

SCRUTINY COMMITTEE

THURSDAY, 23RD JANUARY, 2020, 6.00 PM

CROSS ROOM, CIVIC CENTRE, WEST PADDOCK, LEYLAND, PR25
1DH

SUPPLEMENTARY AGENDA

I am now able to enclose, for consideration at the above meeting of the Scrutiny Committee, the following information:

5 Worden Hall Project Update

Report of the Director of Planning and Property attached.

(Pages 79 - 116)

Gary Hall
INTERIM CHIEF EXECUTIVE

Electronic agendas sent to Members of the Scrutiny Committee

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REPORT TO	ON
CABINET	22 January 2020



TITLE	PORTFOLIO	REPORT OF
Worden Hall Project Update	Finance, Property and Assets	Director of Planning and Property

Is this report a KEY DECISION (i.e. more than £100,000 or impacting on more than 2 Borough wards?)	Yes
Is this report on the Statutory Cabinet Forward Plan ?	Yes
Is the request outside the policy and budgetary framework and therefore subject to confirmation at full Council?	No
Is this report confidential?	No

PURPOSE OF THE REPORT

1. This report updates Cabinet on the recommendations arising from the officer working group which were tasked by Cabinet to develop an enhanced Option 1 proposal (also known as the Hybrid option) to incorporate community use as well as small weddings and events to be staged at Worden Hall.
2. The business plan has also been reviewed to ensure that the proposals have been costed and can be delivered without the need for ongoing revenue subsidy from the Council.

PORTFOLIO RECOMMENDATIONS

3. That Cabinet note the proposals for an enhanced Option 1 proposal as outlined within the Appendix 2 attachment to the report.
4. That Cabinet approve the drawing up of detailed capital costings for the proposed works.
5. That Cabinet receive an updated report detailing the capital costs of works and updated business plan at the February 2020 Cabinet Meeting.

REASONS FOR THE DECISION

6. Following an extensive public consultation exercise which resulted in over 500 responses to the 3 investment options for Worden Hall, a report was provided to Cabinet on 16th October 2019 which summarised the feedback received and recommended that further work was required to develop a finalised option for consideration by Cabinet in January 2020.
7. At the Cabinet meeting on 16th October it was recommended that a multi - disciplinary officer working group be established to work through the development of an enhanced Option 1 Community use to incorporate small weddings and events.
8. The officer group has met on 3 occasions and has worked with our consultants Purcell and Amion (the report authors for the Options Appraisal on which the public consultation was based) to develop the proposals contained within this report.
9. The feedback from the public consultation exercise clearly stated that plans for Worden Hall needed to be economically viable and that the Hall must be able to run without recourse to subsidy from the council. This has been fully taken on board and built into the business plan for the Hall.
10. The report shall enable the council to determine whether or not it wishes to proceed with the plans subject to agreeing acceptable capital costs for the works.
11. Initial work relating to capital costs requires further value engineering which shall enhance the case for investment into the Hall. The work undertaken to date has indicated that the Hall will make an operational surplus from year 3 of the plan and whilst a small deficit is projected in year 1 and 2 of the plan this is more than offset by savings in maintenance costs as the council is presently spending on average £30k per annum on the Hall whilst it is empty.

CORPORATE OUTCOMES

12. The report relates to the following corporate priorities:

Excellence, Investment and Financial Sustainability	√
Health, Wellbeing and Safety	
Place, Homes and Environment	√

Projects relating to People in the Corporate Plan:

Our People and Communities	
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BACKGROUND TO THE REPORT

- 13.** In June 2018 the Council appointed architectural consultant Purcell and financial consultants Amion to undertake a feasibility study and options appraisal into potential future uses of Worden Hall. The consultant's report reviewed and modelled in detail, three options for bring the Hall back into use. These options consisted of a Community Use option, Small Weddings and Events option or large Weddings and Events option.
- 14.** At the Cabinet meeting on 16th October the Cabinet recommended to rule out Option 3 and requested officers to work up a viable business plan for an enhanced Option 1 which combined Community Use as well as providing for small weddings and events.
- 15.** A multi- disciplinary officer group have worked with the architectural and financial consultants to develop the proposals as outlined in Appendix 2.
- 16.** The proposals form a hybrid of options 1 and 2 considered at the Cabinet Meeting on the 16 October 2019.
- 17.** The plans have been developed by Purcell Architects and the financial modelling has been undertaken by Amion consulting.

PROPOSALS (e.g. RATIONALE, DETAIL, FINANCIAL, PROCUREMENT)

- 18.** A summary of the Hybrid Option proposals are set out below for information:
 - The proposals provide for a community option that repairs and refurbishes the existing buildings to provide a series of flexible spaces that could be booked out to local groups for meetings and events
 - The stables and Hayloft are re-purposed as a bar and green room with a hoist to provide access to the first floor along with a foyer to support the event space.
 - New covered courtyard is included to create the main entrance to the complex
 - Main hall with seated capacity for 100 people
 - Three leased offices/workspaces
 - Extended Café Space which is relocated from the stables to ground floor of the Derby Wing
 - Small managers office and new toilet to be provided
 - New access formed to connect the Marsden Room to the craft units
 - Zoning of area to be developed including commercial quarter, festival court and café court
 - Potential for café to utilise Glass House for additional space on a seasonal basis.
 - Gallery to connect first floor to Hay loft with lift access provided to the clock tower to enable first floor to be accessible in line with DDA requirements
 - Marsden Room to be utilised for weddings and events with breakout space provided through the Festival Court and potentially the Commercial Zone (at agreed times).

19. A full procurement exercise shall be required in order to appoint specialist advisers and developers to bring the Hall back into use. The project team shall work closely with the procurement team to ensure that contractors and consultants are appointed in the most timely, efficient and effective manner.
20. The capital programme has been amended to reflect the cost of bringing the hall back into use.
21. The full business case and capital costs shall be reported back to the February Cabinet meeting.

CONSULTATION CARRIED OUT AND OUTCOME OF CONSULTATION

22. An extensive consultation exercise has been carried out which resulted in high levels of involvement from the public. Over 500 respondents replied to the consultation exercise with the majority stating that they wanted the Hall to be a Community Venue which provided a space for meetings and hosted small weddings and events. The proposals outlined within the report are fully aligned to the feedback that was received through the public consultation exercise.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

23. The Council could choose not to develop Worden Hall. This is not recommended as the feedback from the public consultation exercise strongly supported the Council investing in the Hall and bringing it back into use.

AIR QUALITY IMPLICATIONS

24. The Council is committed to becoming Carbon neutral by 2030 and to tackle climate change and air quality. The proposed works shall be commissioned in such a way as to minimise the carbon footprint of bringing the hall back into use. The use of energy generation and efficiency measures shall be built into the procurement process in order to minimise running costs and energy inefficiency.

RISK MANAGEMENT

25. The Council will ensure that that all Health and Safety risks associated with the redevelopment are managed efficiently and effectively.
26. It is important that effective liaison is undertaken with Historic England to ensure that any plans for Hall are in keeping with conservation and regulatory requirements in order to avoid any unnecessary work and spend.
27. The Council will need to give careful consideration to the project management of this project in order to ensure that the re-development is undertaken to agreed Health, Safety and quality standards.

EQUALITY AND DIVERSITY IMPACT

28. The proposed works to the Hall shall ensure that it is Disability Discrimination Act Compliant.
29. A full EIA (Equalities Impact Assessment) will be carried out as part of the project

COMMENTS OF THE STATUTORY FINANCE OFFICER

30. Worden Hall is a major capital project and funding for the capital works and project management costs have been built into the capital programme.
31. The refurbishment and regeneration of Worden Hall has been identified as a key strategic project within the Leyland Town Deal and should this bid be successful funding shall be sought to help finance the refurbishment works.

COMMENTS OF THE MONITORING OFFICER

32. A cross functional officer group has already been set up for this important project – this was vital to ensure that all risks and issues are identified at the outset. Clearly appropriate planning permission and Listed Building Consent will be required for any works to the Hall. When it comes to the actual carrying out of the works we shall of course go through a robust procurement exercise – our procurement team will be fully involved in that. Following on from that appropriate contractual documentation will be drawn up and entered into. Prior to the award of any contract a further report will be brought back to Cabinet for decision.

BACKGROUND DOCUMENTS

It is recommended that Cabinet refer to the Cabinet Reports dated 19th June 2019 and 16th October 2019.

APPENDICES

Appendix 1 – Power-point Presentation

Appendix 2 – Copy of plans for Hybrid Option

Report Author:	Telephone:	Date:
Peter McHugh Assistant Director for Property and Housing	01772 62 5228	15/1/20

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PURCELL 

WORDEN PARK
SOUTH RIBBLE COUNCIL
ADDENDUM TO STAGE 1 REPORT
JANUARY 2020

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HYBRID OPTION (ENHANCED
COMMUNITY OPTION)

1.0

EXECUTIVE SUMMARY

Purcell Architects, AMION Consulting, Ryder Landscape Consultants and DHA were appointed to provide an options appraisal to bring Worden Hall in Leyland back into use. The core purpose of the study was to identify a long term sustainable future for the Hall, reducing the Council's revenue liability and delivering the Council's vision for Worden Park to become a destination of regional significance. The Stage 1 report was issued to South Ribble Borough Council in March 2019.

Following Community engagement, which strongly supported continuing Community use, South Ribble Borough Council commissioned Purcell AMION and DHA to undertake a further option for a Hybrid Community Use with the aim of producing a solution which would assist the business case.

Option 1 from the original study is included to enable direct comparison between Option 1 and the Hybrid Option (Enhanced Community Option). A series of Workshops have been held to facilitate the development of the hybrid option.

Option 1

- A community option that repaired and refurbished the existing buildings to provide a series of flexible spaces that could be booked out to local groups for meetings and events. The café within the stables is retained and proposals were put forward for the range of existing outbuildings which would continue as small workspaces for local businesses. The upper floors are included as meeting and activity spaces.

Hybrid Option (Enhanced Community Option)

- A community option that repaired and refurbished the existing buildings to provide a series of flexible spaces that could be booked out to local groups for meetings and events.
 - The Stables and Hayloft are re-purposed as a bar and green room with a new hoist to provide access to the first floor along with a foyer to support the events space
 - A new covered Hall Courtyard is included to create the main entrance to the complex
 - The Café is expanded and moved to the ground floor of the Derby Wing with a first floor kitchen. The Café will incorporate a retail offer.
 - The first floor of the Derby wing becomes hireable community spaces
 - New lift and WC accommodation serves the Derby Wing.
 - The range of existing outbuildings would continue as small workspaces for local businesses, including the upper floors.

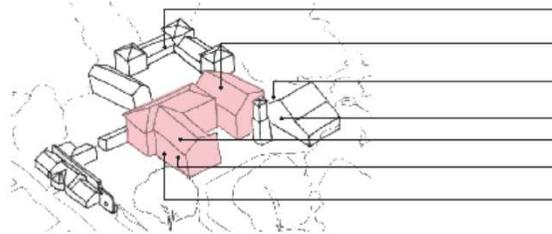
All the above options recommend the removal of the conservatory which is a modern intervention. It compromises the functionality and management of Worden Hall, including maintenance and repair.

