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| <b>Item No.</b><br>11.             | <b>Classification:</b><br>Open | <b>Date:</b><br>16 June 2020                              | <b>Meeting Name:</b><br>Cabinet |
| <b>Report title:</b>               |                                | Former Walworth Town Hall                                 |                                 |
| <b>Ward(s) or groups affected:</b> |                                | Walworth North and Newington                              |                                 |
| <b>Cabinet Member:</b>             |                                | Councillor Johnson Situ, Growth, Development and Planning |                                 |

## **FOREWORD – COUNCILLOR JOHNSON SITU, CABINET MEMBER FOR GROWTH, DEVELOPMENT AND PLANNING**

Following the devastating fire at the Walworth town hall in the spring of 2013, the council committed to bringing this much loved building back in to use. An extensive programme of remedial works and surveys was completed in September 2015. The council initially investigated delivering a range of uses and Cabinet approved a high level vision for the Walworth Town Hall supported by the community. After full investigations the initial council lead aspirations for a refurbished Walworth Town Hall (WTH) proved financially unsustainable in both capital and revenue terms.

In March 2019, Cabinet approved General Projects as the preferred bidder to redevelop the Walworth Town Hall complex, in line with our vision that the Walworth Town Hall remains a publically accessible arts and cultural space. Since then, General Project have developed their plans and engaged with the local community through working groups.

We remain committed to ensuring the final proposals for the building are in line with the vision set by the council working with the local community and welcome General Project's commitment to continue to work with the community over the coming months post submission of their application.

In 2019, Cabinet also approved a £2m grant specifically for the dedicated community, cultural and art space. We also committed to bring back a report back to Cabinet which detailed the options for an operational model which can deliver on the council's commitment for community involvement in the management of the space. This report delivers on that commitment and goes further by proposing a £50,000 grant p.a. towards funding the community space management for an initial 3-year period to then be reviewed.

Together with the New Southwark Heritage centre and Walworth Library this is the latest step by the council working with the community to strengthen a thriving neighbourhood. Other steps include designation of conservation areas to protect and enhance the local heritage, awarding of high street challenge funds to strengthen the local economy on Walworth Road and East Street market.

## **RECOMMENDATIONS**

### **Recommendations for the Cabinet**

1. To establish a management body for the community space comprising council, developer and community membership.

2. To agree a £50,000 grant p.a. towards funding the community space management for an initial three-year period to then be reviewed.
3. To instruct officers to recruit the community membership through an open selection process.
4. To instruct officers to work with the management body to develop the principles set out in the report into an appropriate constitution prior to receiving council funding.
5. To agree that the management body once constituted selects an operator for the community space based on the principles in the report and is responsible for managing and monitoring the agreement with the operator.
6. That Cabinet note the community arts and culture provision within the Walworth Town Hall and new Southwark Heritage centre and Walworth Library combine to deliver 1,248m<sup>2</sup> of publically accessible space which exceeds the pre-fire figure of 660m<sup>2</sup> (these figures are based on current available information). This equates to an 89% increase of publically accessible space.

## **BACKGROUND INFORMATION**

7. Since 2010 council has made a strong commitment to develop Walworth as a vibrant, diverse neighbourhood with a successful local economy that builds on its heritage and distinctive character. In support of this objective the council has directed high street challenge funds to strengthen the local economy on Walworth Road and East Street market. It has designated conservation areas to protect and enhance the local heritage. In addition, it has invested in parks and public realm to improve amenity and encourage walking and cycling.
8. Walworth Town Hall (WTH) is a Grade II listed municipal building of great significance for the Walworth neighbourhood and its history. The buildings have provided various services including the offices and chamber for the former Metropolitan Borough of Southwark. It had latterly been used as a library, museum, one stop office and administrative offices. In March 2013 it suffered a severe fire that caused significant damage to the building. The building has remained vacant since. It has been placed by English Heritage on its Buildings at Risk Register.
9. While the buildings have in the past provided civic and community space for Walworth, significant areas of the building were not freely publically accessible. Much of the floorspace was used as offices for council services and public access for civic functions was managed. In the immediate period before the fire full public access to the library spaces was prevented due to their lack of DDA compliance with only the ground floor being fully accessible.
10. On 28 November 2018 Council Assembly approved the current Council Plan. This sets a number of commitments to our community including *A Vibrant Future*; one of the undertakings to meet this commitment is to *Secure the future of Walworth Town Hall and make it a publicly accessible cultural hub*.
11. On 12 March 2019 Cabinet approved for the council to enter into an Agreement for Lease with General Projects to facilitate the preparation of planning and listed building applications for a scheme based on their bid and subsequently to

carry out the approved works. General Projects are about to submit a planning application for which includes a dedicated community space as a requirement of the March 2019 Cabinet decision.

