



**Report title: Our Cultural Heart,
part of the Huddersfield Blueprint,
Phase 1, Structural Works to the Former Queensgate Market**

Meeting	Cabinet Member Decision
Date	2nd July 2024
Cabinet Member (if applicable)	Cllr Cathy Scott, Leader of the Council
Key Decision Eligible for Call In	No Yes
<p>Purpose of Report</p> <p>As a supplementary to the Phase 1 Gateway 4 Cabinet report (December 2023) this report sets out the additional structural works that are required to protect the Grade II listed former Queensgate Market regardless of its end use and the associated funding to carry out the works.</p> <p>This decision is being brought forward under emergency procedures given the time bound opportunity to instruct these additional works under the Our Cultural Heart Phase 1 JCT Design & Build construction contract with BAM Construction Limited. The works detailed in this report are essential to the safe maintenance of a council asset. Incorporating the works into the Our Cultural Heart Phase 1 contract represents the most economically advantageous route to the Council as delaying the works of the Phase 1 contract would cost the council significantly more, hence a decision under emergency powers is sought.</p>	
<p>Recommendation</p> <p>To agree to instruct the additional structural works to the former Queensgate Market under the Phase 1 JCT Design & Build construction contract with BAM Construction Limited and drawdown the funding from the Our Cultural Heart £262m allowance within the council's multi-year capital budget plan.</p> <p>Reasons for Recommendation</p> <p>To ensure the delivery of Phase 1 as previously approved by Cabinet.</p>	
<p>Resource Implication:</p> <p>The funding and the required project managers, designers and contractors to implement the recommendations associated with this report have already been secured through the Phase 1 Gateway 4 approvals and are already working on the programme and the delivery of Phase 1.</p>	

With programmes of the scale of Our Cultural Heart a significant resource, outside the normal day-to-day business of the council, is needed and so the delivery team is made up of external consultants with the necessary range of skills.

Date signed off by Strategic Director & name

David Shepherd – 1st July 2024

Is it also signed off by the Service Director for Finance?

Kevin Mulvaney – 1st July 2024

Is it also signed off by the Service Director for Legal Governance and Commissioning?

Samantha Lawton – 1st July 2024

Electoral wards affected: Newsome

Ward councillors consulted: Newsome ward councillors were consulted on the progress of the scheme as part of the public consultations for planning.

Public or private: The Phase 1 Gateway 4 Cabinet report (December 2023) was a public report with public and private appendices

Has GDPR been considered? Yes

1. Executive Summary

To protect the asset value and amenity and provide longevity of the Grade II listed former Queensgate Market (the building), parts of the concrete structure need replacement, repair and/or strengthening.

The additional structural works (the works) are required regardless of the buildings end use and therefore the proposal is to instruct them under the Phase 1 JCT Design & Build construction contract (main contract) with BAM Construction Limited (BAM) that is due to be awarded in July 2024.

Instructing the works through the proposed main contract, when BAM are already on site carrying out other planned works, will be cost effective and will ensure that there isn't a delay to the delivery and operation of Phase 1 of Our Cultural Heart.

2. Information required to take a decision

2.1 Background

2.1.1 Update on Progress

The Our Cultural Heart programme has been to Cabinet a number of times since its inception in June 2021 with the design for the master plan and the individual assets within it being approved at Gateway 3 Cabinet in June 2023.

Also, at Gateway 3 after a competitive tender process, approval was given to appoint BAM as the preferred design and build contractor for Phase 1 under the Pre-Contract Services Agreement (PCSA).

Under the PCSA surveys and the RIBA 4 design have been concluded and the contract sum is being negotiated. At the same time enabling works have been taking place to prepare the site for the commencement of the proposed main contract in July 2024.

Planning and listed building consents for the master plan were approved by the Strategic Planning Committee on the 2nd March 2023 with the formal decision notices being issued on the 21st July 2023 following completion of the associated conditions.

Subsequent submissions were made to accommodate updated plans for Phase 1 including the works set out in this report. The planning consent decision was received on the 18th June 2024 with the Listed Building Consent being received on the 25th June 2024.

The last report to Cabinet was December 2023 (Phase 1 Gateway 4) when delegations were approved to progress the Phase 1 works. This report focuses on additional works to the approved Phase 1 Gateway 4.

