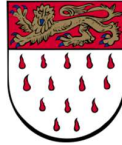


# Agenda Item 6.2



## Chichester City Council

### INTERNAL USE ONLY CONFIDENTIAL

**Subject:** The Council House Budget Challenges Report for 2026/27 & Onwards  
**Compiled by:** Andrew Watson (PMM)  
**Date:** 12<sup>th</sup> September 2025

#### **PART ONE**

#### **Background:**

In the period prior to November 2023 when the new Property Maintenance Manager took up their post, maintenance of the building was minimal and was poorly controlled and monitored.

*Summary of all Council House works completed in 10-year period 2014-2023*

Year	Works	Value
2014	Repairs to North Elevation	£1,965
2016	Restoration of Front Facade	£16,100
2017	Mayors Parlour Roof Leadwork Repairs	Insurance Claim?
2017	Access Control System	£2,475
2020	External Repairs	£53,134
2020	Solar EV	£7,800
2022	Mayors Car Park	£5,760
2022	Roof void insulation	£3,790
2022	Replacement Boilers	£27,918
2023	Replacement CCTV	£3,932
	<b>Total Spend on Council House</b>	<b>£120,399</b>
	Average Annual Spend on Council House	£12,039
	<b>Total Spent on Building Fabric</b>	<b>£80,749</b>
	Average Yearly Annual Spend on Building Fabric	£8,074

#### **Notes on work completed 2014-2023:**

Work carried out in 2014 was not adequately controlled. Cement mortar and brick sealant was used, which should not be used on a building structure of this type.

#### **Comment:**

*The use of these product does not allow the 17<sup>th</sup>/18<sup>th</sup> century brickwork to breathe; this explains the damp in the main stairwell and Clerk's Office.*

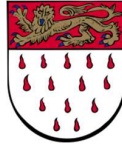
Work carried out in 2016 was carried out to a good standard

#### **Comment:**

*It now the front façade is looking tired and requires attention in particular stonework needs cleaning, plantation removed and repairs. This you would expect within a 10-year period.*

Work carried out in 2020 which covered repairs to all parts of the building including external brickwork, roofing, windows and chimney stacks was originally quoted £87,110.00. Evidently some repairs were dropped as a cost saving measure and the final value of the works contract was £53,134. The repair works removed from the contract were:

- Chimney stack



- OCR Skylight
- Guttering & Downpipes
- 80% of South Elevation Brickwork
- Stonework repairs North and West (Front)
- Assembly room roof 800 x tiles
- Boiler Room, Green Room, Council Chamber roof 380 x tiles and flashing
- Ridge mortar
- Repointing of parapets, coping stones and barriers
- Reform valley gutter (Presumably above crush bar)
- Render repairs
- Glazing.

**Comment:**

*It is assumed that the work was removed from the original quote due to budgetary constraints and remedial work was prioritised. However, there was no program in place to pick up the items removed. Any inspections did not recognise that the safety barriers on the parapets were not installed correctly.*

The installation of the additional solar array system was never registered for Feed in Tarriff (FiT) payments and has been exporting energy to the national grid with no benefit to the council.

**Comment:**

*If the system had been registered at the time and relevant certification issued, it would have generated a small income. Although the PMM has now secured the correct certificates it is no longer possible to register under a scheme due to changes in the generation requirements. As a result, the system has been redesigned with batteries installed so that we can retain and use as much of the energy we generate as possible.*

Work carried out in 2022 to the mayor's car park was sub-standard and was not installed as quoted.

**Comment:**

*Inadequate controls over the contractors, work should never have been paid. This resulted in rectification work in 2024 (Inhouse).*

Work carried out in 2022 to increase roof insulation was not carried out as per the quotation, insulation was installed near the loft hatches but not across the whole roof spaces.

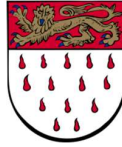
**Comment:**

*Inadequate controls over contractors, work should never have been paid. We appeared to be the contractors first job; they no longer exist. This resulted in rectification work in 2024/5 (In house).*

Work carried out in 2022 to replace the boilers has been beneficial in reducing gas consumption and reducing our carbon footprint. However, control of heating around the building was poor.

**Comment:**

*The project appears to have concentrated on the replacement of old boilers to provide more efficiency and carbon reduction. However, at the same time the control of heat throughout the building should have been addressed. The whole building except for OCR, CAB Office and Chamber is controlled by one thermostat located in reception. Some changes have been implemented since to improve control.*



Work carried out in 2023 the replacement CCTV system was under-specified for our needs.

**Comment:**

*A detailed specification should have been written, equipment proposed should have been evaluated for ease of use. Some changes have since been made with negotiation with the contractor to minimise cost in rectification of video quality.*

**Summary:**

Minimal investment has taken place in the fabric of the building, averaging £8,074 per year between 2014-2023. This is substantially less than would be anticipated to adequately maintain a Grade II\* listed building.