12. It was also agreed on 12 March 2019 that officers prepare a further report for cabinet on the dedicated community/arts/culture space in the ground floor of the former Newington Library which will address:
  - a. a vision for the community, arts and culture space which meets the needs of the diverse Southwark population to be developed in consultation with stakeholders, community and General Projects
  - b. options for an operational model which can deliver on the council's commitment for community involvement in the management of the space.
13. This report responds to the cabinet request for a report on the new dedicated community/arts and culture space.

## **KEY ISSUES FOR CONSIDERATION**

14. The council's project mandate and subsequent selection of General Projects to refurbish the Walworth Town Hall complex adopted the principle that the future of this important building will rely on it being able to accommodate new uses to make it sustainable. However, it is also important that the buildings retain access for the public and that the quality of restoration and repair works are appropriate for the listed building ensuring the most significant spaces are saved for future generations.
15. Both the council's conservation team and Historic England have worked with General Projects to ensure that the refurbishment of the building will respect and enhance the Grade II listing status. Close attention has been given to the refurbishment strategy alongside individual rooms and their historic significance. Retaining public access will ensure the Walworth community benefits from this greatly improved heritage setting.
16. Council and General Projects are committed to the provision of a distinct community space within the Walworth Town Hall complex. The community provision is secured in the lease as '240m<sup>2</sup> internal area on the ground floor of the premise' and is identified in an attached plan as covering the former adults and children's library and connecting hallway. The lease period is 150 years and the community space is therefore secured for this period and its use can be renewed at the end of that period.
17. Users of the community space will be able to walk through to the publically accessible café/lobby and access additional rooms throughout the buildings open to the public through programmed events and activities. This opportunity will increase public accessibility to some of the town hall's historically significant spaces such as the chamber and grand staircase that were previously only open to those attending council meetings and events. The building will once again make a vibrant positive contribution to the area with over 370 people working onsite in a contemporary work-hub combining co-working, small business start up space and creative offices let on a variety of flexible arrangements.
18. Discussions with General Projects about the opportunity to display items from

Southwark's heritage Collections in the newly refurbished buildings are ongoing. The realisation of these displays is seen as an important element by both parties to acknowledge the Cuming collections earlier home.

19. The council has agreed a grant of £2m to help fund the refurbishment of the community space which is an important element of the restoration of the listed building and to support a viable community space.
20. In addition the council is developing a new heritage centre and library on the Walworth Road. Due to complete at the end of 2020 and providing almost 600m<sup>2</sup> of public space this facility will help meet the need for a local community library and will promote Southwark's heritage through exhibition and education opportunities. The new library delivers an additional undertaking within the Council Plan.

### **The community space**

21. Following the Cabinet report in March 2019 a community engagement programme was initiated by General Projects which included the establishment of a roundtable forum to better understand community aspirations and provide input on the design and management of the designated community space. Over the last year, five roundtable sessions have been held involving local interested stakeholders providing valuable information and ideas which has helped to inform the vision and principles underpinning the future use of the new community space. Developing designs of the community space have also been shared and subsequently informed by wider community consultation undertaken by General Projects. The engagement process will continue as required throughout the delivery of the buildings refurbishment and operational decision making.
22. There are many challenges for delivering a new space for community use and the round table sessions have helped develop that understanding. Existing providers note that achieving financial sustainability is challenging. It requires difficult and sometimes sensitive decision making to achieve a sustainable business plan which both generates revenue while retaining opportunities for free or low cost community use/s. It is therefore important that operators can leverage external funding and attract diverse and interesting uses which generate ticket sales and income. The available spaces need to retain flexibility to maximise usage and there needs to be strong management to deliver the business plan and meet the expectations of users and people hiring the space. While the community space at Walworth Town Hall has an advantage of being provided by the developer rent free and potentially with some council revenue funding [as proposed through this report], it should be emphasised that this in itself will not be enough to make the facility financially sustainable. The impact of Covid 19 is only likely to increase the financial challenges for community organisations, and the arts and cultural sector.
23. The vision for the new community facility needs to have regard to emerging and existing local community provision and complement that offer. Other sites in close proximity include the D1 space at the Elephant Park energy centre, the proposed pavilion at Elephant Park alongside the previously mentioned new Heritage Centre and Library. Slightly further away are Penrose House, Inspire at St Johns and the Walworth Living Rooms. While this is not intended to be an exhaustive list it does highlight the need for careful planning in the next year to ensure that the identity for the space is distinct and will provide an additional

offer for the local community.