2.1.2 The Additional Structural Works

Phase 1 is the planned repurposing, by extension and refurbishment, of the former Queensgate Market following its closure towards the end of 2022 and the adjoining Piazza retail units. Once the retail units on Princess Alexandra Walk have been demolished the building is to be converted into a library, food hall and an event square over a basement area.

Recent surveys and a structural engineering assessment of the building (constructed in 1969, some 55 years ago) by BAM, the councils appointed contractor under the PCSA, have shown that works are required to the building to provide the required 50 year design life.

The works include total or partial replacement of the two suspended concrete floor slabs (formed with precast concrete planks supported by reinforced concrete beams and columns) and the ground bearing floor slabs. Other elements require repair and or strengthening. The final solution for some parts is not yet fully determined, as these need to be further exposed, but time has been allowed for this within the proposed main contract programme and enough is known to establish the budget to cover the necessary works now.

The necessity for the specification and extent of the works has been challenged through the services of the council's delivery team monitoring structural engineer (Arup) and this process will continue through the early stages on the main contract works to determine the final solutions for the works on an area by area basis.

Regardless of its end use the works are necessary as the building's heritage is of importance to Huddersfield and irrespective of the Our Cultural Heart proposals, the ongoing structural integrity and lifespan of this Listed Building should be protected.

The council's planning and conservation teams have been fully consulted throughout this process and Listed Building Consent has been granted for the works including the process to determine the final solutions.

So as not to delay the Phase 1 procurement process and provide for the protection of the building now, it is recommended that the works are instructed under the main contract and the required funding drawdown from the £262m overall Our Cultural Heart masterplan budget that is allowed for in the council's multi-year capital budget plan.

To delay the instruction of the works and interrupt progress on the main contract for an unknown length of time would have significant cost implications for the council both in terms of the time lost to progress the already planned Phase 1 works through inflation and any necessary retendering and the fact that the contractor's recently advised price to carry out the works will only be held for thirty days. Therefore, it will be commercially beneficial for this decision to be made promptly.

2.2 Budgets

To accommodate delivery of all five phases of the master plan the council's multi-year capital budget plan includes £262m capital cost for the programme, profiled over the years up to the 2030-31 period.

Through the gateway process Cabinet has already approved expenditure of £69.759m of which £54.335m is to deliver Phase 1. The remainder has been for developing the master plan and the early stages of detailed work on Phase 2 and Phase 3. Working within the overall capital budget of £262m this report requests a further drawdown from the £262m to fund the works.

2.3 Sustainability

The Our Cultural Heart master plan sustainability strategy has encompassed the council's 2038 Carbon Neutral Vision and policies encouraging sustainability and minimising the carbon footprint of the programme within affordability limits and whilst some demolition is necessary to repurpose the building large parts are being retained therefore reducing the embedded carbon of the refurbished buildings.

2.4 Social Value

Social Value(SV) has been an integral element of the Our Cultural Heart programme from the outset both in terms of the end outcomes and the process of getting there. The intention has been to set the standard of what SV can be achieved during the design,

delivery and legacy phases of the project. SV outcomes have been embedded in contracts at all stages and embraced by the wider project delivery team.

This approach is also established in the proposed main contract for Phase 1 and following the award of the contract delivery of the SV outcomes will begin, including the Our Cultural Heart SV fund for cash contributions, initially from the contractor BAM.

2.5 **Council Services**

As the master plan includes the delivery of a number of different council assets there are likewise multiple council services involved in the delivery of Our Cultural Heart. With regard to the works reported here the delivery team have liaised with corporate landlord and the planning and conservation teams.

3. **Implications for the Council**

3.1 **Council Plan**

The three-year council priorities and 2024/25 deliverables contains 4 key priorities to focus the business of the council. One of the four key priorities is “Continue to invest and regenerate our towns and villages to support our diverse places and communities to flourish.” This report and those that precede it directly deliver against this key priority as part of delivering Our Cultural Heart.

Despite the challenging financial context affecting Local Government, it is widely recognised that stimulating economic growth is vital, to not just create opportunities for local residents but increasingly to generate the future local tax base that can help meet the increasing cost of delivering local authority services.

We know that Kirklees is defined by its distinctive towns and villages and that, within that, Huddersfield town centre currently underperforms economically to the determinant of the whole district and wider area. Prioritised investments that retain ambition for our local places and enable long term economic opportunity, whilst being alive to the pressures upon Local Government resources, is therefore of critical importance.