Costs include repair work to the fabric and the installation of new power, lighting and heating solutions. A summary of both option's EBITDA is included here demonstrating that the Hybrid Option provides a sustainable solution for Worden Hall.

There will be some flexibility in the scope of works to Worden Hall and the landscaping; some works may be phased and undertaken at a later date, such as the construction of the covered Hall Courtyard, the provision of the additional lift to the Green Room and Stores, as well as the scope of the landscaping works (the additional car park and the extent of the landscape enhancements). It should also be noted that risk and design costs are proportional to the construction costs.

01 Community Space Small

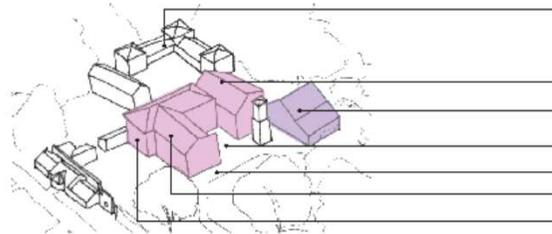
Income - £61,627
Costs - £76,200
EDITDA - -£14,753



- The outbuildings are rented out to small businesses including craft workshops, start-up businesses. Existing tenants could remain in-situ.
- The Marsden Room is used as a flexible events space
- Existing foyer spaces are partly demolished and refurbished to create new entrance point and break-out space.
- The Folly Coffee shop remains in its current location
- The first floor accommodation is used for office, storage and back of house spaces
- Detrimental modern conservatory and link demolished and modern addition inserted to provide arrival space
- The Derby wing is used as additional reception space for events

02 Hybrid Community Space Medium

Income - £95,222 after 2 years
Costs - £2,622,000
EDITDA - £11,290 after 2 years



- The outbuildings are rented out to small businesses including craft workshops, start-up businesses. Existing tenants could remain in situ.
- The Barn is used for wedding receptions and private hire.
- The Stable and Hayloft become a bar for use with the Barn, with associated uses over
- Detrimental modern conservatory and foyer spaces demolished and modern addition inserted to provide arrival space
- Lift and WC accommodation
- First floor converted to cafe/kitchen for private hire/wedding party use
- Cafe relocated and expanded

2.0

OPTION 01

Business Case and Costs

2.1 OPTION 01 SUMMARY

- Main hall with seated capacity for 100 people
- Two leased offices/ workspaces
- Two community meeting rooms
- Extended café space in the Hayloft
- Catering would be outsourced. The caterer would pay a 10% commission to the venue

2.2 INCOME ASSUMPTIONS

Income would stabilise in year 4 after opening.

Income projections include the following assumptions:

Functions

- The venue would host 80 functions per year, equating to an average of 1.5 per week
- The room hire rate would be £600 inclusive of VAT (£500 net)
- There would be an average of 50 guests per event
- Food spend would be £10 per head inclusive of VAT from which the venue would get a 10% commission from the caterer (£417 per event)
- The average income per function would be £542 net

Meeting room hires

- There would be a further 100 small room hires annually
- The average net room hire fee would be £50
- No catering income has been assumed from small meetings since these are likely to be community events

Ticketed events

- The venue would host a programme of comedy and drama. There would be 50 ticketed events annually, equating to around one per week.
- The financial arrangements would vary from event to event but it has been assumed that the venue would achieve an average of £200 net margin per event. No bar or catering income has been assumed.

Leases

- Two small rooms, with a total footprint of 538 sqft would be leased to small businesses
- The spaces would be let at £6.50 psqft and the annual occupancy would be 95%
- Income from the two leases would amount to £3,322 p.a.
- In addition, the café would have a further 161 sqft of space which would attract additional income of £5 psqft to reflect the improvements to the space. This would deliver a further £805 p.a.

Total income

- Total income from all sources would be **£ 61,627** net of VAT

2.3 COSTS

Labour costs

- Casual labour costs for cleaning and ticket events would amount to £7,200 p.a. inclusive of Employers National Insurance
- There would be one salaried staff post, a Centre Manager at a cost of £18,000 inclusive of NI
- Total staff costs would be **£25,200 annually**

Other operating costs

- Other operating costs including utilities, business rates, maintenance and administrative costs would amount to **£51,000 annually**

Total costs

- Total costs would amount to **£76,200 annually**

10.4 CONTRIBUTION

- Total deficit in a stabilised year would amount to **-£14,573 annually**.

P&L

In a stabilised year, assuming that there are no loan repayments, the venue would deliver an EBITDA (earnings before interest, tax, depreciation and amortisation) of **-£14,573**.

3.5 PAYBACK PERIOD

Based on a capital cost of £1.3m this is not a viable option, although a breakeven position may be possible with a charitable partner operator.

Sales

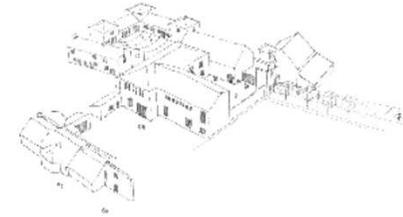
Venue Hire Functions	40,000
F&B Contribution Functions	3,333
Small Rooms Hires	4,167
Ticketed Events Contribution	10,000
Leased Offices	3,222
Additional Cafe Lease	805

Total Sales

61,627	
Expenses	
Payroll	25,200
Premises costs	36,000
Operational Costs	4,000
IT	2,000
Advertising	5,000
Office	4,000

Total Expenses

76,200	
EDITDA	-14,537
From the Council	
Annual Contribution	
As % Of Sales	-24%



10.4 Costs

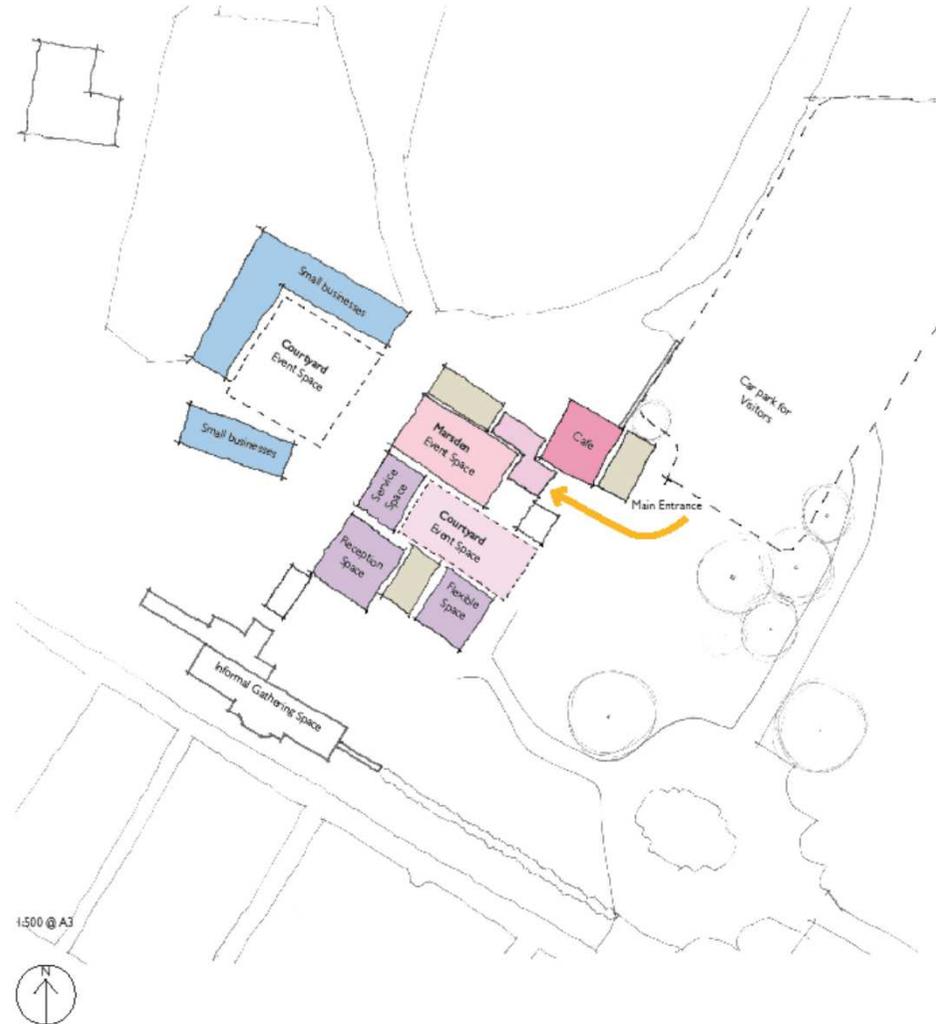
Option 1 Community Space	£
Category A Repairs as Condition Survey	100,000
Part demolition and part refurbishment of Foyer upgrade electrical and mechanical services, new finishes, redecoration	70,000
Refurbishment of Marsden Room as flexible events space upgrade electrical and mechanical services, new lighting/media/T, new finishes, redecoration	145,000
Demolition of Conservatory	25,000
Refurbishment of Courtyard space	40,000
Refurbishment of First Floor Accommodation as Offices and Storage upgrade electrical and mechanical services, new finishes, redecoration	235,000
Catering Kitchen small kitchen including fittings, canopy, extract ventilation, drainage, services	90,000
Refurbishment of Ground Floor Accommodation as Community Function Rooms upgrade electrical and mechanical services, new finishes, redecoration	130,000
Refurbishment of Service Spaces including WCs upgrade fitting, plumbing, electrical and mechanical services, new finishes, redecoration	105,000
Landscape Works at Schistide Section 4	35,000
Allowance of 15% for price, design and survey risk	150,000
Allowance for full design team Professional Fees	170,000
Total to Summary	1,295,500

2.0

OPTION 01 Spatial Adjacency

Option 01 Summary

- The Folly Coffee shop remains in its current location.
- The Marsden Room is used as a flexible events space.
- A small catering kitchen is located within the Derby wing to serve functions.
- The conservatory is demolished and the existing foyer spaces are partly demolished and refurbished to create new entrance point and break out space.
- The first floor accommodation is upgraded to provide office, storage and other back of house space.
- The outbuildings are rented out to small businesses including craft workshops, start-up businesses. Existing tenants could remain in-situ.