24. There are also a number of new uses opening in the vicinity of Walworth Square and the town hall. These include Mercato Metropolitano, and other new retail occupiers on the northern side of the square, independent retailers occupying affordable retail space in Sayer Street, as well as the council's own Southwark heritage centre and library fronting onto Walworth Road. These positive changes will drive footfall in the area and be enhanced by an active and vibrant WTH which brings enterprise, employment and community together to complete Walworth Square.
25. The WTH community space will be located on the ground floor of the former Newington Library, 157 Walworth Road and is approximately 240m<sup>2</sup>. The space has its own street frontage and prominent location with the potential for high footfall. The space benefits from significant heritage fabric and character which will be enhanced through the refurbishment works and improved to meet current building regulations. The space is secured rent free for community use in the lease of the building for a period of 150 years.
26. Broadly the design proposal creates two flexible rooms with adjoining corridor for events and activities with a welcome area, tea point, accessible toilet and store for loose furniture to enable flexible uses in the space. The rear of the community space connects to the interior of the town hall complex linking with the lobby and café area which opens onto Walworth Square. Layouts are shown in Appendix A.

### **Management and operational structure**

#### **Vision**

27. The roundtable participants commented that the new community space should be a place that all local people can feel part of and that is capable of holding an exciting range of events and activities meeting the needs of the diverse local community. It was recognised that it's prominent, easily accessible location on the high street means it will be an important facility. To be successful it will therefore need to be professionally programmed and managed to ensure it maximises the potential of its location. In turn this has benefits for the local economy and an active and well attended space can help bring together the Walworth neighbourhood. The space would need to work hard to achieve these objectives, with usage throughout the day. The right management and operational models were seen as being key to achieving these goals.
28. The current health emergency suggests that local accessible and flexible community resources will be more important in the future but that in all likelihood the management and financial security will also be more challenging.

#### **Management Structure**

29. With the shared idea that a successful space would respond to local need, be well programmed, managed and used, discussions were then held on the management of the space and what options were available for this. Primarily, there was support for an overarching board with representatives from the council, General Projects, the community and youth representatives selected through an open recruitment process. It was generally agreed that an operator should be identified by the Board to manage the space.

30. Roundtable community representatives were keen for council to retain involvement in overseeing the space alongside the developer and the community. It was felt that the council should contribute some core funding towards the running costs for the space as this would help ensure a solid platform for the facility to move forward and provide confidence that the space will be able to respond to the diversity of local need.
31. A layered structure also reflects the desire for other groups and organisations to have access to a community facility and deliver their programmes and activities while ensuring efficient coordination and effective management through an operator.
32. The roundtable supported the early establishment of the board as this was seen as a way of ensuring that the community could continue to have ongoing input into detailed design and the preparation of a process to identify an operator to manage and programme the space. It was concluded that a structure as shown in the diagram below could potentially achieve the aspirations for the management and operation of the community space.

#### Board

33. In summary, typical roles for board members may include:
  - Governance
  - Championing space within full range of community groups and organisations
  - Appointment and management of operator
  - Approval of business plan including marketing strategy
  - Approval of programming principals
  - Approval of monitoring and reporting
  - Provision of annual reporting and monitoring to council.
34. The key characteristic to be considered through the recruitment process for community and youth representatives is the ability to champion the new community space within Walworth for all. Experience and valid skills would also be evaluated to aid decision making in the appointments.
35. Council representation will need to be consistent with other similar community based projects and include at least one local ward councillor as well as an appropriate senior officer.
36. The council's objective will be to work with the community and developer to establish a Board that reflects the diverse nature of the local community and has a gender balance.

#### Operator

37. The roundtable sessions also discussed options for who manages the space and how they would be selected. The majority seemed to agree that a tender process would be required. However, there were concerns that a not-for-profit organisation could run the space with its own business agenda and restrict access to numerous community groups which would not meet the intended spirit of use and diversity for the space.