3.2 **Financial Implications**

The council’s existing multi-year revenue and capital medium term budget plans and financial strategies continue to acknowledge that this scheme is a significant strategic investment priority commitment to deliver major long term sustainable regeneration for the district.

Cabinet has already approved, as part of the gateway process, £69.759m to allow Our Cultural Heart programme to progress Phase 1 from Gateway 4 to Gateway 5, to progress Phase 2 to Gateway 3 and to progress feasibility support on the rest of the master plan.

The total programme costs of £262m for Our Cultural Heart remain unaltered and the construction spend profile is regularly monitored. Subject to this report being approved the decision would increase the required cashflow over the next two years.

If the works are not instructed then Phase 1 would stall and likely have to be abandoned necessitating a total rethinking of the Our Cultural Heart master plan with a significant proportion of the investment to date having to be written off and the programme delayed, and further costs incurred by the council. Not doing the works would also limit or prevent the reuse of the building with the associated financial implications including a loss of asset value and the associated maintenance costs.

When the assets that make up Our Cultural Heart are operational and available for use by the residents of Kirklees, it is anticipated that a number of them will be free to use and being centrally located will be easily accessible by public transport. The campus style development also means that there are many attractions in one place with a variety of offers that are family friendly and appealing to all age groups.

As well as a place for leisure Our Cultural Heart will also create a variety of new job opportunities that are accessible by bus and train and these new 'workers' in the town centre will need the services that already exist thereby increasing spend in the town and supporting those businesses.

One of the key cornerstones of the Huddersfield Blueprint, and within it Our Cultural Heart, is the regeneration of the town centre which will create core facilities and stimulate the provision of ancillary facilities, services, and opportunities by private, third and academic sectors, helping to secure the future of existing businesses and attract new investment. This catalytic role will help in creating a platform to deliver inclusive economic growth and social vibrancy of Huddersfield and the wider Kirklees area for the benefit of all communities.

3.3 Legal Implications

As this report focuses on additional structural works there aren't any legal issues other than the works (subject to approval of this report) will be instructed under the main contract.

Legal Services, and Addleshaw Goddard LLP (an external framework firm), are involved in the procurement process and appointment of the delivery team and the contractors in accordance with the council's Contract Procedure Rules.

3.3 Other (e.g. Risk, Integrated Impact Assessment or Human Resources)

3.3.1 Risk

The risk management strategy for Our Cultural Heart is supported by the programme gateway method of decision and delivery. As part of this the delivery team maintains a risk register for the master plan and Phase 1 and whilst there are always risks associated with construction projects ways of mitigating these are regularly reviewed, to be able to deal with them if and when they arise. A contingency sum has been included in the requested budget drawdown to manage the risk associated with the works.

In addition to the financial implications referred to above (see 3.2) if the works were not carried out to the building then it would be questionable how it could be repurposed with the future of this Grade II listed building being put at risk.

3.3.2 Integrated Impact Assessment (IIA)

The works proposed in this report are part of delivering the original concept that was informed by and incorporated the IIA.

As part of assessing what needed to be considered in the design of the Our Cultural Heart master plan a two stage Integrated Impact Assessment (IIA) was undertaken. The IIA considers equality impact, covering the nine protective characteristics set out in the Equality Act 2010, plus environmental impact and the effects on low earners and unpaid carers. Both Climate Change and Air Quality are key parts of the Our Cultural Heart master plan and design. This approach in turn informed the planning and listed building applications and the detailed design work.

In addition, climate change initiatives are associated with the delivery and promotion of other projects and programmes for example sustainable transport modes that help to reduce adverse transport derived impacts on communities and public health. Public transport can be used to access Our Cultural Heart from both the railway station and the bus station.

[OCH. Integrated Impact Assessment stage-2 v3.pdf](#)

4 **Consultation & Engagement**

As this report deals with structural elements of the building, Listed Building Consent and the funding of the works, consultations and engagement have taken place with the council's corporate landlord, planning and conservation teams and finance teams.

A summary of the wider consultation and engagement that has taken place to develop the Our Cultural Heart master plan proposals and the ongoing design is set out below.