Schedule of Accommodation

Ground Floor

- Marsden Room Event Space - 110m²
- Refurbished foyer space 65m²
- Cafe (inc. service space) - 100m²
- Catering Kitchen - 45m²
- Reception rooms - 100m²
- Service space (inc. WCs) - 80m²
- Courtyard Event Space - 140m²

First Floor

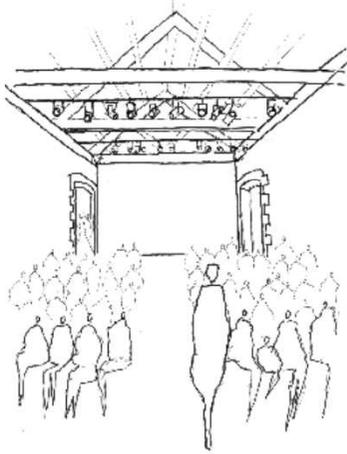
- Additional cafe storage space in hayloft - 70m²
- Community Space - 35m²
- Office space - 125m²

Outbuilding

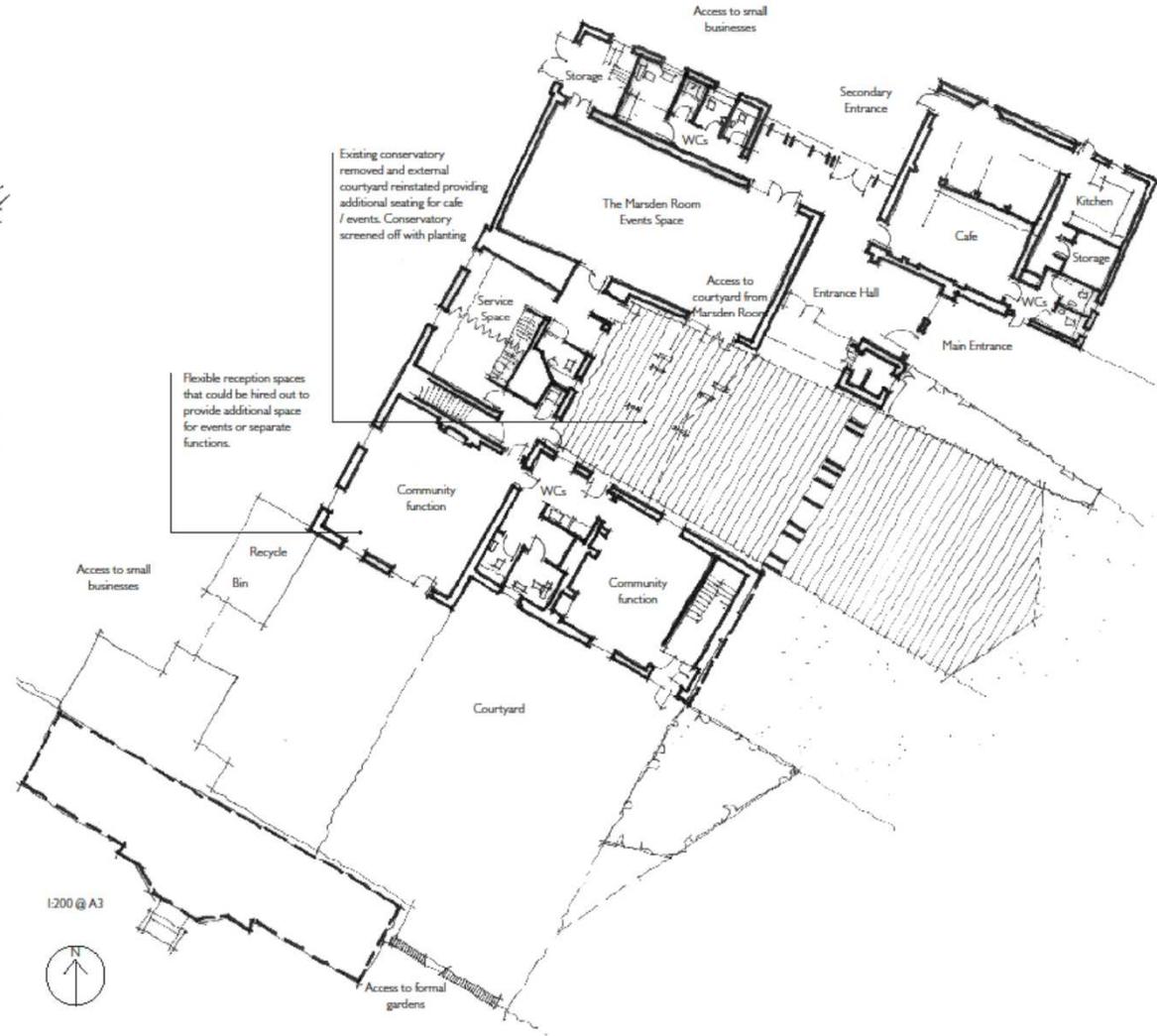
- Conservatory and ancillary buildings - 160m²
- Brew house, and farm out-buildings - 270m²

2.0

OPTION 01
Ground Floor Plan



Historic Marsden Room refurbished and utilised as wedding ceremony venue.

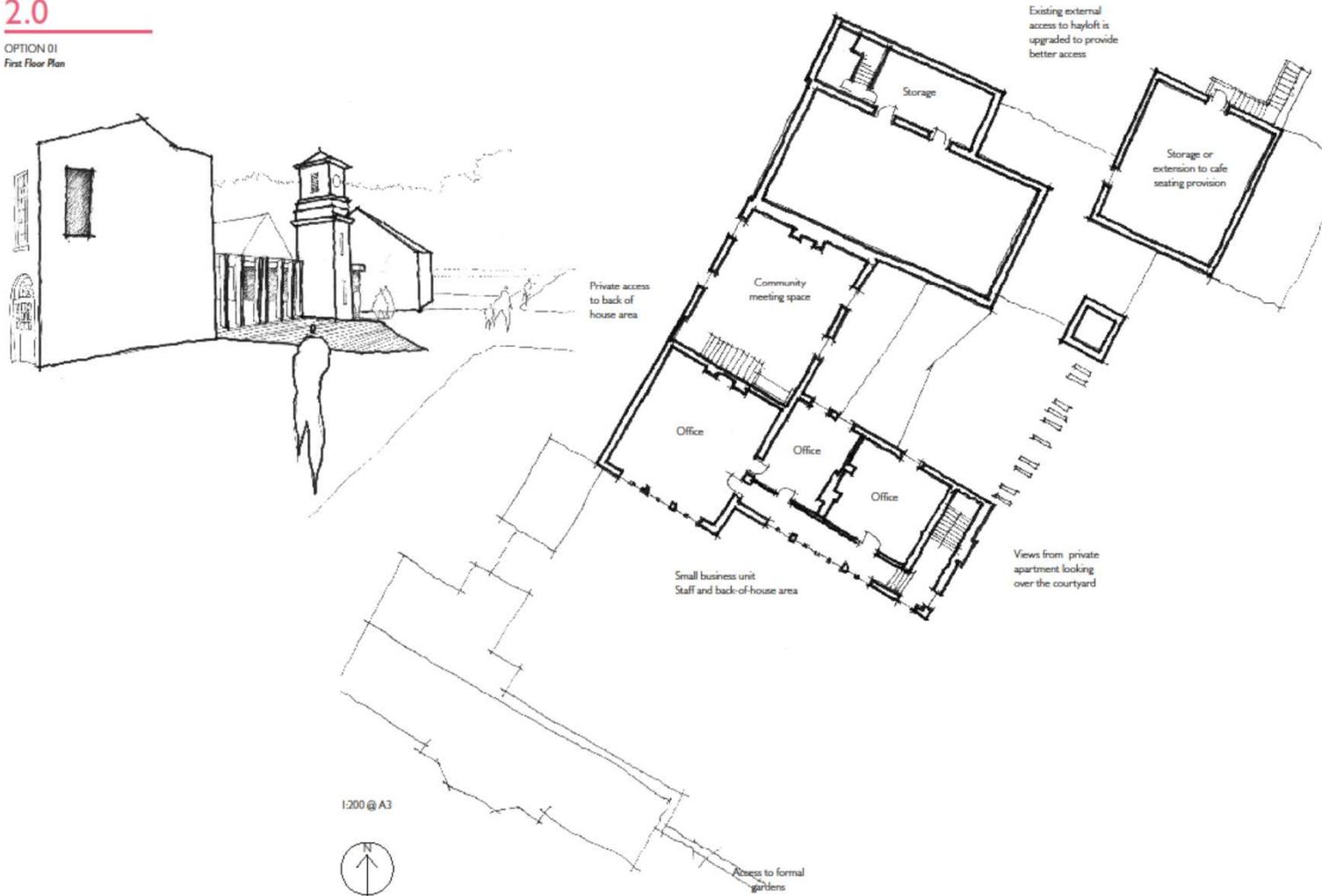


Existing conservatory removed and external courtyard reinstated providing additional seating for cafe / events. Conservatory screened off with planting

Flexible reception spaces that could be hired out to provide additional space for events or separate functions.

2.0

OPTION 01
First Floor Plan



2.0

OPTION 01 Summary

Option 01 focuses on the upgrade of the existing buildings to deliver a community venue containing flexible events spaces that could be hired/leased out to members of the local community or small businesses. Through careful demolition of the conservatory and upgrades to the existing foyer a new primary entrance is created. The remainder of the existing spaces are then refurbished to deliver flexible spaces that could host an events programme managed by the council/community group. Essential repairs to the outbuildings would be carried out and the units would remain as small businesses.

Income - £61,627

Costs - £76,200

EDITDA - £14,753



3.0

HYBRID OPTION (ENHANCED COMMUNITY OPTION) Business Case and Costs

3.1 HYBRID OPTION (ENHANCED COMMUNITY OPTION) SUMMARY

- Main hall with seated capacity for 100 people
- Three leased offices/workspaces
- Extended café space on the ground floor with kitchens on the first floor
- Bar in the former café space, outsourced to a bar operator when functions and events are running but not generally open to the public. The bar could be operated by the café operator.
- The café operator would pay a commission to the venue at 10% of catering and bar income

3.2 INCOME ASSUMPTIONS

Income would stabilise in year 3 after opening.

Income projections include the following assumptions:

Weddings

- The number of weddings would build to an average of 30 weddings per year, equating to an average of just over two per month;
- The peak price for room hire would be £1,500 inclusive of VAT
- After allowing for VAT and discounts for mid week and winter dates, the achieved yield would be 70% giving an achieved hire price of £875 per wedding

Food & drink

- The average number of daytime guests would be 50 people
- Food spend would be £40 per head inclusive of VAT
- Drink and bar spend would be £10 inclusive of VAT
- The average number of evening guests would be 80 people
- Food spend would be £12 per head inclusive of VAT
- Bar spend would be £10 per head inclusive of VAT
- The catering/ bar operator would pay a commission of 10% of turnover to the venue, amounting to £355 per wedding.

Functions

- The venue would host 50 functions and parties per year, equating to an average of just under 1 per week
- The room hire rate would be £600 inclusive of VAT (£500 net)
- There would be an average of 50 guests per event
- Food and drink spend would be £15 per head inclusive of VAT from which the venue would get a 10% commission from the caterer (£62.50 per event)
- The average income per function would be £562.50 net

Ticketed Events

- The venue would host a programme of comedy and drama. There would be 50 ticketed events annually, equating to around one per week.
- The financial arrangements would vary from event to event, but it has been assumed that the venue would achieve an average of £200 net margin per event.
- A £5 per person bar spend has been assumed per person. The bar operator would pay the venue 10% of turnover, equating to £20.83 per event net.

Leases

- Three rooms, with a total footprint of 1,076 sqft would be leased as offices to small businesses.
- The space would be let at £700 psqft and the annual occupancy would be 95%
- Income from the leases would amount to £7,155 p.a.
- The café would have c1,500 sqft of space which would be let at £8.00 per sqft giving income of £12,000 p.a.