The average annual cost of maintaining the fabric of a Grade II\* civic building in the UK can vary significantly, ranging from tens to hundreds of thousands of pounds or more. Unlike modern structures, there is no simple formula, as the cost is highly dependent on the building's specific condition, age, size, and the quality of previous maintenance.

**Factors influencing annual maintenance costs**

- Initial condition: An Historic England report found that delaying repairs on historic buildings leads to significantly higher overall costs later on. For a selection of churches, the total repair cost increased by 17%—or £1.2 million—by delaying work.
- Specialist materials and labour: Maintaining the authentic fabric of a historic building often requires specific materials, such as handmade bricks, lime mortar, or hardwood, along with specialist craftspeople. These are significantly more expensive than standard modern building materials and labour. The Ecclesiastical Heritage Building Cost Index, which tracks these costs, tends to rise faster than the general building cost index
- Type of work: A distinction exists between routine upkeep and more significant repair projects. While minor maintenance, such as repainting, is relatively affordable, major repairs to the roof, masonry or foundations can cost tens of thousands or millions of pounds.
- Compliance and permission: Any material change to a Listed Building requires LBC consent from CDC, in addition to standard planning permission and adherence to building regulations. This adds extra cost and time to prepare and often incurs professional fees during the application process.
- Value-Added Tax (VAT): Standard VAT at 20% applies to the repair and maintenance of existing buildings, including listed properties, which can be a significant cost. In contrast, new builds are zero-rated for VAT.
- Preventative vs. reactive maintenance: Regular, smaller-scale preventative maintenance is more cost-effective in the long run than delaying repairs. Small defects that are ignored can lead to more extensive and costly damage.

**Example cost comparisons**

Whilst a single average figure for a Grade II\* civic building is difficult to determine, individual examples provide some context for the scale of costs involved:

- Historic Houses Survey: A survey of independently owned Grade I and II\* historic properties in 2022 reported an average annual expenditure on repairs and maintenance of £99,000 per property. This included a wide variety of buildings and conditions



- Lichfield Cathedral: a public historic building, reported running costs of around £2 million a year in 2021.
- Stately homes: Some stately homes, including Chatsworth House, reportedly face annual running costs of around £4 million.

Due to these variables, the most accurate cost estimate would require a detailed condition survey by a conservation architect or quantity surveyor.

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## **PART TWO**

### **Essential Urgent Maintenance Works for 2026/7:**

#### **Old Court Room Roof Lantern:**

**Scheduled for:** 2026

**Finance Source:** CIL

**Cost:** £33,500

**Overview:** Energy Efficiency Net Zero program to replace existing single glazed roof light with electric fans and replace with opening Velux style windows (Double Glazed) to extract warm air in the summer.

**Comment:**

*Repairs were removed from "2020 External Repairs Project"*

#### **Roof Gulley Redesign/Repairs:**

**Scheduled for:** 2026

**Finance Source:** Main Reserve

**Cost:** £20,000

**Overview:** Roof gulley over crush bar does not drain off effectively and has had numerous repairs and has reached end of life.

**Comment:**

*Repairs were removed from "2020 External Repairs Project"*

#### **Roof Gulley Redesign/Repairs South Stairwell:**

**Scheduled for:** 2026

**Finance Source:** Main Reserve

**Cost:** TBA (Estimate £20,000)

**Overview:** Redesign required to prevent water ingress in extreme weather when downpipe cannot cope. This will require professional services to redesign this roof area. When implemented the Air Chiller will need to be decommissioned and removed from the roof and then reinstated and commissioned after the work is completed.

**Comment:**

*Last incident caused £1,500.00 worth of damage only due to staff onsite. If this occurred when building was closed, we would have had to shut for several weeks.*

**Roof Safety Barrier Replacement:****Scheduled for: 2026****Finance Source:** Main Reserve**Cost:** TBA (Estimate £36,000)**Overview:** Inspected in 2024 and condemned, installed incorrectly when extension was built in 2000. Evidently not picked up by building control at time of build. Lack of inspections thereafter.**Comment:**

*Repairs were removed from "2020 External Repairs Project" to the parapets and coping stones that the barriers are currently sitting on.*

**Important Note:**

The above projects will require scaffolding to gain access for safe working and some contingency for additional repairs when fabric is uncovered. The intention is to combine the projects to reduce scaffolding costs and therefore appoint one contractor. Additionally, it would be prudent to incorporate some of the repairs that were not addressed in 2020.

**Costs should be catered for:**

Scaffolding – TBA (Estimated £20,000)

Contingency – TBA (Estimated £35,000)

**Total Cost of Essential Maintenance Works: £164,500**

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**PART THREE****Other Outstanding Essential Remedial Works**

In addition to the essential works identified for completion in 2026/27, the following remedial works will need to be completed within the next 2-3 years (note many of them were identified as necessary in 2020 and have still not been completed.)