The Our Cultural Heart master plan is one part of the Huddersfield Blueprint with the blueprint being subject to a number of engagement exercises commencing in 2018 as part of the blueprint development and then again late in 2019, after the blueprint launch, the council undertook a Place Standard exercise to benchmark public reaction to the approach and projects. The key report for this can be found by accessing the following link:

<https://howgoodisourplace.org.uk/huddersfield-town-centre/>

Then as part of initial development work into options around the core projects for Our Cultural Heart a number of internal and external stakeholders have been consulted as a way of testing out and developing options and then in May and August during 2022 public consultations took place as part of the master plan planning application process to help inform the design. This consultation included a drop-in centre, presentations and workshops with groups and interested parties.

Building on these consultations programme engagement has taken place with a wide range of stakeholders including, Cabinet, regeneration portfolio holder, member briefings, scrutiny, planning officers, press updates, public exhibitions, and extensive design development with council services.

This process has also captured improving outcomes for children and place based working where the social value commitments will also help to support the initiatives.

A programme of this scale will continue to require regular consultation and engagement at various stages of the programme development and delivery of phases.

5 Options

The outcome of extensive survey and engineering design assessments confirms that the works are necessary to facilitate the delivery of Phase 1 and protect the long term future of the Grade II listed former Queensgate Market.

Options continue to be considered as to the precise detail and extent and execution of the work and this approach forms part of the approved Listed Building Consent.

If the works were not instructed then Phase 1 would be delayed, additional costs incurred, and the buildings future put at risk.

6 Next steps and timelines

As the proposal is that the works are instructed under the Phase 1 main contract with BAM then delivery will be in line with this contract with completion in April 2026 with the delivery of the library, food hall and events square.

7 Contact officer

David Glover
Senior Responsible Officer
Our Cultural Heart
01484 221000
david.glover@kirklees.gov.uk

8 Background Papers and History of Decisions

- **March 2019** – Cabinet Report - Assembling land and property – Huddersfield Town Centre (Piazza)
<https://democracy.kirklees.gov.uk/documents/s29122/Item%2014%20Land%20Assembly.pdf>
- **August - Oct 2019** - Huddersfield Blueprint Place Standard Exercise – Results
<https://howgoodisourplace.org.uk/huddersfield-town-centre/>
- **February 2020** – Cabinet report - Huddersfield Blueprint - Next Steps.
<https://democracy.kirklees.gov.uk/documents/s34958/Item%2015%20CAB%20-%202020-%20-%20071%20-%202020-02-25%20Cabinet%20Huddersfield%20Blueprint%20-%20Next%20Steps%20Final.pdf>

- **September 2020** Cabinet report Dewsbury and Huddersfield Town Centre Finance.
<https://democracy.kirklees.gov.uk/documents/s37506/Town%20Centre%20Finance%20Cabinet%20Report%20-%20Final%20Version.doc.pdf>
- **June 2021** – Cabinet report – Cultural Heart, part of the Huddersfield Blueprint – Next Steps.
<https://democracy.kirklees.gov.uk/documents/s41881/Delivering%20the%20Cultural%20Heart%20Cabinet%2022.6.21%20002.pdf>
- **November 2021** - Cabinet report, Cultural Heart, part of the Huddersfield Blueprint, Gateway 1.
<https://democracy.kirklees.gov.uk/documents/s43757/PUBLIC%20CUTLURAL%20HEART%20Cabinet%20Report.%20Final%2016.11.21.pdf>
- **September 2022** – Cabinet report – Cultural Heart, part of the Huddersfield Blueprint – Gateway 2.
<https://democracy.kirklees.gov.uk/documents/s48238/PUBLIC%20Cultural%20Heart%20Cabinet%20Report%2021.9.22.pdf>
- **June 2023**, Cabinet Report - Cultural Heart, part of the Huddersfield Blueprint - -- Gateway 3.
<https://democracy.kirklees.gov.uk/documents/s52438/Cabinet%20Report%2027.6.23%20public.pdf>
- **December 2023**, Cabinet Report - Cultural Heart, part of the Huddersfield Blueprint – Phase 1 Gateway 4.
<https://democracy.kirklees.gov.uk/documents/s54749/Signed.%20OCH%20GW4%20Cabinet%20Report%2021.12.23%20public.pdf>

9 **Appendices**

The Phase 1 Gateway 4 Cabinet report (December 2023) was a public report with public and private appendices

10 **Service Director responsible**

Edward Highfield
Skills & Regeneration
01484 221000
Edward.Highfield@kirklees.gov.uk