

**UPDATE ON PROGRESS OF THE COUNCILS KEY CAPITAL PROJECTS**  
**REPORT OF DEPUTY CHIEF EXECUTIVE (CORPORATE DIRECTION & COMMUNITY DIRECTION)**



Hinckley & Bosworth  
Borough Council

*A Borough to be proud of*

**WARDS AFFECTED: ALL WARDS**

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1. **PURPOSE OF REPORT**

1.1 To update members on progress of the key capital projects currently being delivered by the Council. More specifically the report will focus on:

- Hinckley Hub
- Jubilee Building
- Bus Station Development
- Leisure Centre
- The Atkins Building
- MIRA

1.2 To highlight to Members the position of each project with regard to its delivery and key milestones within their proposed programmes

2. **RECOMMENDATION**

2.1 Members note the content of this report.

3. **PROJECT UPDATES**

**The Hinckley Hub** - Hinckley Hub is the refurbishment of the former Flude hosiery factory to form a new public sector hub for Hinckley and Bosworth Borough Council, Leicestershire County Council, Job Centre Plus and other partners from the public sector. The development is part of the wider regeneration of Hinckley town centre and includes an adjacent new development of 46 affordable residential units.

The Hub is located close to Hinckley town centre at the junction of Rugby Road and Hawley Road, 300m from the proposed major bus station re-development and a five minute walk from the town centre and pedestrianised shopping area. The Rugby Road links directly to the A5/M69 junction (2.5 kilometres) and the Hub is also served by the nearby train station & adjacent supermarket (250m) and local bus services.

Construction began in January 2012 and is scheduled to complete by 2<sup>nd</sup> May 2013 and it is anticipated that the move will be complete by the end of May 2013. The developer is Nottingham-based architect & developer MRP supported by Aviva who are forward funding the project.

The refurbishment provides modern, open floor-plate office accommodation extending to circa 42,000sqft of net lettable area, including a joint reception area, HBBC conference rooms, in-house café facility and associated car parking.

The new civic suite will be designed as multi-functional conference and meeting space for use by third party organisations when not in use for HBBC civic functions. Negotiations are taking place with the Papworth Trust to provide a café / catering facility within the hub which will provide the opportunity for young adults with learning and physical difficulties to gain work experience and provide a valued service to staff

within the building with any profits made supporting the Papworth Trusts charitable objectives.

The project is contracted to achieve a prestigious BREEAM Excellent environmental rating and the Hub scores highly on energy efficiency and the use of renewable, sustainable transport, ecological regeneration and the use of sustainable materials.

The Council signed the agreement to lease with MRP Developments Ltd on 31<sup>st</sup> October 2011. The project is being lead by the Council's Estates and Asset Management Service under the direction of the Deputy Chief Executive (Corporate Direction) with overall project management responsibility falling to the Estates and Asset Manager.

A member board meets on a monthly basis. The composition of this Board is as follows:

- Executive Member for Finance, ICT and Assets
- Executive Member for Corporate Services and Equalities
- Deputy Chief Executive (Corporate Direction)
- Estates and Assets Manager
- Richard Anderson (MRP Developments Ltd)
- Mark Wilmott (MRP Developments Ltd)

The above Board meets with a wider Partnership Board once a quarter. This Board has officer and in the case of Leicestershire County Council Member representation from:

- Leicestershire County Council
- Leicestershire Probation Service
- Job Centre Plus
- Citizen Advice Bureau

It anticipated that there will be a phased relocation of Council Services into the Hub following a period of initialisation after practical completion. This period will see the installation of the reception, conference equipment, IT services and office furniture. Leicestershire County Council will follow the Hinckley and Bosworth Borough Council move with Job Centre Plus relocating late October early November 2013.

**Atkins Building** - Since opening in July 2010, the Atkins Cultural Enterprise Centre has become a focal point for serviced office accommodation with the Borough, with presently 25 offices on site, which are fully let. In addition to this, strong ties have been established with Creative Hinckley, a not for profit organisation featuring local creative industry practitioners, who let studio and gallery space off the Council. These studios have proved extremely successful, whilst the gallery has hosted numerous wonderful exhibitions from both national and international exhibitors.

In addition to this space, the building features an on site café and further dedicated office space taken by The Hinckley Times, Leicestershire County Council, the Revenue and Benefits Partnership and a renewable energy company '2OC'.

Regular events are held at the Atkins Building such as weekly Pilates and slimming classes and the building has become the new home of the local 'over 50's' group, who meeting every 3rd week. The building has just hosted an extremely successful wedding fair whilst a follow up heritage tour is scheduled for April 4th, which will encompass the Framework Knitters Museum, Atkins Building and Unitarian Chapel, with 50 members of the public signed up and extra tours having to be put on. In addition to this, Creative Hinckley run twice yearly craft fairs, which have proved to

be extremely popular. For Real Ale connoisseurs, The Camra Hinckley Beer festival is held in the building each year in September.

Financially, the projected revenue for 2012/13 is on course to meet the budget of £230,000 and an additional £17,000 has been made available for Council budget reserves due to additional surpluses generated. The meeting room space provided within the building has also proved extremely popular, generating an income of £16,000.

The new North Warwickshire and Hinckley College opened its doors in September 2011, which completed the regeneration of the former hosiery factory site. The College is proving very popular for students from Hinckley and Nuneaton.

**Leisure Centre** - Council approved the decision in November 2012 to proceed with the joint procurement (with Oadby and Wigston Borough Council) of a Partner (or Partners) to develop a new Leisure Centre and deliver the on going management of the Centre, through an OJEU procurement process

Council agreed to relocate the Leisure Centre to the current Council Offices site at Argents Mead. A number of alternative options were fully considered, including refurbishment of the existing Centre and relocation to an out of town site.