**All Roofs Guttering & Downpipe Replacement:****Scheduled for: 2027****Finance Source:** Main Reserve**Cost:** TBA (Estimate £60,000)**Overview:** Replacement of guttering to a deep fill solution that will cope with the increased rainfall and torrential storms**Comment:**

*Repairs were removed from "2020 External Repairs Project".*

**Replacement and Repointing of Brick Mortar:****Scheduled for: 2027****Finance Source:** Main Reserve**Cost:** TBA (Estimate £30,000)**Overview:** Replacement of cement mortar to be replaced with lime mortar and repairs to existing failing lime mortar to maintain the structure of the building and minimise damp.**Comment:**

*Repairs were removed from "2020 External Repairs Project".*



**Renovation of Front Facade:**

**Scheduled for: 2027/8**

**Finance Source:** Main Reserve

**Cost:** TBA (Estimate £80,000)

**Overview:** Last attended to in 2016, Chamber windows are rotting in places and therefore need repairs or replacing. Repairs to mortar, brickwork, stonework, woodwork. Removal of all vegetation and clean of all stonework including the Lion (Note: Lion was once covered with a cement slurry and may incur additional costs).

**Comment:**

*Repairs were removed from "2020 External Repairs Project".*

**Address Repairs that were removed from 2020 External Repairs Project:**

**Scheduled for: 2026-28**

**Finance Source:** Main Reserve

**Cost:** TBA (Estimate £100,000)

**Overview:** Repairs has follows:

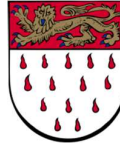
- Chimney stack  
Guttering & Downpipes
- 80% of South Elevation Brickwork
- Stonework repairs North
- Assembly room roof 800 x tiles
- Boiler Room, Green Room, Council Chamber roof 380 x tiles and flashing
- Ridge mortar
- Render repairs
- Glazing

**Comment:**

*Repairs were removed from "2020 External Repairs Project" to the parapets and coping stones that the barriers are currently attached to.*

**Total Cost of Outstanding Essential Remedial Works: £270,000**

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## Chichester City Council

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### **PART FOUR**

#### **Internal Conservation and Renovation Works**

The following conservation and renovation works have been identified for delivery over the next five years and will need to be budgeted adequately for:

##### **Assembly Room Refurbishment**

**Scheduled for: 2028**

**Finance Source:** Main Reserve

**Cost:** TBA (Estimate £30,000)

**Overview:** Full redecoration and refurbishment of the floor, which is showing signs of age and wear.

##### **Council Chamber Refurbishment**

**Scheduled for: 2029**

**Finance Source:** Main Reserve

**Cost:** TBA (Estimate £40,000)

**Overview:** Restoration of chamber including replacement of carpet which is worn through and threadbare.

***Comment:***

*Repairs were removed from "2020 External Repairs Project".*

##### **Redecoration of Main Entrance, Stairs and Landing**

**Scheduled for: 2026**

**Finance Source:** Main Reserve

**Cost:** TBA (Estimate £5,000)

**Overview:** Redecoration of entrance hall, stairs and landing, note this cannot be completed until damp issues have been resolved.

**Total Cost of Internal Conservation and Renovation Works: £75,000**





### **Breakdown of Costs and Spend Profile:**

Item	Funding source	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	Comments
		Actual	Budget	Anticipated	Anticipated	Anticipated	Anticipated	
Replacement of OCR Roof Lantern	CIL	£ 3,466.50		£ 30,000.00				CIL
South Stairwell Roof Gulley Redesign/Repairs	Existing Reserve			£ 20,000.00				CH reserve
Crush Bar Roof Gulley Redesign/Repairs	Existing Reserve			£ 20,000.00				CH reserve
Roof Safety Barriers	Existing Reserve			£ 36,000.00				CH reserve
Scaffolding	Existing Reserve			£ 20,000.00				CH reserve
ITT, Scaffolding & Contingency works	Existing Reserve			£ 55,000.00				CH reserve
Replacement Guttering	Existing Reserve				£ 50,000.00			CH reserve
Re-point external walls	Existing Reserve				£ 30,000.00			CH reserve
Renovation Front Façade	Existing Reserve				£ 80,000.00			CH reserve
Address Repairs that were removed from 2020 External Repairs	Existing Reserve			£ 25,000.00	£ 25,000.00	£ 25,000.00		CH reserve
Energy Efficiency	CIL		£ 64,902.33					A Council House reserve is maintained. Consider increasing the contribution.
Council House Reserve (incl. Council Chamber refurb/Lift reserve and major expenditure)	Existing Reserve		£ 30,000.00	£ 30,000.00	£ 30,000.00	£ 30,000.00	£ 30,000.00	CH reserve
Chamber refurbishment	Existing Reserve						£ 40,000.00	CH reserve
Assembly Room refurbishment	Existing Reserve					£ 30,000.00		CH reserve
Redecoration of main entrance, stairs and landing	Existing Reserve			£ 5,000.00				Inhouse - allowance for materials
		£ 3,466.50	£ 94,902.33	£ 241,000.00	£ 215,000.00	£ 85,000.00	£ 70,000.00	