

Alderley Edge Festival Hall and Medical Centre

Report to Parish Council

Part 2

Festival Hall

December 2017

Introduction

Last month I reported on the final costs of the Medical Centre.

As you will recall, that part of the project exceeded the promised costs by £370,000, or 18%.

We have had to deal with similar problems with the Festival Hall, but - although there are similarities - I wanted to deal with the two parts of the project separately because there are also some key differences.

What has been special about the Festival Hall has been the exceptional level of support we have had from members of our community. It has been hard work and has involved hundreds of man hours to bring about, but we have overcome the challenges to get the building completed. Personally, it has been a pleasure to work with so many generous, skillful and professional individuals. Without them we would not have been able to complete the project and this gives me great hope for the future of the Hall and of our community.

There is, as you will see, still more work to do, but I am confident that we can continue to make a success of this historic venue.

Geoff Hall
Alderley Edge Parish Council
December 2017

Festival Hall Costs Report

Festival Hall costs exceeded 'budget' by 53%

The final costs of the Festival Hall over the period May 2015 to October 2017 were **£825,098**, compared with a projected cost of **£540,000**, **a difference of £285,098 or 53%**.

Credit for initiating the project

As with the Medical Centre, I want to give credit to the previous Parish Council for their original initiative. Without that, it is perfectly possible that the people of Alderley Edge would have lost the Festival Hall to private redevelopment. The previous Parish Council deserve credit for this, but not - as this report clearly demonstrates - for the way in which they executed the project.

Why were costs so much higher than promised?

As with the Medical Centre, the new Parish Council did not benefit from any handover documentation to indicate how the previous Conservative Parish Council planned to complete the Festival Hall.

No specification had been agreed

As of May 2015, when the new Parish Council took over, no specification for the refurbishment had been put in front of Council nor agreed by it. By this time building work was already well advanced. The front of the Hall had been demolished to make way for the Medical Centre and the interior of the Hall itself had been stripped out.

To be at such an advanced stage in the project and not to have a clearly documented and costed specification is outside my experience – and probably that of any householder who has ever commissioned builders to do building work on their own home.

No Business Plan

Before embarking on a build project of this kind it would be standard practice to research the future needs of the community, to consult widely in that community, to take expert advice and to consider alternative options, costing out each of those options in a Business Plan. In this case one would have expected that, amongst these different options, would have been an evaluation of the pros and cons of a complete knock-down and rebuild. There is no evidence in our possession that such a review was carried out.

By May 2015 the Parish Council had owned the Festival Hall for 6 years, having taken it over from Macclesfield Borough Council/Cheshire East in 2009. The first plan for the Hall should have been conducted before that takeover happened.

I will return to this in my third report where I will propose lessons that the Parish Council should take from this project for future reference.

No breakdown of costs

Because we inherited little or no documentation we are once again reliant on the Conservative Party leaflet issued just before the May 2015 election for evidence of their plans. The election leaflet states that the projected cost for the Festival Hall was £540,000:



Extract from Conservative Party Election leaflet: April/May 2015

There is however no breakdown of this cost, so we cannot identify how it was calculated.

What we did inherit was a spreadsheet drawn up by the then Festival Hall Manager and costed by the builders, listing items that would be desirable. The builders had costed these items, but they added up to almost £700,000 not to the £540,000 claimed:

