

THE OVERVIEW AND SCRUTINY COMMITTEE19 January 2015ABBAY HOUSE INFORMAL SCRUTINY GROUP – RECOMMENDATIONSREPORT OF CHAIR OF THE ISG, COUNCILLOR ROBERT SANDERSContact Officer: David Blakemore Tel no: 01962 848217
email dblakemore@winchester.gov.ukRECENT REFERENCES:

OS84 - Guildhall Informal Scrutiny Group – Recommendations - 23 September 2013

CAB2634 – The Future of City Offices – 3 December 2014

EXECUTIVE SUMMARY:

The Overview and Scrutiny Committee previously established the Guildhall Informal Scrutiny Group (ISG) to investigate whether improvements could be made to ways income to the Council could be achieved from the commercial activity of the then recently refurbished building. One of the considerations of the ISG was whether the Guildhall could continue and if possible to increase, the use of Abbey House for room lettings, including for small exclusive weddings and other similar private hire events. The ISG considered and rejected any consideration of disposing of Abbey House. However, as the ISG noted in its final report (Report OS84 refers) its use was limited due to several factors and it was therefore requested that a further ISG be established to consider this matter in greater detail.

Therefore, one of the recommendations of the Guildhall ISG was as follows and this was accepted by The Overview and Scrutiny Committee and Cabinet.

“That an ISG be established to examine the potential for increased use of Abbey House (whilst retaining it as a Council and Mayoral asset).”

Accordingly, the Abbey House Informal Scrutiny Group was established with the following membership: Councillors Sanders (Chairman), Izard, Johnston, Rutter, Pearson, Read and Wright. The Group met in Abbey House on Tuesday 11 November 2014.

This Report describes the process of the review and the Abbey House ISG's consequent recommendations for further action.

RECOMMENDATIONS:

That The Overview and Scrutiny Committee consider the recommendations of the ISG and recommend to Cabinet the following:

1. Option to let building in entirety to private tenant

That as there few suitable clients or defined end users (having regard to the significant investment required to the building to adapt it for commercial use, as well as due the layout of the interior space, compounded by the ongoing constraints of the building's Grade 2* listing) this option be not progressed.

2. Abbey House – use by the Mayor of Winchester

That the predominate use of Abbey House continues to be the official Mayor's residence and that the Mayor's Secretary should continue to be located in the House due to the requirement for her to be in close proximity to the Mayor.

3. Limited private hire of Abbey House and increased use for officer internal meetings

That a rolling £50,000 per annum (total £250,000) refurbishment programme be phased as soon as possible so to facilitate increased use of Abbey House for internal officer meetings and some appropriate private hire, on the understanding that this use could be managed and staffed by the Guildhall or internal users so as to be least disruptive to the building's primary function as the official residence of the Mayor of Winchester. To bring the building up to minimum standard suitable for continued use and to make the premises available for Officer and Member internal meetings, it is recommended that a budget item be supported to fund a minimum of £250,000 that will need to be spent. It is suggested that this sum might be spread over five years to assist with budgeting. There is £59,000 already in the capital programme for Abbey House. Budget growth of £191,000 spread over the following 4 years will be needed, funded by the Asset Management Plan Reserve.

THE OVERVIEW AND SCRUTINY COMMITTEE

19 January 2015

ABBAY HOUSE INFORMAL SCRUTINY GROUP – RECOMMENDATIONS

REPORT OF CHAIR OF THE ISG, COUNCILLOR ROBERT SANDERS

DETAIL:

1 Introduction

- 1.1 At its meeting on 9 June 2014, The Overview and Scrutiny Committee (OSC) confirmed the membership of the Abbey House Informal Scrutiny Group (ISG). The Members of the ISG were Councillors Sanders (Chairman), Izard, Johnston, Rutter, Pearson, Read and Wright.
- 1.2 At the ISG met on 11 November 2014, with terms of reference drawn from the previous Guildhall Informal Scrutiny Groups, as follows:

“That an ISG be established to examine the potential for increased use of Abbey House (whilst retaining it as a Council and Mayoral asset).”
- 1.3 The details of the broad themes of the ISG’s discussions are set out in its final report at Appendix 1. The report also sets out its recommendations for further consideration by The Overview and Scrutiny Committee.
- 1.4 CAB2634 – The Future of City Offices – was considered by Cabinet on 3 December 2014. Cabinet supported the proposals as set out, e.g. to develop a business case for the replacement of City Offices to be brought back to Cabinet in mid-2015. The report outlined proposals that the Council should make better use of meeting space in the Guildhall and Abbey House – to enable a reduction in the space required for these purposes in any future scheme affecting the City Offices.

