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## Report of Chief Officer, Corporate Property Management

To: Executive Board

Date: 26<sup>th</sup> August 2009

Subject: Design & Cost Report – Demolition of East Leeds Family Learning Centre, Brooklands View, Leeds. LS14 6SA

Capital Scheme Number 15620 / ELD / 000

**Electoral Wards Affected:**  
Killingbeck & Seacroft

**Specific Implications For:**

Equality and Diversity

Community Cohesion

Narrowing the Gap

Eligible for Call In

Not Eligible for Call In  
(Details contained in the report)

## Executive Summary

This report seeks Authority to Spend £998,505 in respect of the demolition of East Leeds Family Learning Centre. The building has been used to deliver a range of Council services since it was closed as a school. For a number of years there have been concerns about the suitability of the building for Council use due to its age and condition. Arrangements to relocate all the services from the building are in place, including the development of Seacroft Children's Centre to accommodate the provision previously delivered at ELFLC as referred to elsewhere on the agenda. It is proposed to demolish the building as soon as is practical to reduce the risk of vandalism, health and safety concerns, and the costs involved in void properties.

### 1.0 Purpose of this Report

- 1.1 To seek Authority to Spend £ 998,505 in respect of the demolition of the East Leeds Family Learning Centre (ELFLC).

### 2.0 Background Information

- 2.1 The East Leeds Family Learning Centre has been used to deliver a range of Council services since it was closed as a school. For a number of years there have been concerns about the suitability of this building for Council use due to its age and condition.

- 2.2 At its meeting of 26<sup>th</sup> March 2008, Asset Management Group agreed to support the phased demolition of the ELFLC as the various blocks became vacant. Blocks 5 and 8, at the rear of the site, were demolished in early 2009.
- 2.3 In February 2009, following a series of major plant failures the building became unfit for purpose and uneconomic to repair. It became necessary to bring forward the relocation of services. The remainder of the buildings forming the ELFLC will be vacated by September 2009.

### **3.0 Main Issues**

- 3.1 The budget cost for the demolition of the remaining buildings at the ELFLC is £998,505, which includes for asbestos survey and removal, service terminations, demolition, sub soiling, top soiling, services to the adjacent Cadet Hut, making good hard standings, and a contingency for work to maintain services to the "Rise" development which shares the site.
- 3.2 It is considered that once the ELFLC buildings are finally vacated, they will be at risk from break-ins, theft, vandalism, anti-social behaviour and arson attack. In order to minimize these risks, it is considered that demolition should proceed as soon as possible following final vacation.
- 3.3 Ward Members are aware of the deterioration in the condition of the buildings, and have been consulted about proposals to relocate services, and the need for demolition to reduce the risks associated with empty properties.
- 3.4 It is intended that these works will be procured using the new framework contracts for demolition and asbestos removal which are currently being finalized.
- 3.5 The programme for the works would be of 21 weeks duration, and could commence in October 2009, with a projected completion in February or March 2010.

### **4.0 Implications for Council Policy and Governance**

- 4.1 Compliance with Council Policies – Confirmed that this project complies with Council policies, strategies and initiatives, and the Council's Corporate Plan. In particular, Health & Safety and environmental matters are relevant to this project.
- 4.2 Council Constitution – This decision represents a key decision and as such is subject to call-in.
- 4.3 Safety Audit – The risk assessment for these premises is that they are at risk from break-ins, theft, vandalism, anti-social behaviour and arson attack.
- 4.4 Community Safety – It is considered that the proposals contained in this report for the demolition of these premises do have implications under Section 17 of the Crime and Disorder Act 1998. Community safety will improve as the risk of break-ins, theft, vandalism, anti-social behaviour and arson attack will be either removed or reduced.

## 5.0 Legal and Resource Implications

- 5.1 The budget cost of demolition and associated works is £998,505.
- 5.2 The vacation and demolition of these premises will reduce the on-going maintenance, security, utility and non-domestic rating costs associated with this building. After making due allowance for the transfer of some elements of the running costs budget with those services decanting from the site there is nevertheless a projected net revenue saving of £12k in 2009/10 and £62k in a full year from 2010/11 onwards.
- 5.3 It is proposed to fund the demolition costs by, in the first instance, utilising the annual revenue savings to fund £880,000 of unsupported borrowing. The £118,505 balance of funding would be met from a transfer of funding from the demolitions and dilapidations fund (as established following approval by Executive Board, 23 July 2009).
- 5.4 Should the site in due course be formally declared surplus then the Director of Resources would recommend that the first call on the eventual receipt be the repayment of the unsupported borrowing. This would then enable the revenue budget provision funding the borrowing costs to be freed up for other service priorities.

## 5.5 Capital Funding and Cash Flow

Previous total Authority to Spend on this scheme	TOTAL £000's	TO MARCH 2009 £000's	FORECAST				
			2009/10 £000's	2010/11 £000's	2011/12 £000's	2012/13 £000's	2013 on £000's
LAND (1)	0.0						
CONSTRUCTION (3)	0.0						
FURN & EQPT (5)	0.0						
DESIGN FEES (6)	0.0						
OTHER COSTS (7)	0.0						
<b>TOTALS</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Authority to Spend required for this Approval	TOTAL £000's	TO MARCH 2009 £000's	FORECAST				
			2009/10 £000's	2010/11 £000's	2011/12 £000's	2012/13 £000's	2013 on £000's
LAND (1)	0.0						
CONSTRUCTION (3)	998.5		998.5				
FURN & EQPT (5)	0.0						
DESIGN FEES (6)	0.0						
OTHER COSTS (7)	0.0						
<b>TOTALS</b>	<b>998.5</b>	<b>0.0</b>	<b>998.5</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Total overall Funding (As per latest Capital Programme)	TOTAL £000's	TO MARCH 2009 £000's	FORECAST				
			2009/10 £000's	2010/11 £000's	2011/12 £000's	2012/13 £000's	2013 on £000's
LCC Funding (Demolitions Fund scheme 15620)	118.5		118.5				
Unsupported Borrowing	880.0		880.0				
<b>Total Funding</b>	<b>998.5</b>	<b>0.0</b>	<b>998.5</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Balance / Shortfall =</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

- 5.6 Revenue Effects - Net savings of £62,000 were identified in section 5.2 above following the proposed demolition works. It is proposed to utilise these savings to fund £880,000 of unsupported borrowing.
- 5.7 Risk Assessments – If demolition does not proceed, the property will remain at risk from break-ins, theft, vandalism, anti-social behaviour and arson attack.

## **6.0 Conclusions**

- 6.1 Demolition of this property will reduce the Council's Health and Safety risk, and also reduce its costs in respect of maintenance, security, utilities and non-domestic rating.

## **7.0 Recommendations**

It is recommended that Executive Board :

- 7.1 Approve the proposed demolition of the remaining ELFLC buildings;
- 7.2 Approve the use of the revenue savings following the vacation of the ELFLC site to provide £880,000 of unsupported borrowing to part fund the demolition costs;
- 7.3 Approve the transfer of £118,505 from the Demolitions and Dilapidations Fund (scheme 15620) to fund the balance of the demolition costs; and,
- 7.4 Give Authority to Spend of £998,505 in respect of the demolition of the ELFLC premises.

## **Background Papers**

- 1. Report to Asset Management Group 26<sup>th</sup> March 2008