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O															
1																														
2																FESTIVAL HALL REFURBISHMENT														
3																ALDERLEY EDGE														
4																PHASE 1														
5																PHASE 1A														
6																PHASE 2														
7																SCHEDULE OF WORKS FOR OFFICE & MAIN HALL REFURBISHMENT -														
51	dooropenings, c/w doorsets, decoration																													
52																														
53	IX NEW GROUND FLOOR FINISHES																													
54	To bar, cellar, store, ante & entrance area - sheet vinyl flooring with matching																													
55	skirtings, carpet tile to managers, stairs & landings: 600x600 lay in grid																													
56	, 150mm insulation, trims & battens to managers, entrance, store & ante:																													
57	Washable finish suspended ceiling to kitchen & cellar: wall finishes to																													
58	kitchen straighten walls & apply whiterock boarded finish: emulsion paint																													
59	to walls, skirtings & doors glossed: store masonry paint finish																													
60																														
61	X GENERAL WORKS -																													
62	Mechanical & heating works to offices & main hall, comprising																													
63	fan convector to main hall, radiators to ancillary rooms: hot & cold																													
64	services: extract vent to main hall (non recovery): local extract to																													
65	wc's: sanitary, above ground drainage: gas service																													
66	Electrical works to offices & main hall, comprising - enabling/removal																													
67	of existing, Containment, Mains distribution, Fire alarm, data,																													
68	lighting & power, luminaires (PC sum), earthing & bonding, t & c																													
69	Allow for all builders work necessary in carrying out the Mechanical																													
70	& Electrical installation works																													
71	Damp proofing works to offices & extended floor void, with external vent																													
72	upstands: Eco blasting external walls & cleaning: Provision to reduce																													
73	height of extg gd level install edging & gravel margin: provide to sump																													
74	under Hall floor & connect into drainage system: complete asbestos report:																													
75	replacement fascia/soffit boarding																													
76																														
77	£693,331.50																													
78																														
79																														

Extract from spreadsheet showing total projected cost

This total of almost £700,000 excluded the cost of the additional meeting room alongside the Festival Hall entrance foyer (the room now known as the Emerson Suite), which we were told in the Conservative party leaflet would be part of their plan and therefore should have been included in the projected cost of £540,000.

Adding in this cost the total would increase from just under £700,000 to £800,000 – close to the actual final figure of £825,000.

Missed sources of funding

Amongst the skills that the present Parish Council has drawn on from the community has been expertise in fundraising. It is regrettable that this resource was not accessed at an earlier stage in the project as it is likely that the previous Parish Council could have attracted funding from the National Lottery if it had been approached at an early stage in the project.

This view is supported by the experience of the local community of Marthall. In 2007-9 the residents of Marthall replaced their old village hall with a state-of-the-art new building funded by the Lottery (and other sources). I have no doubt that Alderley Edge could have done the same, but this would have required a different approach from the start.

How did the incoming Parish Council deal with the problems?

You will recall that we dealt with the under-budgeting of the Medical Centre costs by increasing the Parish Council's borrowings. This was not an option for the Festival Hall as our cash flow forecasts showed that we would not be able to afford any additional repayments.

We therefore resolved to deal with the problems as follows:

- **Priorities:** First we broke the project down into phases, giving priority to the most critical facilities: the entrance foyer, toilets, main Hall and bar. This would allow us to recommission the Hall as soon as possible, honour existing bookings and bring in revenue.
- **Downgraded specifications:** We also downgraded the specification in those areas where we felt that it would not detract from the proper functioning of the Hall, or where it could later be upgraded when funds allowed.
- **Phasing:** We phased the build, delaying elements of the build, notably the Emerson Suite, the first floor at the back of the building and fitting out the kitchen. The phasing meant that we would only embark on that part of the project once we had funds in place to carry out the work.
- **Business Plan:** We created a Business Plan for the Hall, which was approved in Council in 2017 and which will be updated regularly in the light of operating experience.
- **Festival Hall Advisory Group:** We formed a group of volunteers comprising residents who were willing to offer their time, experience and skills to the project. This meant that we were able to access a range of relevant know-how including: quantity surveying, building project management, property law, architectural restoration and fundraising. We also benefited from these individuals' networks within the local community. The Festival Hall Advisory Board also helped us in seeking out additional sources of funding, which is set out in the next section.