38. Other options considered during the roundtable sessions were:

|  |   |
|--|---|
| Unincorporated association eg TRA Hall                                   | Operational costs and intense management requirement would prove difficult with predominantly volunteer base.                           |
| Independent operator eg voluntary sector operator or commission operator | Opportunity to select operator that meets the needs to the community with a financially sustainable business plan. Most flexible model. |
| Direct delivery Council or GP employee                                   | Does not meet the spirit of partnership approach or part of mandate of council or GP  |

39. The board would select the operator for the space, acknowledging the desire for a strong community focus and the need for long term financial sustainability. It may be appropriate to begin the selection with some soft market testing for an operator especially in light of the current challenges that community organisations and facilities are facing. An operator would be key to the success of the premise to ensure a vibrant mix of activities reaching out to all parts of the community and delivering successful day to day management of the space. The selection would require a transparent tendering process conducted by the management body on the basis of the following principles which Cabinet are asked to endorse:

- A strong focus on community over commercial use
- A wide range of users and beneficiaries across the Southwark community
- A wide range of activities and events appealing to diverse audiences
- Groups and organisations to have access to a community facility and deliver their programmes and activities
- Open and transparent processes
- Promote culture and Southwark history
- Financially sustainable.

40. In conclusion, it is recommended that a management board appointing a third party operator with proven ability would be best placed to manage the new community space in the former Newington Library. The council would also financially support the operation of the community space with an annual grant of £50,000. On approval of this report council officers will look to establish the board including open recruitment of community and youth representatives.
41. It is considered that the board would continue consultation to support decision making on the principals and operator appointment to ensure that community expectations and needs were being understood and included.
42. It is important that the board and operators conduct ongoing outreach to assure a sustained programme of diverse events and activities meeting local need.

### **Next steps**

43. Establish the board including open recruitment of community members and youth representatives in October 2020.

## **Rationale for recommendations**

44.

- To deliver an undertaking in the Council Plan
- To provide a successful community space with a cultural focus and community access that will enhance the overall wellbeing of the locality.

## **Community impact statement**

45. The new Council Plan was the subject of extensive community consultation. The recommendations herein directly deliver upon an undertaking to secure the future of WTH and make it a publicly accessible cultural hub that forms part of the Vibrant Future commitment set out in the Plan.

46. The Equality Act 2010 requires the council in the exercise of its functions to have due regard to the need to:

- a) eliminate discrimination;
- b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and
- c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

47. Relevant protected characteristics for the purposes of the Equality Act are:

- Age
- Civil partnership
- Disability
- Gender reassignment
- Pregnancy and maternity
- Race
- Religion or belief
- Sex and sexual orientation.

48. In considering the recommendations herein the cabinet must have due regard to the possible effects them on any groups sharing a protected characteristic in order to discharge its public sector equality duty. This is an ongoing obligation.

49. The prolonged closure of WTH is considered to adversely affect all parts of the community including those with protected characteristics. The proposed community space and management structure will result in benefits to all parts of the community including those with protected characteristics.

50. Previous restrictions within the buildings included a lack of DDA access to upper and lower floors and no public toilets within the former Newington Library building. The new proposals overcome these restrictions and make the building accessible to all.

51. General Projects has undertaken considerable community engagement on the WTH project as summarized in Appendix B. The management body model has been discussed with a roundtable group of interested local stakeholders bought

together by General Projects over the last year to discuss developing designs, local need and the operation of the community space.

### **Financial implications**

52. Implementation of the recommendations of this report will create a cost pressure of £50,000 p.a. for the council by providing grant funding to the community space management. That cost, when needed, will be covered by the existing Regen North revenue budgets. However, it is expected that this proposal will generate rental income for the council once the refurbishment is completed.
53. The Base Rent, a minimum of £50,000 payable to the council by General Projects each year will be allocated back into the management and operation of the community space to help support the running of the centre for the benefit of the community through a grant. This annual grant will be subject to a grant agreement between appropriate parties and include the requirement to submit an annual management report. It will become payable at the earliest 2022-23.
54. Council would also retain the right to audit the community space as and when required and this would include full access at all levels to all aspects of the operation.
55. Officer time required to support the ongoing development of management body will be drawn from the Regeneration North team's revenue budget.
56. Council expenditure incurred through the establishment of the management body will be covered through existing Regeneration North budgets.
57. The council provides a £2m grant towards the capital costs of the project as approved in the cabinet meeting on 12 March 2019. The terms for the council contribution are determined in detail in the agreement for lease but the principal use of these resources is for the improvements necessary to bring forward the community, arts and culture use as early as is practical in the programme. Payment of the grant is safeguarded on the basis of certificate of payments and pre agreed project delivery milestones.

