

FAREHAM

BOROUGH COUNCIL

2017/18
Decision No.
2033

Record of Decision by Executive

Monday, 9 July 2018

Portfolio	Policy & Resources
Subject:	Ferneham Hall
Report of:	Head of Leisure and Corporate Services
Corporate Priority:	Leisure opportunities for health and fun

Purpose:

To set out the proposals for the future development and operation of Ferneham Hall.

Over the last few years the Council has invested significant capital sums into sports and recreation to ensure that it provides relevant, modern and good quality leisure facilities. Given the sale of this investment, it is now fair and proportionate for the Council to focus its attention on the area of entertainment. It is time to review how Ferneham Hall can be refreshed.

On 18 May 2015, the Executive considered a report entitled "Fareham Cultural Facilities Transformation". In summary, the report focussed on two issues. The first included plans for the refurbishment and future management of Westbury Manor Museum. The second included the need to undertake a feasibility study considering future options for Ferneham Hall. The report noted that, whilst the Council is wholly committed to providing a modern community focused entertainment facility in Fareham Town Centre, there was a need to reduce the annual operating cost of such a facility.

The results of the feasibility study, carried out by the consultants were made available in November 2015, and Council Officers began the process of analysing the information. The publication of the results, however, was put on hold in early 2016, due to the work that the Council was undertaking in preparing a vision for Fareham Town Centre.

Following a period of public consultation, "Planning the Future of Fareham Town Centre" was published in 2017. It stated that "Ferneham Hall is the Borough's main venue for theatre, arts and community events but is also becoming dated. The Council's budget for subsidising the theatre is under pressure and we must look at how we can achieve best value for tax payers. Plans for the Civic Quarter could include creating a new cultural and arts facility to replace Ferneham Hall".

This vision worked on the assumption that Ferneham Hall would be demolished and moved to a new location within the Civic Quarter, possibly combined with a new multi-storey car park. It was anticipated that this would release space for residential development on the current Ferneham Hall site. It has become increasingly clear, however, that the option to remodel Ferneham Hall in its current location could be delivered in a much shorter timescale, at a lower cost, with residential development and the re-provision of public parking provided at a later stage. This would, however, require a period of closure for

Ferneham Hall.

Following the publication of the plans for the Town Centre, attention focussed on the results of the Ferneham Hall feasibility study. The study indicated that it was possible to significantly reduce the operational costs of the facility and proposed a new design based on two performance spaces:

- one of approximately 400 seats and
- one smaller space of approximately 100 seats that would host presentations of live performance and film screenings.

The plans also included a dedicated dance studio and meeting rooms. The feasibility study estimated that the capital costs of such a refurbishment project would be between £8.9million and £9.6million. The costs of building a new facility in a different location were estimated to be between £9.6million and £14.5million.

Officers have assessed the results of the feasibility study and concluded that the financial projections for the five-year operating model appear to be realistic; the proposal for a smaller auditorium is in keeping with other modern cultural facilities; the scale and nature of the future programme requires a skill base which is better suited to management using a Leisure Trust operating model; the inclusion of a dance studio, whilst desirable, is not essential; the capital costs of refurbishment and construction are high and if the project is to proceed then officers would need to work closely with architects to re-engineer the design to reduce costs.

If approved, it is proposed that the project is delivered in three phases:

1. The first phase would include the remodelling of Ferneham Hall, demolishing the Octagon Lounge and opening up the foyer area.
2. The second phase would focus on the smaller secondary theatre.
3. The third phase would be the dance studio.

Fareham Borough Council would fund the first phase; and consider the most suitable funding structure for the latter two phases once an operator had been selected, recognising that they may attract external funding for the additional facilities. This would remove uncertainty from the project as the second phase would only proceed if the Trust was successful in providing capital investment.

The feasibility study was commissioned in partnership with the Hampshire Cultural Trust and recent discussions with the organisation remain positive. However, during the process of the review it has become clear that other Leisure Trust operators are interested in the scheme. As such, it is proposed that a procurement exercise is undertaken to select the Council's preferred operator, to support during construction then provide management of the new Ferneham Hall facility. This would, of course, not preclude the Hampshire Cultural Trust from putting forward a proposal.

A draft vision has been prepared to provide clarity to Leisure Trust operators. Architects and Consultants as to the Council's ambitions for Ferneham Hall.

Detailed figures on costs would be provided to a future meeting of the Executive before any works commence, but at this stage approval is requested for phase one of the project to be funded from Community Infrastructure Levy (CIL) contributions.

If the project is approved, it is suggested that the current venue closes towards the end of 2019. The timescales involved in closure would mean that Ferneham Hall employees would be "at risk" and the Council would work with its preferred operator on possible solutions. When the new venue opened, it would be under the management of a Leisure Trust operator. The future operating model would be based on the premise that Fareham Borough

Council owns the facility and employs the Leisure Trust to manage the facility, with annual surpluses or deficits received/met by the Council.

It is suggested that a member working group be established to oversee the design and construction of the project, chaired by the Executive Member for Leisure and Community.

Options Considered:

At the invitation of the Executive Leader, Councillor Mrs CLA Hockley addressed the Executive on this item.
As recommendation.

Decision:

RESOLVED that the Executive agrees that:

- (a) Ferneham Hall remains in its current location within the Civic Quarter;
- (b) the vision for Ferneham Hall, attached as Appendix A to the report, is approved;
- (c) the business plan created by AEA Consulting is refreshed and updated, excluding details of the Ashcroft Arts Centre, to ensure that all of the relevant data is available to make an informed decision going forward;
- (d) a procurement process be undertaken to identify a Leisure Trust operator as a partner, prepared to support the development of the new facility, including securing external sources of funding where appropriate, then managing the new facility in the future;
- (e) Ferneham Hall is closed in late 2019 to enable construction works to be undertaken;
- (f) the construction works are undertaken in three phases. The first phase would include the remodelling of Ferneham Hall, demolishing the Octagon Lounge and opening up the foyer area. The second phase would focus on the secondary theatre. The third phase would be the dance studio;
- (g) in principle, the costs of phase one of the project be funded from the Community Infrastructure Levy and external funding where possible, with full project cost to be reported to the Executive later this year. Funding of the latter phases of work would be subject to a further report, once an operator has been selected;
- (h) delegated authority be given to the Director of Finance and Resources, following consultation with the Executive Member for Leisure and Community, to utilise an initial sum of £100,000 to enable expenditure on fees covering aspects such as surveys, building redesign, further market research, the preparation of a planning application and project management.
- (i) a member working group be established to oversee the design and construction of the project, chaired by the Executive Member for Leisure and Community, to include four other members: Councillors TM Cartwright, MJ Ford, T Davies and Mrs KK Trott. The final design and costs will require the approval of the Executive prior to seeking planning permission; and
- (j) options for naming the new venue be presented to a future meeting of the Executive.

Reason:

Ferneham Hall is becoming dated and tired, and its operating costs are escalating. A new approach is needed, and the proposal to remodel the venue offers an exciting opportunity for

the future.

Confirmed as a true record:

Councillor SDT Woodward (Executive Leader)

Monday, 9 July 2018