Total income

- Total income from all sources would be £95,222 net of VAT

3.3 COSTS

Labour costs

- There would be a Centre Manager at Grade 6 on 0.5 FTE at a cost of £16,940 inclusive of on costs
- There would be one part time Assistant at Grade 2 at a cost of £11,193 inclusive of on costs. Additional support would be provided from the Council's team based at the Civic Centre
- Casual staff costs would include costs for Front of House staff and cleaning staff, at £10 per hour including on costs.
- Total staff costs would be £37,933 annually

Other operating costs

- Other operating costs including utilities, business rates, maintenance and administrative costs would amount to £46,000 annually

Total costs

- Total costs would amount to £83,933 annually

3.4 CONTRIBUTION

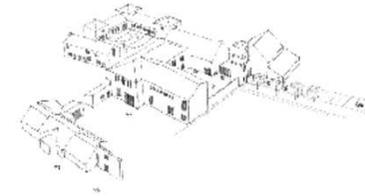
- Total surplus in a stabilised year would amount to £11,290 annually in a stabilised year. A small deficit is projected for year one and two of the plan which will be offset by maintenance savings.

3.5 PAYBACK PERIOD

TO BE UPDATED UPON FINALISATION OF THE CAPITAL COSTS.

3.6 COSTS

	Yr 3
Sales	£51,250
F&B contribution	£14,817
Ticketed events contribution	£10,000
Leased offices	£7,155
Café lease	£12,000
Total Sales	£95,222
Expenses	
Payroll	£37,933
Premises costs	£31,000
Operational costs	£4,000
IT	£2,000
Advertising	£5,000
Office	£4,000
Total Expenses	£83,933
EDITDA	£11,290



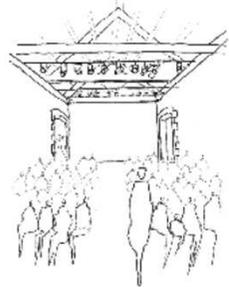
Hybrid Option (Enhanced Community Option)

	£
Category A Repairs as Condition Survey	TBC
Part demolition, new build 1st floor and part refurbishment of Foyer Space	
new 1st floor gallery area with lift, upgrade electrical and mechanical services, new finishes, redecoration	
Refurbishment of Barn as flexible events space	
upgrade electrical and mechanical services, new lighting/media/IT, new finishes, redecoration	
Refurbishment of former Café Space as Bar	
upgrade electrical and mechanical services, new lighting/media/IT, new finishes, redecoration	
Demolition of Conservatory	
Covered Hall to Courtyard space with partially glazed roof	
Refurbishment of First Floor Accommodation as Meeting Rooms	
upgrade electrical and mechanical services, new finishes, redecoration	
Catering Kitchen and Servery	
1st floor kitchen and ground floor servery including fittings, canopy, extract ventilation, drainage, services	
Refurbishment of Derby Wing to create larger Café	
extensive conversion works, new M & E, comfort cooling, finishes/fitting out/furnishing works	
New build Service Spaces including WCs and Lift	
upgrade fittings, plumbing, electrical and mechanical services, new finishes, redecoration	
Refurbished WCs	
upgrade fittings, plumbing, electrical and mechanical services, new finishes, redecoration	
Refurbished Dressing Rooms and Hayloft as Storage Space/ Green Room	
basic upgrade of electrical and mechanical services, new finishes, redecoration	
Landscape Works	
as Schedule Section 4	
Allowance of 15% for price, design and survey risk	
Allowance for full design team Professional Fees	
Total to Summary	TBC

3.0

HYBRID OPTION (ENHANCED COMMUNITY OPTION)
Ground Floor Plan

Scale
1:200 @ A3



Historic Marsden Room refurbished and utilised as wedding ceremony venue.

3.0

HYBRID OPTION (ENHANCED COMMUNITY OPTION) First Floor Plan

Scale
1:200 @ A3



3.9 Summary

Hybrid Option 01 focuses on the upgrade of the existing buildings to deliver a community venue containing flexible events spaces. Through careful replacement of the conservatory and upgrades to the existing foyer a new primary entrance is created. A new lift and WC accommodation is also provided to ensure accommodation is accessible to the community. The remainder of the existing spaces are refurbished to deliver flexible spaces that can be hired/leased out to the local community or small businesses. The Cafe is relocated into the Derby wing, creating additional space for visitors and a better commercial offer. Essential repairs to the outbuildings would be carried out and the units would be leased to small local businesses.

Income - £95,222 after 2 years

Costs - £2,622,000

EDITDA - £11,290 after 2 years

3.0

HYBRID OPTION (ENHANCED COMMUNITY OPTION)
Landscape Design

Scale
1:500 @ A3



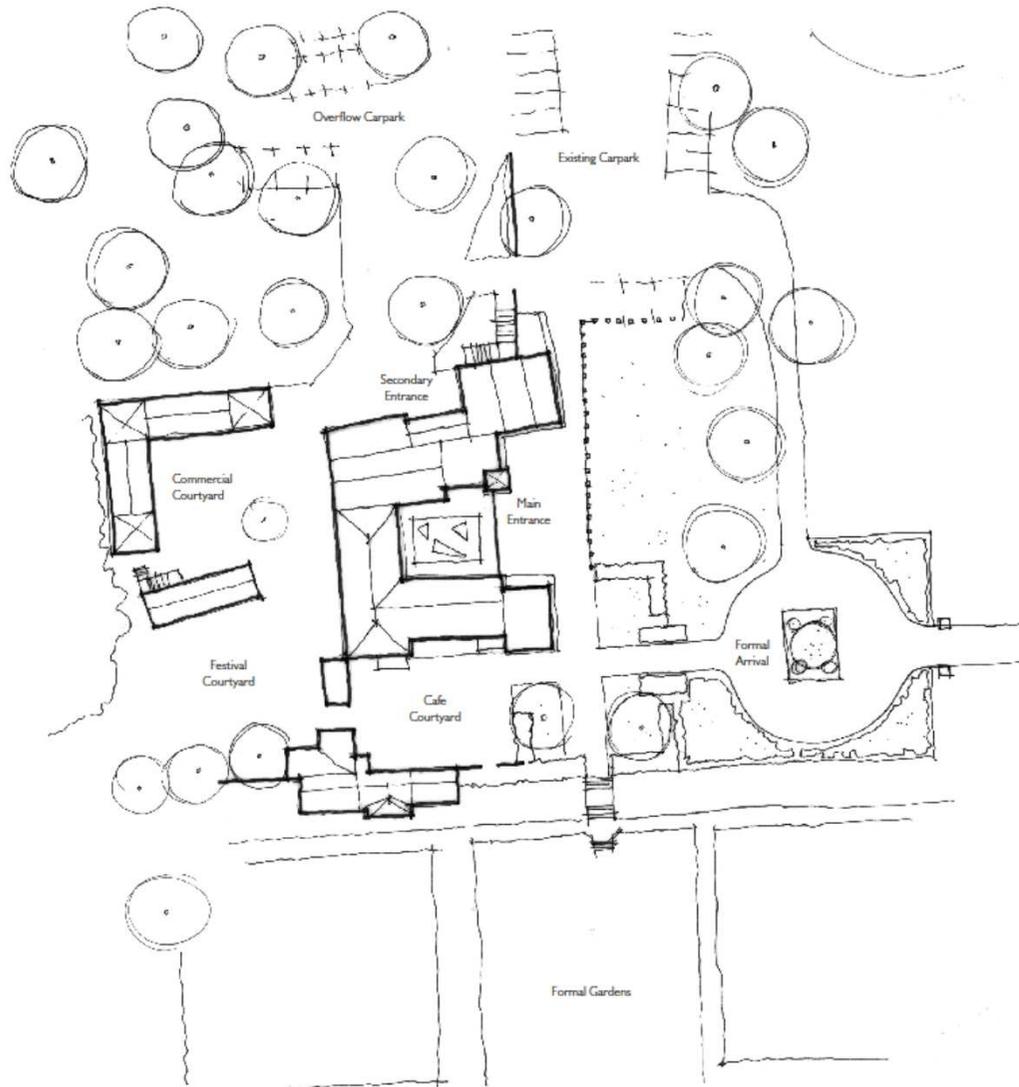
3.10 Summary

The development of Worden Hall raises the opportunity to improve the condition, use and quality of the surrounding landscape. The park and gardens create a popular recreational destination and setting to the Hall. The landscape is made up of a number of landscape components offering different landscape character areas, uses and purposes. This development opportunity offers the potential to improve these areas, enhance their character, connectivity and use.

Through adapting access to the building complex, there is the potential to create a sense of arrival which will improve the visitor experience. The proposed series of courtyard spaces provide varying environments whilst linking internal spaces to the wider landscape. A carefully selected pallet of materials and planting also helps improve clarity and showcase key architectural elements such as the clock tower. The overflow carpark introduces much needed additional spaces to accommodate increased visitor numbers in a sensitive and practical location.

3.11 Landscape Costs

	£	£
	Option 1	Hybrid Option
New Car Park	-	-
Existing Car Park	-	-
Pedestrian Approach	3,000	-
Main Approach	4,000	-
New Vista	-	-
Formal Avenue	-	-
Formal Arrival	-	-
Drop Off Lay-by	3,000	-
Courtyard Works	25,500	-
Planted Borders	-	-
Railway Parking Bays	-	-
Totals to Option Costs	35,500	TBC





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EXECUTIVE SUMMARY

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HYBRID OPTION (ENHANCED
COMMUNITY OPTION)

Purcell Architects, AMION Consulting, Ryder Landscape Consultants and DHA were appointed to provide an options appraisal to bring Worden Hall in Leyland back into use. The core purpose of the study was to identify a long term sustainable future for the Hall, reducing the Council's revenue liability and delivering the Council's vision for Worden Park to become a destination of regional significance. The Stage I report was issued to South Ribble Borough Council in March 2019.

Following Community engagement, which strongly supported continuing Community use, South Ribble Borough Council commissioned Purcell AMION and DHA to undertake a further option for a Hybrid Community Use with the aim of producing a solution which would assist the business case.

Option I from the original study is included to enable direct comparison between Option I and the Hybrid Option (Enhanced Community Option). A series of Workshops have been held to facilitate the development of the hybrid option.

Option I

- A community option that repaired and refurbished the existing buildings to provide a series of flexible spaces that could be booked out to local groups for meetings and events. The café within the stables is retained and proposals were put forward for the range of existing outbuildings which would continue as small workspaces for local businesses. The upper floors are included as meeting and activity spaces.

Hybrid Option (Enhanced Community Option)

- A community option that repaired and refurbished the existing buildings to provide a series of flexible spaces that could be booked out to local groups for meetings and events.
 - The Stables and Hayloft are re-purposed as a bar and green room with a new hoist to provide access to the first floor along with a foyer to support the events space
 - A new covered Hall Courtyard is included to create the main entrance to the complex
 - The Café is expanded and moved to the ground floor of the Derby Wing with a first floor kitchen. The Café will incorporate a retail offer.
 - The first floor of the Derby wing becomes hireable community spaces
 - New lift and WC accommodation serves the Derby Wing.
 - The range of existing outbuildings would continue as small workspaces for local businesses, including the upper floors.

All the above options recommend the removal of the conservatory which is a modern intervention. It compromises the functionality and management of Worden Hall, including maintenance and repair.

Costs include repair work to the fabric and the installation of new power, lighting and heating solutions. A summary of both option's EBITDA is included here demonstrating that the Hybrid Option provides a sustainable solution for Worden Hall.

