

## TOWN HALL MOVE

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<b>Wards affected:</b>	(All Wards);
<b>Urgent Decision?(yes/no)</b>	No
<b>If yes, reason urgent decision required:</b>	n/a
<b>Appendices (attached):</b>	None

### Summary

In May 2025 Full Council agreed to reverse the decision over the relocation of the civic office to 70 East Street and the Council Chamber to Bourne Hall, in light of Local Government Reorganisation. Alternative interim solutions have been investigated, and this report presents four options and their associated costs for utilising the existing town hall building(s).

### Recommendation (s)

**The Committee is asked to:**

- (1) Approve Option 1 for implementation as the best value option**
- (2) Approve a capital budget of up to £517,200 for the delivery of Option 1.**
- (3) Nominate and authorise the Director of Environment, Housing and Regeneration, in consultation with the S151 officer, to approve all necessary project expenditure and release of funds from budget/reserves (up to the approved limit above) through to completion and delivery.**
- (4) Nominate and authorise the Director of Environment, Housing and Regeneration, in consultation with the S151 officer and Chair of Strategy and Resources Committee to approve expenditure up to the deferred liability limit (set out in para 2.5 as £477,500) and release of funds from budget/reserves, where necessary, to be able to undertake urgent works.**

# Strategy and Resources Committee

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### 1 Reason for Recommendation

- 1.1 Given the timescales associated with Local Government Reorganisation remaining in the existing Town Hall is not known beyond the next 2 years. This paper therefore sets out different options and option 1 presents best value in the short term.

### 2 Background

- 2.1 Since the Full Council decision in December 2023, the operating context for the council has significantly changed. Local Government Reorganisation will mean that Epsom and Ewell Borough Council in its current form will cease to exist in April 2027. Therefore, it is correct to review the future office site in this context and consider the best use of Council resources.

#### 2.2 The options

- 2.3 Four options have been considered as follows:

- Option 1 – utilising the same space as we currently do and undertaking the necessary essential works only to ensure we meet health and safety requirements and ensure fit for suitable work environment. This predominantly includes essential health and safety works around fire, electrics and security that must take place to be compliant with the law.
- Option 2 – as above with the addition of bringing the vacant 2nd floor back into use. It should be noted that when Surrey County Council left the 2<sup>nd</sup> floor, it was decommissioned. There is therefore significant cost in bringing it back into use including works to the roof, air conditioning/heating units, water safety and additional ICT costs.
- Option 3 – New Town Hall only without the 2nd floor. Closing the Old Town Hall completely. The additional costs are associated with decommissioning and securing the old town hall, relocating the police counter and adjusting the existing space to accommodate the voluntary sectors.
- Option 4 – New Town Hall only with the addition of the 2nd floor being brought back into use. Closing the Old Town Hall completely. This would incur all the additional costs referred to above.

- 2.4 Option 1 is the lowest -cost option at £431,000. While this option minimises immediate expenditure, there are deferred liabilities associated with end-of-life but currently serviceable assets. These may crystallise if equipment fails unexpectedly or if the Council remains in occupation beyond the next 2–3 years.

#### 2.5 Options cost comparison

Option	Total cost (essential, GBP)	*Possible liability (GBP)	**Potential saving (per annum, GBP)
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<b>1</b>	£431,000	£477,500	—
<b>2</b>	£748,500	£477,500	—
<b>3</b>	£507,000	£537,500	£58,015
<b>4</b>	£740,500	£537,500	£58,015

\*The possible liabilities are aspects of the building that are end-of-life but currently serviceable assets. These include aspects of the ventilation, atrium roof, heating, automatic door air reception. These may crystallise if equipment fails unexpectedly or if the Council remains in occupation beyond the next 2–3 years.

\*\*Potential savings are from the estimated running costs savings of closing the old town hall. These savings may not materialise and are minimal as the old town hall is not differentiated by the valuation office for the purpose of calculating business rates. Therefore, there is no Business rate saving that can be applied..

2.6 Options 2 and 4 are significantly greater costs as these involve bringing back into use the vacant second floor and more fundamental essential works are required to ensure this space can be occupied.

2.7 All options require a level of budgeted contingency due to the potential liabilities, and it should be noted that beyond 2-3 years occupation these liabilities are more likely to start being incurred.