OTHER CONSIDERATIONS:

2 COMMUNITY STRATEGY AND PORTFOLIO PLANS (RELEVANCE TO):

- 2.1 The subject of the ISG is directly relevant to delivery of the priority outcomes of the Sustainable Community Strategy as well as supporting our aim to be an Efficient and Effective Council.

3. RESOURCE IMPLICATIONS:

- 3.1 If the recommendations are pursued this will require significant capital investment in addition to some officer time. An outline of the capital investment likely to be required to refurbish Abbey House is included below.

3.2 The works necessary to the building for its continued use and to enable it to be used more intensively for internal Council meetings will include:

- Rewiring the electric lighting and power circuits throughout
- The provision of enhanced lighting in the principal rooms capable of use for meetings
- Redecoration of the principal rooms
- Works to the parapet walls and pointing
- Works to the drains
- The installation of a heating controller to allow for management of the heating system remotely from the Guildhall
- Repairs to the flooring
- Replacement carpet and curtains
- Furniture re-upholstery
- The installation of IT cabling
- Upgrading the toilet facilities
- Improvements to external lighting in the car park.
- Door entry control and security

A detailed programme of works will be developed, before commencement.

3.3 To bring the building up to minimum standard suitable for continued use and to make the premises available for Officer and Member internal meetings, it is recommended that a budget be supported to fund a minimum of £250,000 that will need to be spent. It is suggested that this sum might be spread over five years to assist with budgeting. There is £59,000 already in the capital programme for Abbey House. Budget growth of £191,000 spread over the following 4 years will be needed, funded by the Asset Management Plan Reserve.

4. RISK MANAGEMENT ISSUES

4.1 There are no significant risk management issues associated with this report.

BACKGROUND DOCUMENTS:

Minutes of the ISG, held by the Democratic Services Team

APPENDICES:

Appendix 1: Final report of the Abbey House Informal Scrutiny Group

FINAL REPORT
OF
ABBAY HOUSE INFORMAL SCRUTINY GROUP

1. Introduction

- 1.1 This report describes the conclusions of the Abbey House Informal Scrutiny Group which convened on the 11 November 2014. The reason for the establishment of the ISG was in response to a previous recommendation of the Guildhall Informal Scrutiny Group (ISG), which considered aspects of making improvements to income to the Council from the commercial activity of the then, recently refurbished building. One of the considerations of the ISG was whether the Guildhall could continue (and if possible increase) the use of Abbey House for room lettings, including the possibility of small exclusive weddings and other similar events. The ISG considered and rejected any consideration of disposing of Abbey House. However, as the ISG noted in its final report (Report OS84 refers) its use was limited due to several factors and it was therefore requested that a further ISG be established to consider this matter in greater detail.
- 1.2 Therefore, one of the recommendations of the Guildhall ISG was as follows and this was accepted by The Overview and Scrutiny Committee and Cabinet.
- “That an ISG be established to examine the potential for increased use of Abbey House (whilst retaining it as a Council and Mayoral asset).”

2. The Scrutiny Review

- 2.1 Abbey House is a Grade 2* listed building dating back to the 16th Century. Today, the building is primarily used as the official residence of the Mayor of Winchester. The Mayor receives guests in the building and has an office in the House, as does the Mayor's Secretary. There are many Mayoral functions held in the building throughout the year, as well as regular meetings of the Mayor's Charity Committee. The House is also used as a meeting venue for Leaders Board and other officer meetings and occasionally for some external bookings made via the Guildhall. In recent years, the House has become popular with paying customers for Blue Badge guided tours.
- 2.2 The Informal Scrutiny Group was provided with a brief history of Abbey House, with particular focus on maintenance aspects. It was noted that the last major renovation of the house was in the early 1980s. This included internal works and new soft furnishings in the Georgian style, based upon advice from the National Trust. These internal finishes, including the soft fabrics, largely remain today and so it is not surprising that some are now in a poor state of repair. Since that time, little refurbishment work had been undertaken apart from some urgent repairs within the last five years to the roof areas and also renovation of the windows. Extensive insulation has been undertaken to the lofts to improve the overall energy efficiency of the House. Some limited internal decoration (generally emulsions) has refreshed the existing décor in some rooms. A comprehensive redecoration and internal refurbishment scheme had previously drawn up in 2013 in consultation with Members, which was tendered at approximately £120,000; however this has been placed on hold due to other budget priorities. The building's boiler has also been upgraded in recent years making the heating systems reasonably efficient.