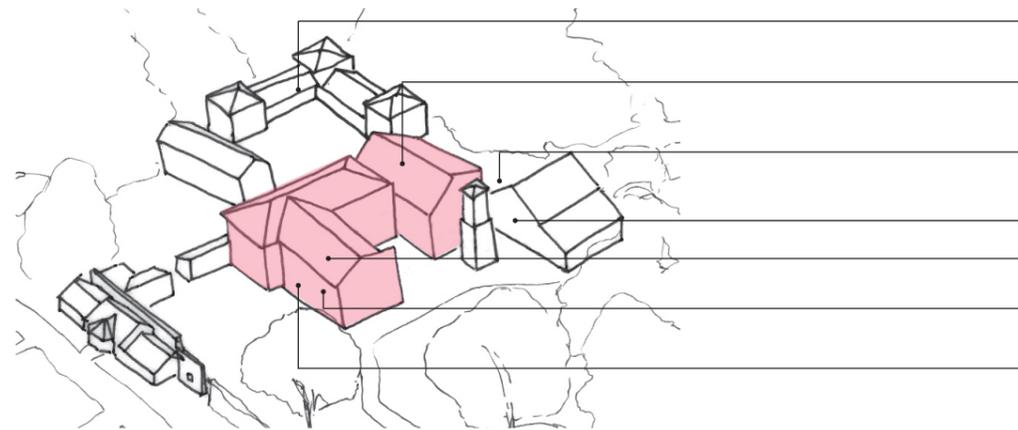
There will be some flexibility in the scope of works to Worden Hall and the landscaping; some works may be phased and undertaken at a later date, such as the construction of the covered Hall Courtyard, the provision of the additional lift to the Green Room and Stores, as well as the scope of the landscaping works (the additional car park and the extent of the landscape enhancements). It should also be noted that risk and design costs are proportional to the construction costs.

01 Community Space Small

Income - £61,627

Costs - £76,200

EDITDA - -£14,753



The outbuildings are rented out to small businesses including craft workshops, start-up businesses. Existing tenants could remain in-sit-u.

The Marsden Room is used as a flexible events space

Existing foyer spaces are partly demolished and refurbished to create new entrance point and break out space.

The Folly Coffee shop remains in its current location
The first floor accommodation is used for office, storage and back of house spaces

Detrimental modern conservatory and link demolished and modern addition inserted to provide arrival space

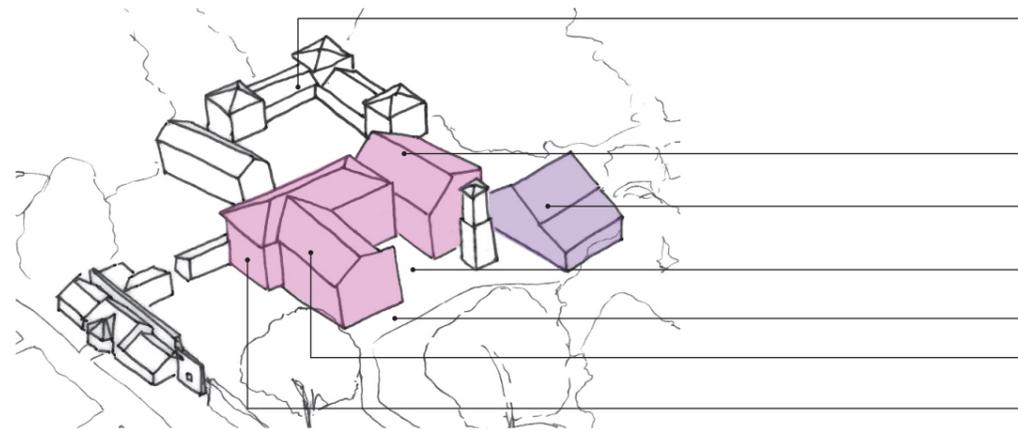
The Derby wing is used as additional reception space for events

02 Hybrid Community Space Medium

Income - £95,222
after 2 years

Costs - £2,622,000

EDITDA - £11,290
after 2 years



The outbuildings are rented out to small businesses including craft workshops, start-up businesses. Existing tenants could remain in situ.

The Barn is used for wedding receptions and private hire.

The Stable and Hayloft become a bar for use with the Barn, with associated uses over

Detrimental modern conservatory and foyer spaces demolished and modern addition inserted to provide arrival space

Lift and WC accommodation

First floor converted to cafe/kitchen for private hire/wedding party use

Cafe relocated and expanded

2.0

OPTION 01 Business Case and Costs

2.1 OPTION 01 SUMMARY

- Main hall with seated capacity for 100 people
- Two leased offices/ workspaces
- Two community meeting rooms
- Extended café space in the Hayloft
- Catering would be outsourced. The caterer would pay a 10% commission to the venue

2.2 INCOME ASSUMPTIONS

Income would stabilise in year 4 after opening.

Income projections include the following assumptions:

Functions

- The venue would host 80 functions per year, equating to an average of 1.5 per week
- The room hire rate would be £600 inclusive of VAT (£500 net)
- There would be an average of 50 guests per event
- Food spend would be £10 per head inclusive of VAT from which the venue would get a 10% commission from the caterer (£417 per event)
- The average income per function would be £542 net

Meeting room hires

- There would be a further 100 small room hires annually
- The average net room hire fee would be £50
- No catering income has been assumed from small meetings since these are likely to be community events

Ticketed events

- The venue would host a programme of comedy and drama. There would be 50 ticketed events annually, equating to around one per week.
- The financial arrangements would vary from event to event but it has been assumed that the venue would achieve an average of £200 net margin per event. No bar or catering income has been assumed.

Leases

- Two small rooms, with a total footprint of 538 sqft would be leased to small businesses
- The spaced would be let at £6.50 psqft and the annual occupancy would be 95%
- Income from the two leases would amount to £3,322 p.a.
- In addition, the café would have a further 161 sqft of space which would attract additional income of £5 psqft to reflect the improvements to the space. This would deliver a further £805 p.a.

Total income

- Total income from all sources would be **£ 61,627** net of VAT

2.3 COSTS

Labour costs

- Casual labour costs for cleaning and ticket events would amount to £7,200 p.a. inclusive of Employers National Insurance
- There would be one salaried staff post, a Centre Manager at a cost of £18,000 inclusive of NI
- Total staff costs would be **£25,200 annually**

Other operating costs

- Other operating costs including utilities, business rates, maintenance and administrative costs would amount to **£51,000 annually**

Total costs

- Total costs would amount to **£76,200 annually**

10.4 CONTRIBUTION

- Total deficit in a stabilised year would amount to **-£14,573 annually.**

P&L

In a stabilised year, assuming that there are no loan repayments, the venue would deliver an EBITDA (earnings before interest, tax, depreciation and amortisation) of **-£14,573.**

3.5 PAYBACK PERIOD

Based on a capital cost of £1.3m this is **not a viable option**, although a breakeven position may be possible with a charitable partner operator.

Sales

Venue Hire Functions	40,000
F&B Contribution Functions	3,333
Small Rooms Hires	4,167
Ticketed Events Contribution	10,000
Leased Offices	3,222
Additional Cafe Lease	805

Total Sales

61,627

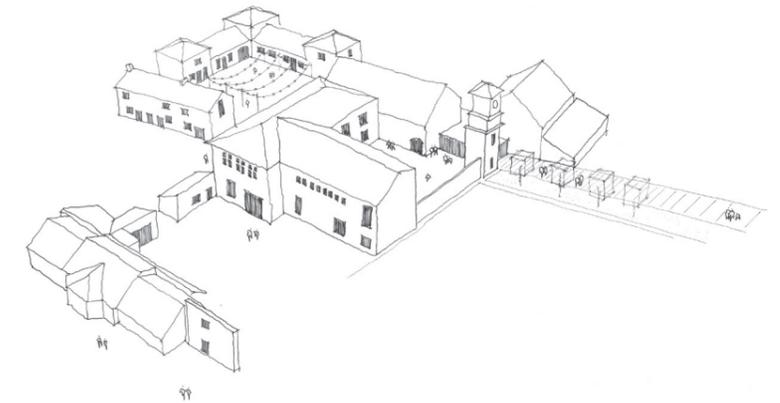
Expenses

Payroll	25,200
Premises costs	36,000
Operational Costs	4,000
IT	2,000
Advertising	5,000
Office	4,000

Total Expenses

76,200

EDITDA	-14,537
From the Council Annual Contribution	-24%
As % Of Sales	



10.6 Costs

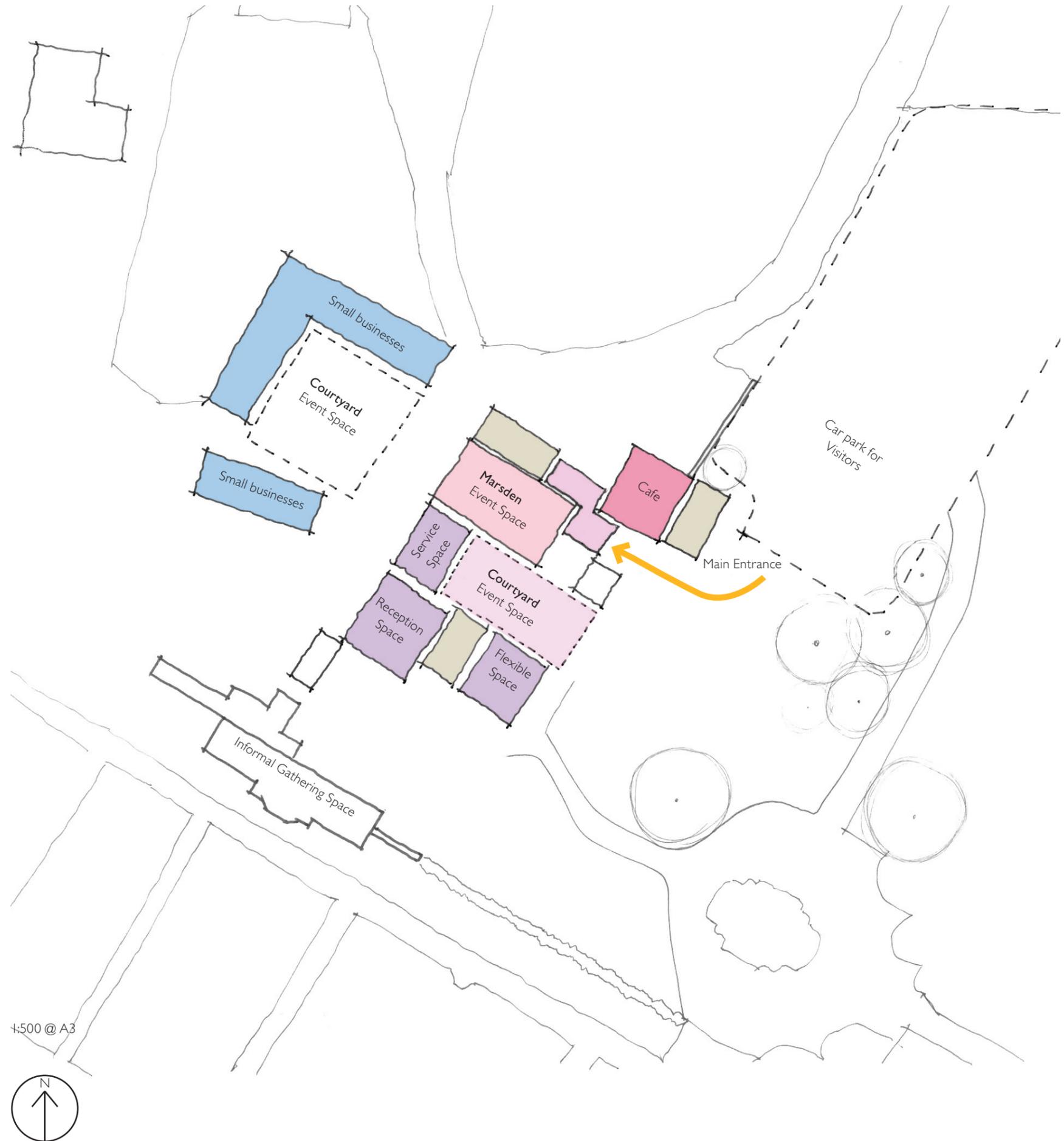
Option I Community Space	£
Category A Repairs as Condition Survey	100,000
Part demolition and part refurbishment of Foyer upgrade electrical and mechanical services, new finishes, redecoration	70,000
Refurbishment of Marsden Room as flexible events space upgrade electrical and mechanical services, new lighting/media/IT, new finishes, redecoration	145,000
Demolition of Conservatory	25,000
Refurbishment of Courtyard space	40,000
Refurbishment of First Floor Accommodation as Offices and Storage upgrade electrical and mechanical services, new finishes, redecoration	235,000
Catering Kitchen small kitchen including fittings, canopy, extract ventilation, drainage, services	90,000
Refurbishment of Ground Floor Accommodation as Community Function Rooms upgrade electrical and mechanical services, new finishes, redecoration	130,000
Refurbishment of Service Spaces including WCs upgrade fittings, plumbing, electrical and mechanical services, new finishes, redecoration	105,000
Landscape Works as Schedule Section 4	35,000
Allowance of 15% for price, design and survey risk	150,000
Allowance for full design team Professional Fees	170,000
Total to Summary	1,295,500