### 2.8 Pros and cons of each option

Option	Key pros	Key cons
<b>1</b>	<ul style="list-style-type: none"> <li>• Cost savings by not amending the space</li> <li>• Minor disruption</li> <li>• Maintain council chamber</li> <li>• Police and vol orgs unaffected</li> </ul>	<ul style="list-style-type: none"> <li>• No major change to the working environment from staff perspective</li> </ul>
<b>2</b>	<ul style="list-style-type: none"> <li>• More space to work and collaborate</li> <li>• More open-plan space; more modern working environment</li> <li>• Minor disruption</li> <li>• Maintain council chamber</li> <li>• Police and vol orgs unaffected</li> </ul>	<ul style="list-style-type: none"> <li>• Additional costs to fit out the second floor</li> </ul>
<b>3</b>	<ul style="list-style-type: none"> <li>• Everyone in one location; greater inclusivity</li> <li>• Some potential savings on Old Town Hall running costs</li> <li>• Potential savings on PPM and service contracts</li> <li>• Potential Business rates reduced on non-occupied space</li> </ul>	<ul style="list-style-type: none"> <li>• Building work costs to amend space (relocate police counter and voluntary orgs)</li> <li>• Reduced space could affect working environment</li> <li>• Short-term disruption while fitting out</li> <li>• Loss of members' area and four offices</li> <li>• Relocation of Council Chamber (possibly external)</li> <li>• Minimal savings and not immediate</li> </ul>

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		<ul style="list-style-type: none"> <li>• Police and vol orgs disrupted</li> </ul>
4	<ul style="list-style-type: none"> <li>• Everyone in one building; greater inclusivity</li> <li>• Some potential savings on Old Town Hall running costs</li> <li>• Potential savings on PPM and service contracts</li> <li>• Potential Business rates reduced on non-occupied space</li> <li>• Provides a members' area</li> </ul>	<ul style="list-style-type: none"> <li>• Building work costs to amend space (relocate police counter and voluntary orgs) and bring 2<sup>nd</sup> floor back into use.</li> <li>• IT costs for the second floor</li> <li>• Relocation of Council Chamber</li> <li>• Reinstatement of plant/services currently switched off on second floor</li> <li>• Minimal savings and not immediate</li> <li>• Police and vol orgs disrupted</li> </ul>

## 2.9 Summary

2.10 The best value options are 1 and 3, with 1 having the least disruption and least negative impacts (i.e. impact on voluntary sector partners and relocation of police counter; loss of the council chamber, meeting rooms and significant reduction in desk space and therefore occupation capacity on any given day).

## 3 Risk Assessment

Legal or other duties

### 3.1 Equality Impact Assessment

3.1.1 There are no equalities implications.

### 3.2 Crime & Disorder

3.2.1 There are no Crime and disorder implications.

### 3.3 Safeguarding

3.3.1 There are no safeguarding implications.

### 3.4 Dependencies

3.4.1 There are no dependencies identified.

### 3.5 Other

3.5.1 Remaining in the existing Town Hall is a short-term solution. The timescales of LGR and its implementation are uncertain. Should the Council need to remain in the existing Town Hall beyond three years it is likely to start incurring significant and unsustainable costs to ensure the building is fit for continued occupation by the Council and/or its tenants.

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- 3.5.2 **Equipment end-of-life risks** - Unplanned failure of non-essential assets could require immediate spend, drawing on the possible liability noted in the appraisal.
- 3.5.3 **Mitigations and contingencies** - Pre-approve a contingency budget to respond to end-of-life failures quickly.

### 4 Financial Implications

- 4.1 The essential cost for Option 1 is £431,000. These costs are based on informed estimates. However, it would be prudent to allow a contingency of up to 20% for any price variation during the full tender process and/or unforeseen works and work is undertaken. The total budget requested is therefore option 1 with a 20% contingency.
- 4.2 Given the possible deferred liabilities, it is prudent to set aside a further contingency for these liabilities within available funding envelopes.
- 4.3 Options 2 and 3 are significantly greater costs as these involve bringing back into use the vacant second floor and more fundamental essential works are required to ensure this space can be occupied.
- 4.4 **Section 151 Officer's comments:** The council has a committed reserve to fund this work, which represents best value for money in the context of Local Government Reorganisation.

### 5 Legal Implications

- 5.1 There are no direct legal implications.
- 5.2 **Legal Officer's comments:** None arising from the content of this report.

### 6 Policies, Plans & Partnerships

- 6.1 **Council's Key Priorities:** The following Key Priorities are engaged:
- Effective Council.
- 6.2 **Service Plans:** The matter not included within the current Service Delivery Plan.
- 6.3 **Climate & Environmental Impact of recommendations:** No direct implications.
- 6.4 **Sustainability Policy & Community Safety Implications:** No direct implications.
- 6.5 **Partnerships:** The voluntary sector partners and commercial tenant will remain unaffected by Option 1.

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6.6 **Local Government Reorganisation Implications:** Risks on this decision of LGR have been highlighted within the body of the report.

6.7 Background papers

6.8 The documents referred to in compiling this report are as follows:

**Previous reports:**

- Full Council report December 2023 (Restricted access).
- [Full Council report May 2025](#)