- 2.3 The ISG was provided with a tour of each of the rooms of the House, with their functions described and maintenance aspects indicated. It was noted that the lighting throughout the building was generally low level and some floors uneven. The House contains a significant number of historical artefacts including hung paintings and furniture. It was apparent that some furniture required urgent upholstery and many of the curtains and carpets were clearly no longer presentable. Kitchen areas were basic and dated and only suitable for basic reheating and serving, as opposed to commercial catering activities.
- 2.4 Due to the historic nature of the building, its foundations were minimal. The House was also located close to a river and mature trees and therefore subsidence was a potential hazard as would be movement in general from increased people traffic and other changes to internal loadings. Recent structural surveys undertaken had detected some minor structural movement.
- 2.5 The Group acknowledged that it was important for the building to be used as regularly as possible, as to do otherwise may contribute to its deterioration.
- 2.5 The ISG acknowledged that urgent investment in the building was necessary in any case, and ideally this should be undertaken so to maximise its potential for room hiring, as well as to be appropriate for the building's main use – the Mayor of Winchester's official residence.
3. Option to let building in entirety to private tenant
- 3.1 Members heard that significant prior investment in the fabric of the building was required if the building was to be let in its entirety on tenant repairing lease terms. Due to the Grade 2* listing and historic nature of the building, any works were likely to be significant undertakings, as to do otherwise would potentially increase future liabilities. The ISG also noted that grants would not be available (i.e. National Trust, English Heritage or the Lottery) due to the Council being a responsible public body.
- 3.2 The ISG also noted advice that Abbey House would require approximately £1million investment overall (which would include improvements to accessibility requirements) if the building was to be let in its entirety to a private tenant on a repairing lease. However, it was noted that there would be few suitable clients or defined end users due to the likelihood of particularly high rental costs (having regard to the significant investment required to the building to adapt it for commercial use) as well as from limitations from the layout of the interior space, compounded by the on-going constraints of the building's Grade 2* listing.

It was recommended that as there few suitable clients or defined end users (having regard to the significant investment required to the building to adapt it for commercial use, as well as due the layout of the interior space, compounded by the ongoing constraints of the building's Grade 2* listing) this option be not progressed.

4. Abbey House – use by the Mayor of Winchester

- 4.1 The ISG noted that the previous decisions and guidance in its terms of reference had established that Abbey House should be retained as a Council and Mayoral Asset. The rooms within the House were principally used for entertainment purposes by Mayors throughout the year, with an average of 50% of useable space used at any one time.
- 4.2 Members noted that there were frequent instances with current internal lets, where the organising officer(s) had failed to properly resource the event e.g. inadequate door control leading to unauthorised public access, shortage of meeting equipment, catering issues etc. All these problems resulted in the Mayor's Secretary having a series of interruptions, because there appeared to be an implied expectation by those using the House that she would resolve any issues which occurred. Bearing in mind that, following past budget cuts, the Mayor's Secretary worked a 4 day week and the Mayoral Functions Assistant was employed for just a few hours each week, such interruptions were particularly damaging to the Mayoral workflow (a situation that would only worsen with increased bookings activity).
- 4.3 In addition, there were issues about communications with, and levels of support from, the Guildhall, which had again resulted in the Mayor's Secretary becoming involved with internal bookings far more than necessary.
- 4.4 Therefore, it was agreed that any proposal to increase the letting of the House on a more regular basis for both internal and external hiring, must review and address all the above issues, with any solution not relying on the involvement of the Mayor's Secretary to succeed.
- 4.5 The ISG noted that most other Councils had areas of their buildings dedicated for use by the Mayoralty. These were often areas within civic offices. Some Local Authorities had official Mayoral residences, including at Cardiff, York and Bristol. These latter facilities, in some cases, were more appropriate for external hire due to room size and/or their location.
- 4.6 It was agreed that the current poor condition and appearance of some aspects of the House was not a good reflection of the Mayoralty and of the City.
- 4.7 The ISG also considered whether the top floor of the building could be utilised exclusively for the Mayoralty, with the ground floor remodelled accordingly for hire by the Guildhall and for internal Council meetings. However, there were concerns that to 'split' the use of the building would be to the detriment of the Mayoralty, as the building in its entirety was seen as inextricably linked. In addition to this, the adequacy of room size for hiring as well as toilet facilities meant that this was likely to be impractical. The physical and practical constraints of dividing an historic building were also of concern as this was likely to detract from its existing ambiance, even if permissible due to the listed status.