2.0

OPTION 01 Spatial Adjacency

Option 01 Summary

- The Folly Coffee shop remains in its current location.
- The Marsden Room is used as a flexible events space.
- A small catering kitchen is located within the Derby wing to serve functions.
- The conservatory is demolished and the existing foyer spaces are partly demolished and refurbished to create new entrance point and break out space.
- The first floor accommodation is upgraded to provide office, storage and other back of house space.
- The outbuildings are rented out to small businesses including craft workshops, start-up businesses. Existing tenants could remain in-situ.



Schedule of Accommodation

Ground Floor

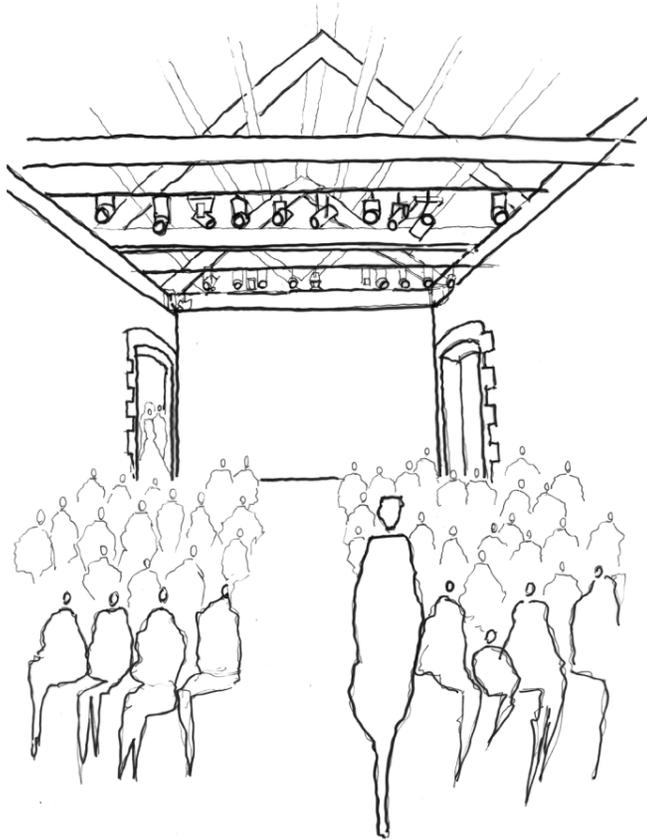
- Marsden Room Event Space - 110m²
- Refurbished foyer space 65m²
- Cafe (inc. service space) - 100m²
- Catering Kitchen - 45m²
- Reception rooms - 100m²
- Service space (inc. WCs) - 80m²
- Courtyard Event Space - 140m²

First Floor

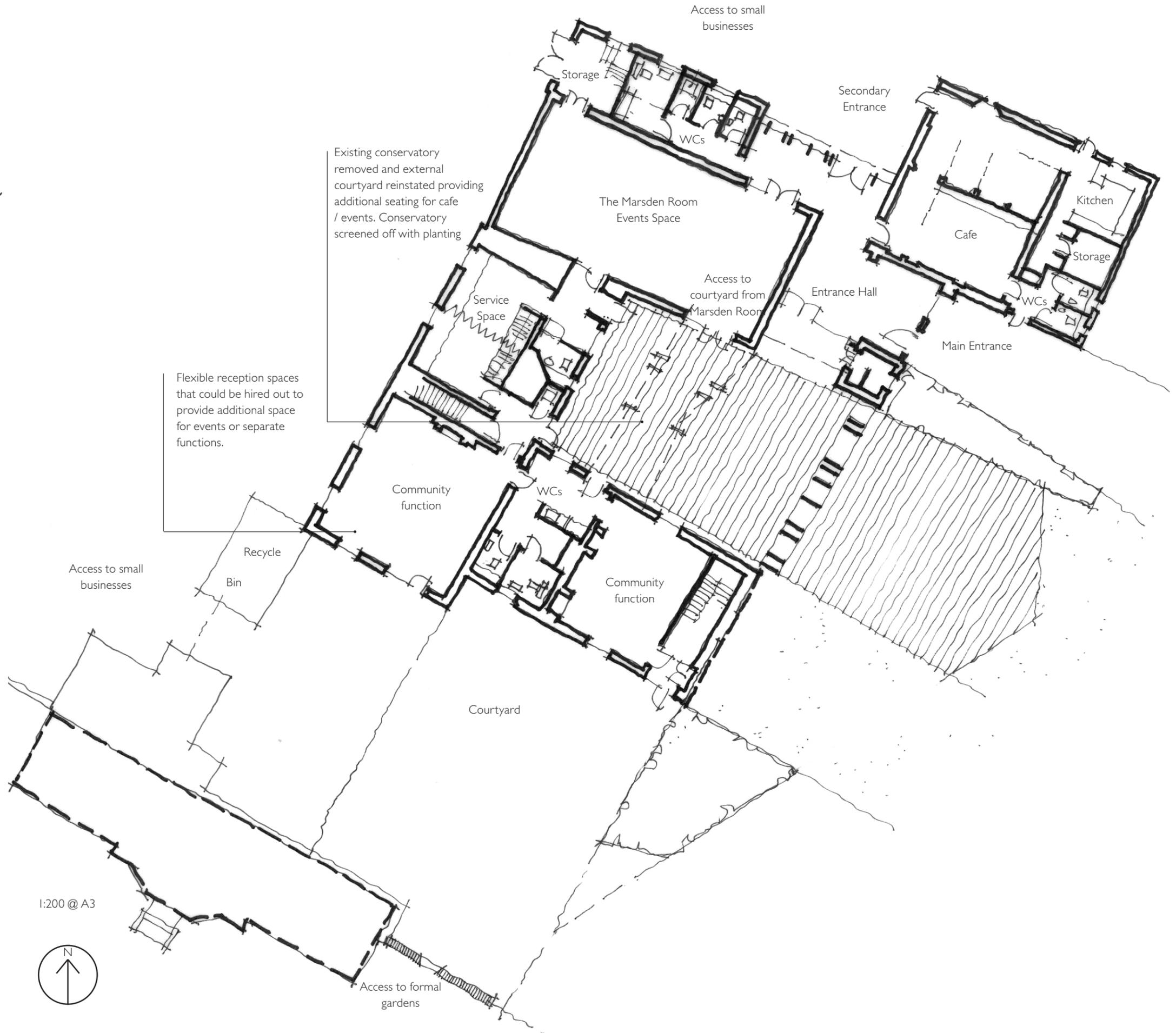
- Additional cafe storage space in hayloft - 70m²
- Community Space - 35m²
- Office space - 125m²

Outbuildings

- Conservatory and ancillary buildings - 160m²
- Brew house, and farm out-buildings - 270m²

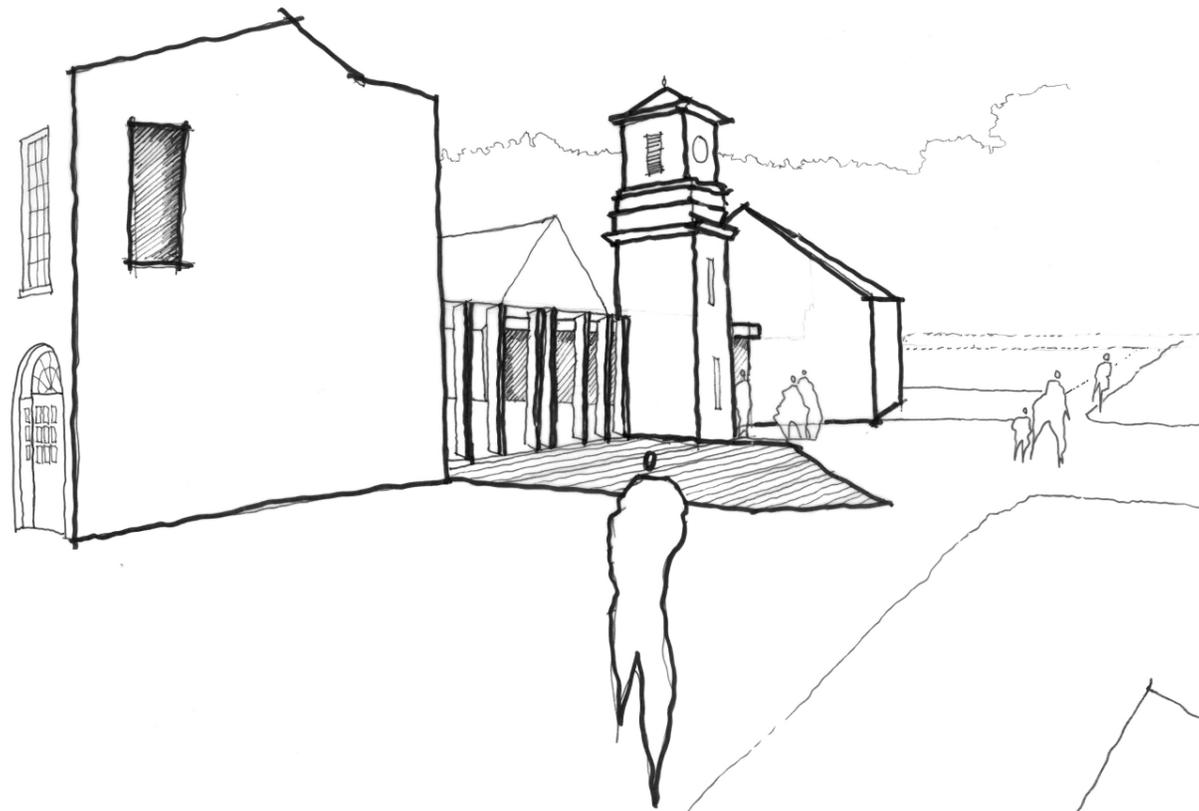


Historic Marsden Room refurbished and utilised as wedding ceremony venue.