Additional sources of funding

We have been very fortunate in receiving additional sources of funding, without which we would not have been able to complete the work done to date:

- Peter Jones' **Emerson Foundation** very generously donated the cost of building the Emerson Suite – in excess of £100,000 - allowing us to complete that as part of the main build project
- The trustees of the **Alderley Edge Institute Trust** kindly increased their original £100,000 donation by almost £40,000, allowing us to buy staging, and install stage lighting and electric blinds in the Hall
- **A private donor** contributed the £5,000 we needed to install acoustic panels ahead of the annual Music Festival in 2016
- **Alderley Edge School for Girls** kindly donated stage curtains which now hang at the far end of the Hall
- The Festival Hall Advisory Group successfully bid for £47,146 funding from **WREN**, which – together with funding from the Parish Council, a private donor and the Institute Trust – allowed us to complete the refurbishment of the first floor, creating two stylish new public meeting rooms.

- With Parish Council support the **Alderley Edge Orchestra** is currently applying for a £3000 grant from the Manchester Airport Community Fund to provide additional staging, so that the orchestra can make use of the Hall for some of its concerts
- Finally, a successful appeal for **sponsors of historical photos** of old Alderley Edge allowed us to raise £2,400 to pay for 20 framed prints now displayed – and much admired - around the Hall.

Final Costs: Breakdown

Item	Promised Cost	Actual Cost	Difference
Building costs (including Emerson Suite)	£540,000	£716,359	+£176,359
Acoustics, Lighting, Staging, Electric blinds, Curtains, Pictures	0	£36,187	+£36,187
First Floor	0	£72,552	+£72,552
Total	£540,000	£825,098	+£285,098 + 53%

Thanks

As a community we once again need to express our thanks to Jones Contracts for going well beyond what we as a parish had any right to expect from a building contractor. We also need to thank Peter Jones's Emerson Foundation for its generosity in building the Emerson Suite at no cost to residents.

I also want to thank members of the Festival Hall Advisory Group for their support, especially Simon Fenton, whose skills and experience in property redevelopment were invaluable in helping us complete the refurbishment of the First Floor.

I also want once again to thank our Parish Clerk, Anne Ross, for her extraordinary dedication through a very difficult phase in the Parish Council's life, and also our Festival Hall Manager, Catherine Jones for her hard work.

Conclusions

At £825,000 the Festival Hall cost over 50% more than the projected cost. Since we have no breakdown of the original estimate, it is impossible for us to identify precisely where the cost differences arose.

It would appear however that a failure to plan the project in sufficient detail at an early stage lie at the heart of the resulting problems.

Taken together with the Medical Centre, costs for the Festival Hall/Medical Centre project totaled £3.2m compared with the £2.54m promised by the previous Parish Council. This is a difference, of £660,000, an increase of 26% on the promised cost.

Resolving these problems has placed a serious strain on the Parish Council and its finances, but careful cash flow management, together with hard work and the generosity of residents of the village, have allowed us to contain the problems and get the Hall project completed.

The challenges are not over. We still need to invest in new facilities, notably improvements to the stage, stage lighting and kitchen facilities.

Our next target is to raise the £3,000 we need to install ovens in the kitchen. Once we have these we will be able to cater for a wider range of events including community dances, weddings, parties, and so on.

As we increase the use of the Hall we also hope to attract local businesses to get more involved, for example as named sponsors of our well-equipped bar in the main Hall.

And finally.....

Rock n' Roll, Wrestling and a Chevrolet Belair

Two years ago I approached John Wallace from the History Group to see if he might be willing to research and write a short history of the Hall. At the time we thought a small pamphlet might be possible, but John has exceeded our expectations by producing a beautifully designed and highly readable hardback, which I recommend.

I am ending with this, because it is a perfect example of the exceptional skills and goodwill that exist in our village. We shall continue to rely on them for the future success of this historic building, itself originally built through donations by the residents of Alderley Edge.

Geoff Hall
Alderley Edge Parish Council
December 2017

Festival Hall Donors and Supporters December 2017

Donors

Alderley Edge Institute Trust
Emerson Foundation
WREN
Dr Helen Hall
The Great Brunel Railway Company

Alderley History Group
Ms A Anson and Mr M Garbett
Mrs P Crewe
Mr E Fidler
Granthams Foods
The Hill Family
Mr & Mrs M Lee
Two anonymous donors

Festival Hall Advisory Board

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