDC, which were found to be typical for a grant award of this scale and not concerning.
- 4.2 A key consideration to note is that WDC would need to obtain ACE's consent in order to sell or let the Royal Pump Rooms during the twenty-year term of the agreement and ACE may impose conditions on the consent. This is to protect ACE's investment and ensure that the building continues as a public heritage asset during that time.

5 Financial

- 5.1 The total capital budget for the full project, including grant and match funding, is £2,812,621.
- 5.2 The works will take place over two financial years, 2023/24 and 2024/25 starting in October 2023 and ending by July 2024.
- 5.3 Match funding of £528,800 is required from the Corporate Asset Reserve. As of 31st March 2023, the balance of the Corporate Asset Reserve is £1,320,104. Including the Royal Pump Rooms roof works there will be an estimated balance of £258,809 left uncommitted at the end of the year. Budgets will be monitored and reviewed moving forwards. The budget for this scheme will be held in the General Fund Capital Budgets.
- 5.4 Of the £528,800 match funding it is expected that up to £275,042 will be recovered from Warwickshire County Council to be returned to the Corporate Asset Reserve or to fund the project.
- 5.5 The MEND grant will be paid to WDC in four instalments by ACE over the duration of the project. Interim monitoring reports must be submitted to ACE so they may monitor performance and progress. Grant payments are conditional and will not be released until ACE are satisfied that the terms of the funding agreement are met and WDC have demonstrated that the grant released up to that date has been spent. The Arts team will work with Atkins and the Assets team to submit these returns via ACE's online portal, Grantium.
 - i) Payment Request 1: £456,764 (April – September 2023)
 - ii) Payment Request 2: £913,528 (September 2023 – February 2024)
 - iii) Payment Request 3: £685,147 (February 2024 – July 2024)
 - iv) Payment Request 4: £228,382 (July 2024 upon completion of final activity report)
- 5.6 The grant is conditional and if WDC were to breach any of the terms and conditions of the funding agreement, then ACE, at their absolute discretion, may withhold or demand repayment of all or part of the grant and terminate the funding agreement.
- 5.7 If there is a project underspend upon the conclusion of the project, these grant monies must be repaid to ACE. If the project were to overspend, then the costs would have to be met from WDC's own reserves.

6 Business Strategy

- 6.1 Health, Homes, Communities, - This project will make a direct contribution to supporting health and well-being and community cohesion for those communities who utilise the Royal Pump Rooms and LSAG&M. Parts of the building currently out of use will be reopened for the enjoyment of visitors.
- 6.2 Green, Clean, Safe, - This project will lower the impact of the building upon the environment by making it more efficient and it will open up opportunities to invest further in renewable energy solutions. The building will also be made safe and fit for purpose.
- 6.3 Infrastructure, Enterprise, Employment, - This project will allow for greater use of the building, including the events spaces, and ensure that revenue for the council is maintained.
- 6.4 Effective Staff, - This project will ensure that Arts section staff can work safely and are able to utilise the building to the fullest extent.

- 6.5 Maintain or Improve Services - This proposal will enable certain areas of the building to be opened up once again and make the service fully operational. Several display areas within LSAG&M will be able to be utilised once more.
- 6.6 Firm Financial Footing over the Longer Term – This external grant funding has ensured that the full cost of these repairs does not have to be met from WDC’s own financial reserves, easing the burden on the corporate budget. It also ensures that the facility can continue to generate revenue from its function and events spaces.

7 Environmental/Climate Change Implications

- 7.1 A full sustainability appraisal was prepared as part of the initial project feasibility report using a thermal model of the Royal Pump Rooms. Energy saving options delivered by the project include the fitting of additional roof insulation; improvement of rooflights and roof-top plant; and introducing sub-metering and monitoring linked to the Building Energy Management System. Energy consumption will be reduced by an estimated 5% due to improved roof insulation and improved efficiency of plant.
- 7.2 Early consultation with WDC’s Conservation officers identified that photovoltaic panels (PV) originally designed into the roof project as an addition would have had an unacceptable impact upon the listed building and therefore, they were removed from the grant application and will not be delivered during this phase of the project. However, photovoltaic panels and air source heat pumps to replace existing boilers remain under consideration for future phases of improvement to the Royal Pump Rooms and officers are actively exploring alternative design options and avenues of funding.

8 Analysis of the effects on Equality

- 8.1 This report has no impact of itself on equality and diversity matters but the project should enable increased use of the facilities, which are already highly accessible.

9 Data Protection

- 9.1 Not applicable.

10 Health and Wellbeing

- 10.1 Not applicable.

11 Risk Assessment

- 11.1 Risks to the project have been assessed and managed through the compilation of a project risk register by Atkins and the project team. This identifies areas of uncertainty and assess the likelihood, severity & proportional costs for each risk. Measures to mitigate risks and the responsible party for each risk have been identified. Risks to the project fall under three main categories:
- 10.2 **Programme:** A project programme will be agreed with the contractor prior to works commencing and progress monitored against this through the weekly site inspections. If changes to the programme are required this will be managed through a mechanism in the contract, mitigating risk to programme as far as possible. A realistic degree of slippage has already been incorporated into the programme, as the majority of the works will be carried out over the winter months and the nature of the work is highly weather dependant.
- 10.3 **Site:** In accordance with the CDM regulations, a construction phase plan will be

prepared by the contractor which includes risk assessments and method statements for each element of the works. These will be reviewed by the Principal Designer and regular inspections undertaken to assess contractor's Health and Safety on site. This is particularly important as the Pump Rooms is a public building. The Royal Pump Room is also located on the banks of the river Leam, which carries a risk of flooding during the winter months.

- 10.4 **Cost:** Risks associated with cost will be managed through the provision of fixed tender costs, an effective change control system and close monitoring of spend and progress throughout the project. The project is also included on the WDC corporate risk register. The project budget includes a realistic contingency.
- 10.5 The external award from the MEND fund is a significantly large capital grant and as such the funder has imposed multiple payment conditions throughout the life of the project which must be met before funds can be drawn down by the council at each stage. If these conditions are not fully met the funder will not release the payments and the council would potentially be forced to meet the cost from its own reserves.

12 Consultation

- 12.1 Consultation on the project has been limited to date as the scope of the works is very defined, however, all stakeholders are aware of the poor condition of the roof and the risk that it presents to LSAG&M and its collections. Once a programme of works is confirmed with the contractor consultation will commence with key stakeholders including the Friends of Leamington Art Gallery (FLAG), the Friends of the Pump Room Gardens, building users, and Library and Cafe tenants. This will include newsletters, stakeholder meetings to discuss delivery and impact of the project and understand any concerns, use of social media to publicise the project and provide updates on progress.

Background papers:

N/A

Supporting documents:

N/A