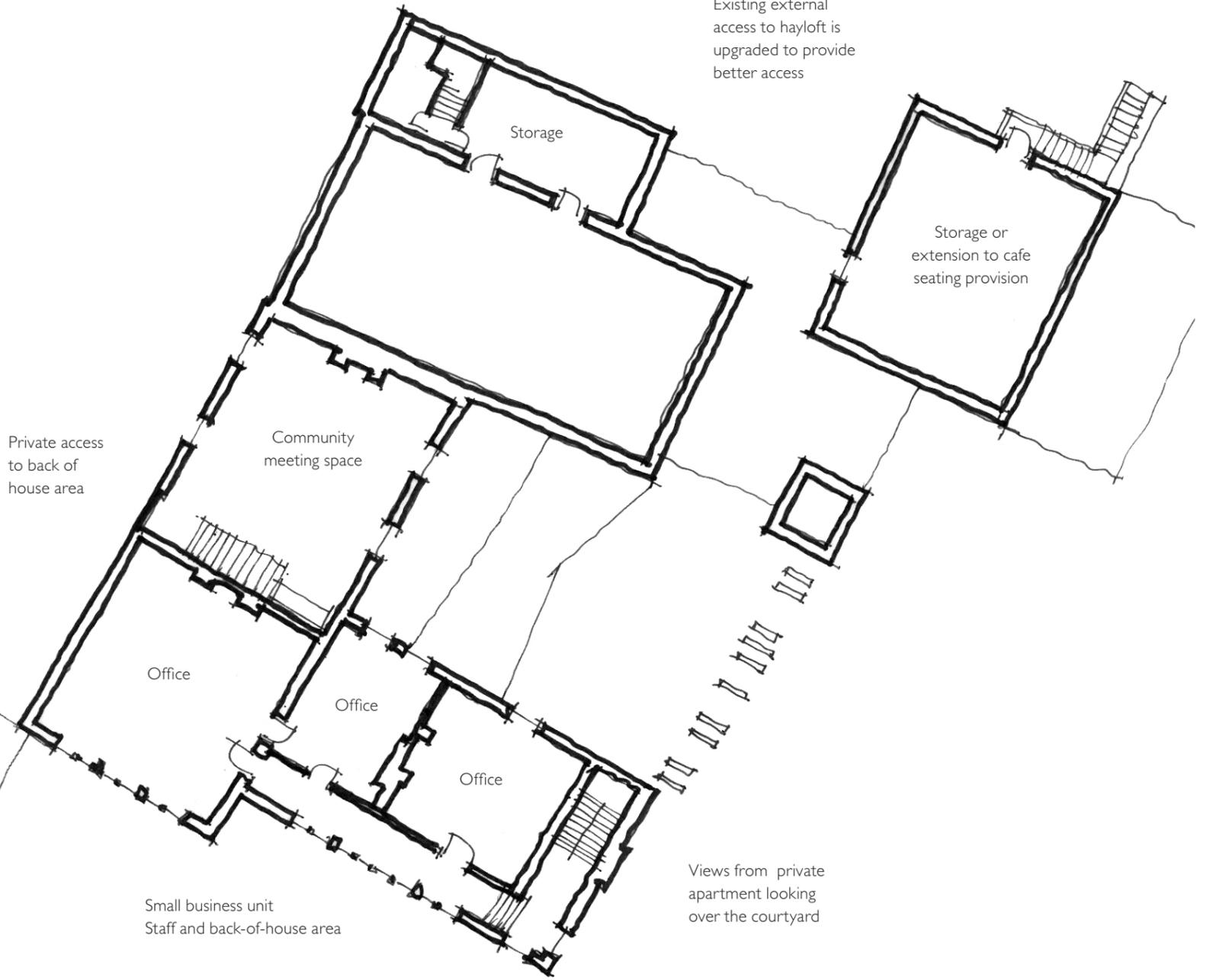


1:200 @ A3





Private access to back of house area



Existing external access to hayloft is upgraded to provide better access

Storage or extension to cafe seating provision

Community meeting space

Office

Office

Office

Small business unit
Staff and back-of-house area

Views from private apartment looking over the courtyard

1:200 @ A3



Access to formal gardens

2.0

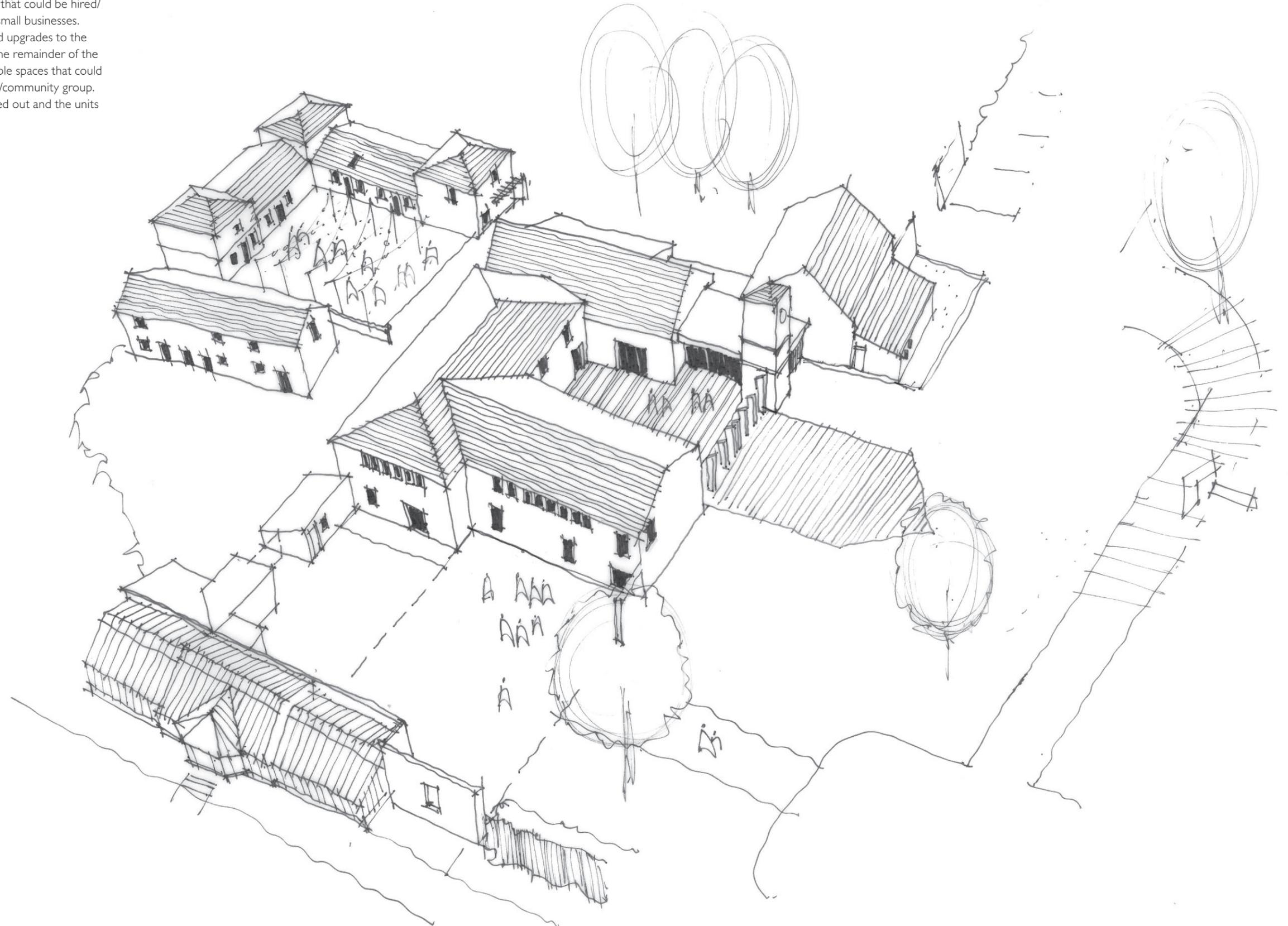
OPTION 01 Summary

Option 01 focuses on the upgrade of the existing buildings to deliver a community venue containing flexible events spaces that could be hired/leased out to members of the local community or small businesses. Through careful demolition of the conservatory and upgrades to the existing foyer a new primary entrance is created. The remainder of the existing spaces are then refurbished to deliver flexible spaces that could host an events programme managed by the council/community group. Essential repairs to the outbuildings would be carried out and the units would remain as small businesses.

Income - £61,627

Costs - £76,200

EDITDA - -£14,753



3.0

HYBRID OPTION (ENHANCED COMMUNITY OPTION) Business Case and Costs

3.1 HYBRID OPTION (ENHANCED COMMUNITY OPTION) SUMMARY

- Main hall with seated capacity for 100 people
- Three leased offices/workspaces
- Extended café space on the ground floor with kitchens on the first floor
- Bar in the former café space, outsourced to a bar operator when functions and events are running but not generally open to the public. The bar could be operated by the café operator.
- The café operator would pay a commission to the venue at 10% of catering and bar income

3.2 INCOME ASSUMPTIONS

Income would stabilise in year 3 after opening.

Income projections include the following assumptions:

Weddings

- The number of weddings would build to an average of 30 weddings per year, equating to an average of just over two per month;
- The peak price for room hire would be £1,500 inclusive of VAT
- After allowing for VAT and discounts for mid week and winter dates, the achieved yield would be 70% giving an achieved hire price of £875 per wedding

Food & drink

- The average number of daytime guests would be 50 people
- Food spend would be £40 per head inclusive of VAT
- Drink and bar spend would be £10 inclusive of VAT
- The average number of evening guests would be 80 people
- Food spend would be £12 per head inclusive of VAT
- Bar spend would be £10 per head inclusive of VAT
- The catering/ bar operator would pay a commission of 10% of turnover to the venue, amounting to £355 per wedding.

Functions

- The venue would host 50 functions and parties per year, equating to an average of just under 1 per week
- The room hire rate would be £600 inclusive of VAT (£500 net)
- There would be an average of 50 guests per event
- Food and drink spend would be £15 per head inclusive of VAT from which the venue would get a 10% commission from the caterer (£62.50 per event)
- The average income per function would be £562.50 net

Ticketed Events

- The venue would host a programme of comedy and drama. There would be 50 ticketed events annually, equating to around one per week.
- The financial arrangements would vary from event to event, but it has been assumed that the venue would achieve an average of £200 net margin per event.
- A £5 per person bar spend has been assumed per person. The bar operator would pay the venue 10% of turnover, equating to £20.83 per event net.