### **SUPPLEMENTARY ADVICE FROM OTHER OFFICERS**

#### **Director of Law and Democracy**

58. This report seeks the approval of cabinet for the recommendations highlighted in paragraphs 1 to 5 of this report regarding matters relating to the establishment of a community space within the Walworth Town Hall.
59. Paragraphs 27 to 37 details the management and operational structure, in particular the need for a management board consisting of representatives from the council, the developer and the community and youth representatives selected through an open recruitment process. The governance structure will need to be formalised and will set out the objectives, roles and responsibilities of the board members including the roles highlighted in paragraph 34 of this report.
60. This report also details the financial support required from the council by way of an annual grant of £50,000 towards the funding of the community space

management for an initial period of three years. The council will need to ensure that it has an allocated fund for this purpose. A grant agreement will need to be entered into on terms approved by the council.

61. The cabinet's attention is drawn to paragraphs 45 to 51 of this report which sets out the community impact statement, in particular the Public Sector Equality duty under the Equality Act 2010 and the consideration that has been given to the equalities issues which should be considered when approving the proposals in this report.

**Strategic Director of Finance and Governance (FC19/042)**

62. This report is requesting the cabinet to approve the establishment of a management body for the community space comprising council, developer and community membership and to approve other recommendations as mentioned in the paragraphs 2 to 5 and to note the information provided in paragraph 6.
63. The strategic director of finance and governance notes that the ongoing costs of £50,000 per annum towards funding the community space management will be initially funded by the Regen North revenue budgets until the rental income starts, once the refurbishments in line with the agreement are completed, as detailed in the financial implications of this report.
64. Staffing and any other costs connected with this report to be contained within existing departmental revenue budgets.

## BACKGROUND DOCUMENTS

| Background Documents  | Held At   | Contact                           |
|---|---|-----------------------------------|
| WTH Investment proposal   | Fifth Floor, Hub 1<br>160 Tooley Street<br>London SE1 2QH | Jillian Houghton<br>020 7525 5414 |
| <b>Link:</b><br><a href="http://moderngov.southwark.gov.uk/ieDecisionDetails.aspx?ID=6748">http://moderngov.southwark.gov.uk/ieDecisionDetails.aspx?ID=6748</a>   |   |                                   |
| Council Plan 2018/9 – 2021/22   |   |                                   |
|   | Fifth Floor, Hub 4<br>160 Tooley Street<br>London SE1 2QH | Matthew Little<br>020 7525 0388   |
| <b>Link (please copy and paste into your browser):</b><br><a href="http://moderngov.southwark.gov.uk/documents/s78763/Report%20Council%20Plan.pdf">http://moderngov.southwark.gov.uk/documents/s78763/Report%20Council%20Plan.pdf</a> |   |                                   |

## APPENDICES

| No.        | Title   |
|------------|---|
| Appendix A | Community space presentation document           |
| Appendix B | Community Consultation summary General Projects |

## AUDIT TRAIL

|  |  |                          |
|--|--|--------------------------|
| <b>Cabinet Member</b>                                    | Councillor Johnson Situ, Growth Development and Planning |                          |
| <b>Lead Officer</b>                                      | Eleanor Kelly, Chief Executive                           |                          |
| <b>Report Author</b>                                     | Jillian Houghton,  |                          |
| <b>Version</b>   | Final  |                          |
| <b>Dated</b>   | 4 June 2020  |                          |
| <b>Key Decision?</b>                                     | Yes  |                          |
| <b>CONSULTATION WITH OTHER OFFICERS / CABINET MEMBER</b> |  |                          |
| <b>Officer Title</b>                                     | <b>Comments Sought</b>                                   | <b>Comments Included</b> |
| Director of Law and Democracy                            | Yes  | Yes                      |
| Strategic Director of Finance and Governance             | Yes  | Yes                      |
| Strategic Director of Environment and Leisure            | No   | No                       |
| <b>Cabinet Member</b>                                    | Yes  | Yes                      |
| <b>Date final report sent to Constitutional Team</b>     | 4 June 2020  |                          |