It was recommended that the predominate use of Abbey House continues to be the official Mayor's residence and that the Mayor's Secretary should continue to be located in the House due to the requirement for her to be in close proximity to the Mayor.

5. Limited private hire of Abbey House and increased use for officer internal meetings
- 5.1 The ISG noted that the Guildhall, over the previous 12 months, had received approximately £8,000 in income by catering and use of the house.
- 5.2 There remained to be some potential external letting use by the Guildhall for some niche clientele if this was properly managed. These may include responsible clients looking for locations for board meetings, interviews etc. The House could be potentially used for some smaller weddings, or more likely as an area for the bride to convene before her wedding in the Guildhall. However, the important additional income normally generated by catering for weddings etc would firstly require significant investment to the kitchen areas of the House.
- 5.3 The ISG noted that Abbey House presented some significant security issues due to the number of valuable artefacts within the building; therefore any letting of rooms for both internal and external hire must not compromise their security. It was also not the responsibility of the Mayor's Secretary to ensure that that this was maintained. There had been some recent security concerns raised when the front door to the House had not been properly monitored for entry and egress for meetings. The Group agreed that an access control system (similar to the offices) should be considered for the building.
- 5.4 It ISG noted that rooms in the House were likely to be needed for additional internal officer and/or Member meetings once the City Offices was redeveloped. This proposal would require there to be fewer meeting rooms within the offices. In addition to this, the Guildhall was looking to maintain its recent success with 'whole building' hires for conferences. These were particularly lucrative bookings for the Guildhall and usually meant that the popular smaller meeting rooms in the building were unavailable during these events. Abbey House could therefore be used for these smaller meetings. Abbey House would also continue to be utilised for other smaller meetings such as senior officer groups and Leaders board as well as potentially for some ISGs. By using Abbey House for smaller meetings would also add benefit by free-ing up the smaller meetings rooms in the Guildhall and therefore increasing income to this facility. In addition, occasionally the Guildhall was kept open when only small meetings were taking place. This involved disproportionate staffing and other overhead costs when the building could be shut down at an earlier time.
- 5.5 It was noted that Abbey House only had two rooms that were likely to be suitable and most popular for hiring for meetings etc – the upstairs reception room and also the dining room.
- 5.6 To use the building for wedding hire would only be a marginal activity without significant physical investment in the House, as well as necessary staffing costs. However, some private hire exclusive use could be considered as long as could be managed and staffed so was the least disruptive to the building's primary function. Flexibility in the buildings availability should be maintained

so as far as possible to not inconvenience the Mayor's diary, as use of the house to receive guests and for events were often arranged with limited notice.

- 5.7 Increased internal use for officer meetings (i.e. those displaced by redevelopment of City Offices and when the Guildhall was unavailable) would require significantly less investment than would be necessary, should the building be leased for a commercial use.
- 5.8 The ISG heard that approximately £250,000 capital investment was required to refurbish the building, to include upgrading of its lighting so to make it more practical for its use for meetings. This could be phased as a £50,000 per annum rolling programme. This should incorporate proper access and security arrangements and would be implemented along the agreed basis of Abbey House being primarily for use by the Mayoralty (including the office of the Mayor's Secretary), some internal meetings and some appropriate private events, where these can be managed appropriately.

It was recommended that a rolling £50,000 per annum (total £250,000) refurbishment programme be phased as soon as possible so to facilitate increased use of Abbey House for internal officer meetings and some appropriate private hire, on the understanding that this use could be managed and staffed by the Guildhall or internal users so as to be least disruptive to the building's primary function as the official residence of the Mayor of Winchester. To bring the building up to minimum standard suitable for continued use and to make the premises available for Officer and Member internal meetings, it is recommended that a budget item be supported to fund a minimum of £250,000 that will need to be spent. It is suggested that this sum might be spread over five years to assist with budgeting. There is £59,000 already in the capital programme for Abbey House. Budget growth of £191,000 spread over the following 4 years will be needed, funded by the Asset Management Plan Reserve.