Leases

- Three rooms, with a total footprint of 1,076 sqft would be leased as offices to small businesses
- The space would be let at £7.00 psqft and the annual occupancy would be 95%
- Income from the leases would amount to £7,155 p.a.
- The café would have c1,500 sqft of space which would be let at £8.00 per sqft giving income of £12,000 p.a.

Total income

- Total income from all sources would be £95,222 net of VAT

3.3 COSTS

Labour costs

- There would be a Centre Manager at Grade 6 on 0.5 FTE at a cost of £16,940 inclusive of on costs
- There would be one part time Assistant at Grade 2 at a cost of £11,193 inclusive of on costs. Additional support would be provided from the Council's team based at the Civic Centre
- Casual staff costs would include costs for Front of House staff and cleaning staff, at £10 per hour including on costs
- Total staff costs would be £37,933 annually

Other operating costs

- Other operating costs including utilities, business rates, maintenance and administrative costs would amount to £46,000 annually

Total costs

- Total costs would amount to £83,933 annually

3.4 CONTRIBUTION

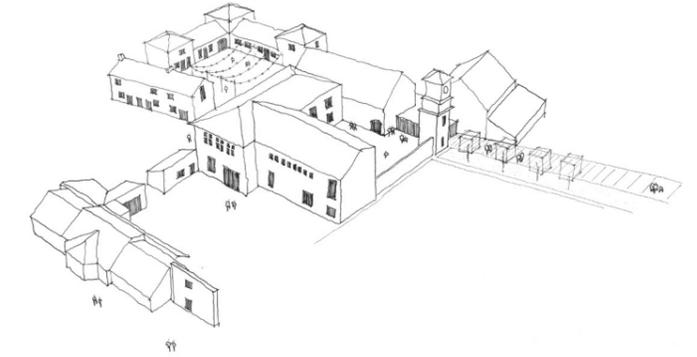
- Total surplus in a stabilised year would amount to £11,290 annually in a stabilised year. A small deficit is projected for year one and two of the plan which will be offset by maintenance savings.

3.5 PAYBACK PERIOD

TO BE UPDATED UPON FINALISATION OF THE CAPITAL COSTS.

3.6 COSTS

Sales	Yr 3
Venue Hire	£51,250
F&B contribution	£14,817
Ticketed events contribution	£10,000
Leased offices	£ 7,155
Café lease	£12,000
Total Sales	£95,222
Expenses	
Payroll	£37,933
Premises costs	£31,000
Operational costs	£ 4,000
IT	£ 2,000
Advertising	£ 5,000
Office	£ 4,000
Total Expenses	£83,933
EDITDA	£11,290

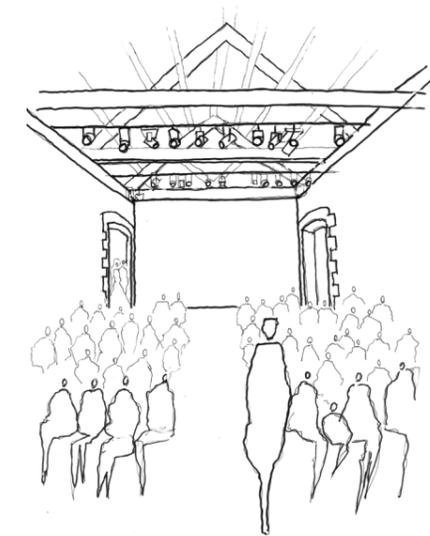
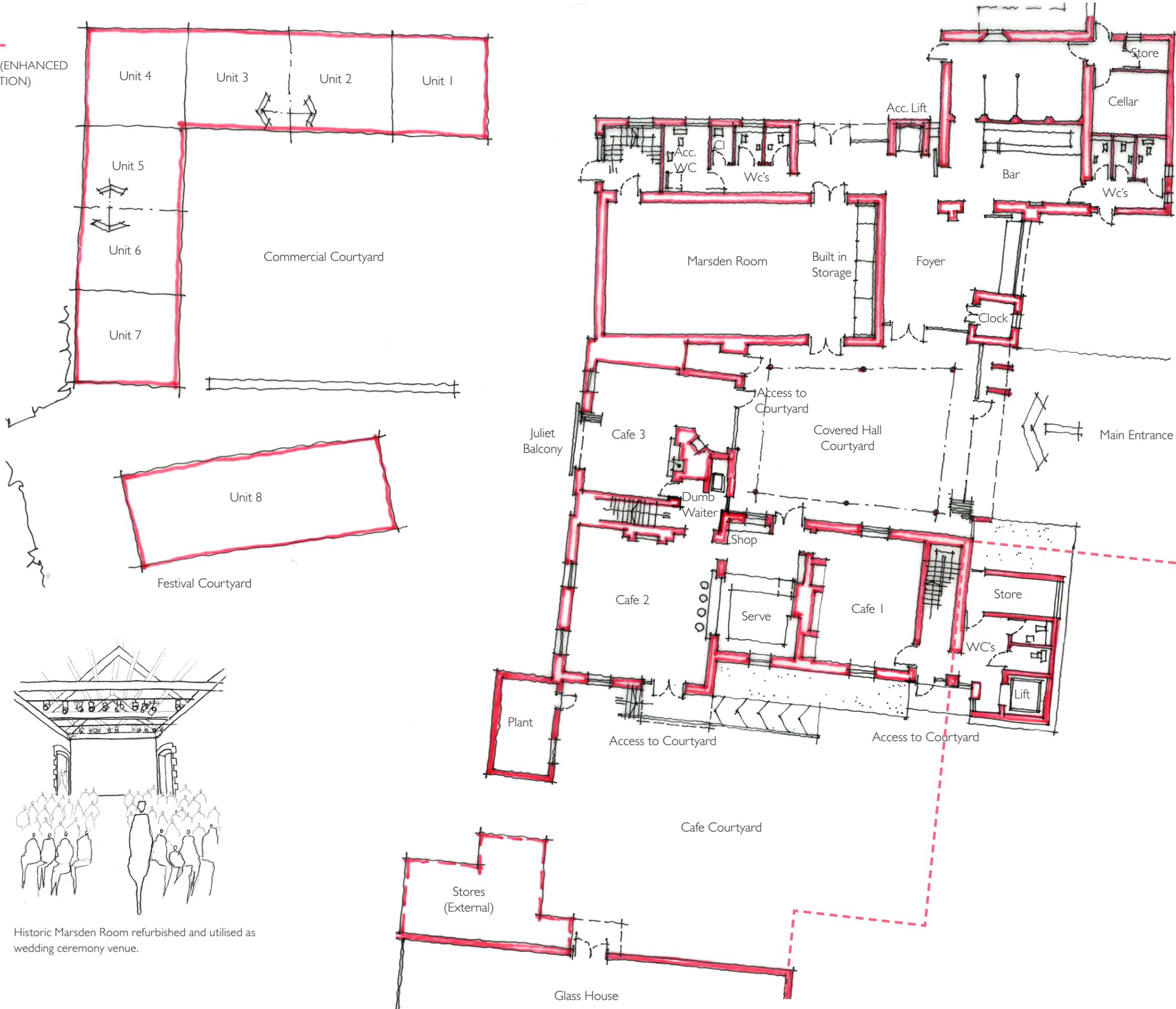


Hybrid Option (Enhanced Community Option)		£
Category A Repairs as Condition Survey		TBC
Part demolition, new build 1st floor and part refurbishment of Foyer Space		
new 1st floor gallery area with lift, upgrade electrical and mechanical services, new finishes, redecoration		
Refurbishment of Barn as flexible events space		
upgrade electrical and mechanical services, new lighting/media/IT, new finishes, redecoration		
Refurbishment of former Café Space as Bar		
upgrade electrical and mechanical services, new lighting/media/IT, new finishes, redecoration		
Demolition of Conservatory		
Covered Hall to Courtyard space with partially glazed roof		
Refurbishment of First Floor Accommodation as Meeting Rooms		
upgrade electrical and mechanical services, new finishes, redecoration		
Catering Kitchen and Servery		
1st floor kitchen and ground floor servery including fittings, canopy, extract ventilation, drainage, services		
Refurbishment of Derby Wing to create larger Café		
extensive conversion works, new M & E, comfort cooling, finishes/fitting out/furnishing works		
New build Service Spaces including WCs and Lift		
upgrade fittings, plumbing, electrical and mechanical services, new finishes, redecoration		
Refurbished WCs		
upgrade fittings, plumbing, electrical and mechanical services, new finishes, redecoration		
Refurbished Dressing Rooms and Hayloft as Storage Space/ Green Room		
basic upgrade of electrical and mechanical services, new finishes, redecoration		
Landscape Works		
as Schedule Section 4		
Allowance of 15% for price, design and survey risk		
Allowance for full design team Professional Fees		
Total to Summary		TBC

3.0

HYBRID OPTION (ENHANCED COMMUNITY OPTION)
Ground Floor Plan

Scale
1:200 @ A3



Historic Marsden Room refurbished and utilised as wedding ceremony venue.

Footprint of historic Worden Hall read in landscape features

3.0

HYBRID OPTION (ENHANCED COMMUNITY OPTION)

First Floor Plan

Scale
1:200 @ A3



3.9 Summary

Hybrid Option 01 focuses on the upgrade of the existing buildings to deliver a community venue containing flexible events spaces. Through careful replacement of the conservatory and upgrades to the existing foyer a new primary entrance is created. A new lift and WC accommodation is also provided to ensure accommodation is accessible to the community. The remainder of the existing spaces are refurbished to deliver flexible spaces that can be hired/leased out to the local community or small businesses. The Cafe is relocated into the Derby wing, creating additional space for visitors and a better commercial offer. Essential repairs to the outbuildings would be carried out and the units would be leased to small local businesses.

Income - £95,222 after 2 years

Costs - £2,622,000

EDITDA - £11,290 after 2 years

3.0

HYBRID OPTION (ENHANCED COMMUNITY OPTION) Landscape Design

Scale
1:500 @ A3



3.10 Summary

The development of Worden Hall raises the opportunity to improve the condition, use and quality of the surrounding landscape. The park and gardens create a popular recreational destination and setting to the Hall. The landscape is made up of a number of landscape components offering different landscape character areas, uses and purposes. This development opportunity offers the potential to improve these areas, enhance their character, connectivity and use.

Through adapting access to the building complex, there is the potential to create a sense of arrival which will improve the visitor experience. The proposed series of courtyard spaces provide varying environments whilst linking internal spaces to the wider landscape. A carefully selected pallet of materials and planting also helps improve clarity and showcase key architectural elements such as the clock tower. The overflow carpark introduces much needed additional spaces to accommodate increased visitor numbers in a sensitive and practical location.

3.11 Landscape Costs

	£ Option 1	£ Hybrid Option
New Car Park	-	-
Existing Car Park	-	-
Pedestrian Approach	3,000	-
Main Approach	4,000	-
New Vista	-	-
Formal Avenue	-	-
Formal Arrival	-	-
Drop Off Lay-by	3,000	-
Courtyard Works	25,500	-
Planted Borders	-	-
Railway Parking Bays	-	-
Totals to Option Costs	35,500	TBC