Secondary spend within Hinckley Town Centre from users who visit the Leisure Centre is considerable. Retaining the Leisure Centre within the town centre would support the economic growth and sustainability of the town centre.

The development on the Argents Mead site (the current Council offices) should maintain and enhance the green space ensuring the facility is sensitively designed to fit and add value to the park.

The aim is that the new wet and dry facility will be operational from summer 2015 at the end of the existing contract with SLM.

The facility would be expected to include as a minimum

- 25 metre, 6 lane swimming pool and learner pool
- 6 court sports hall
- Health and fitness facilities, including studios
- Ancillary supporting facilities

In addition the Councils are seeking a mix which will deliver an improved revenue position and leisure experience for its customers.

The Council has provided £7.2 million of capital to invest in the facility and would consider additional capital investment for the right scheme with either a partner(s) contribution or a share of revenue to cover any additional borrowing costs.

Short listing of Bidders is underway, with the aim to appoint a Partner prior to December 2013 followed by planning application process completed by April 2014.

Users of the existing Leisure Centre have been consulted and their requirements will be fed into the procurement process.

**The Jubilee Building (New Depot)** - In December 2011 Council agreed to progress a project to relocate the Middlefield Lane Depot to new premises, committing a project budget of £1,772,500.

In March 2012 a contract was agreed to purchase a suitable plot of land on the Harrowbrook Industrial Estate for the new works depot premises for £472,220 (inc. stamp duty).

Following public consultation exercises, with local residents and resident groups adjacent to the Harrowbrook site, the Estate Team submitted a planning application for the new site, The Jubilee Building, which received planning consent on 29<sup>th</sup> May 2012.

A full design and build construction contract was negotiated with Ashe Construction to the value of £1,127,074.

Construction work commenced on site in September 2012 with completion scheduled for March 2013.

At the time of writing the contract status is on-time and within the agreed budget.

**Bus Station** - This scheme includes for the redevelopment of the bus station site, including a new supermarket, Bus Station, 560 space car park, new shops, family restaurants and cinema. Outline planning permission for the development was granted on 18 January 2011. As it was not possible to acquire the entirety of the site through private negotiation, on 18 January 2011, the Council approved a Compulsory Purchase Order for the site. A Public Inquiry was heard in November 2011 and on 2 April 2012, the Hinckley and Bosworth Borough Council (Hinckley Bus Station) Compulsory Purchase Order 2011 was confirmed by the Secretary of State.

Council, at its meeting on 13 November, agreed to a Deal of Variation to the Development agreed on the basis of difficulties Tin Hat Regeneration Partnership were experiencing with securing early sign up of all the retail tenants due to the economic difficulties. It was therefore concluded that the most effective way to carry out the development would be in two stages, with the initial stage being the food store, the cinema, the family restaurants, the Bus Station and public realm improvements, with the remainder of the retail units coming forward as a second stage.

Discussions have been ongoing with Tin Hat Regeneration Partnership and Sainsbury's since November to determine phasing and delivery timescales.

**MIRA** - MIRA Transport Technology Park was awarded Enterprise Zone Status in 2011. Planning permission was granted in November 2011. This will involve investment of £350M over a ten year period, creating 2,500 new jobs. To facilitate early delivery of this scheme, Officers were successful in securing a Regional Growth Fund bid of £19.4M towards the upgrade of the A5, the provision of a new regional electricity sub-station and sustainable transport improvements. Funding is now secured and initial payments have been received from DCLG. Detailed design work is currently underway. Works are expected to start in November 2013 and be completed by autumn 2015.

#### 4. **FINANCIAL IMPLICATIONS [IB]**

##### Capital Implications

Capital expenditure proposals for the Jubilee Building, Leisure Centre have been approved by Council on February 21<sup>st</sup> 2013. The anticipated receipts have been included in the funding of the Capital programme.

There will be no direct capital costs arising from the Bus Station Development. The anticipated capital receipt has been included in the funding of the capital programme approved by Council on 21<sup>st</sup> February 2013.

### Revenue Implications

Revenue budgets for the Atkins building reflect the income levels detailed above.

For the MIRA project, HBBC are allowed to reclaim back administration costs incurred on the project. For next year these are estimated to be £33,100 and are allowed for within the revenue budget.

#### 5. **LEGAL IMPLICATIONS [AB]**

This update report does not raise any legal implications as it is for noting only. Each project will raise specific legal implications in its own right.

#### 6. **CORPORATE PLAN IMPLICATIONS**

The projects contained in this report are key capital investments which support the delivery of effective, economic and efficient service delivery to citizens of the Borough.

#### 7. **CONSULTATION**

Various parties have been consulted for the individual projects contained within this report.

#### 8. **RISK IMPLICATIONS**

Management of significant (Net Red) Risks		
Risk Description	Mitigating actions	Owner
Risk registers are kept for each projects and are updated according to each project programme		Lead Officers

#### 9. **KNOWING YOUR COMMUNITY – EQUALITY AND RURAL IMPLICATIONS**

Equality and rural implications with all partner organisations have been considered for each project and form a part of the business case for each development

#### 10. **CORPORATE IMPLICATIONS**

By submitting this report, the report author has taken the following into account:

- Community Safety implications
- Environmental implications
- ICT implications
- Asset Management implications
- Human Resources implications
- Planning Implications
- Voluntary Sector

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Hinckley Hub

Atkins Building

Hinckley Leisure Centre

Jubilee Building

Bus Station Development

Executive Member: Cllr Keith Lynch