

Lancaster City Council | Report Cover Sheet

Meeting	Cabinet	Date	15/09/2020
Title	Repairs to Council property - 1 Lodge Street, Lancaster		
Report of	Director for Economic Growth & Regeneration		
Purpose of the Report			
To illustrate the work required in order to protect the Council asset, 1 Lodge Street, and costs associated with doing so.			
Key Decision (Y/N)	Y	Date of Notice	04/09/2020
		Exempt (Y/N)	N

Report Summary

The report provides an overview of the general and structural work required to the property at 1 Lodge Street, Lancaster. The repairs are necessary to bring back into repair a Council asset that has become significantly dilapidated over a long period of time. The work will bring the property into a lettable standard and forms part of the Council's wider strategic regeneration objectives within the Canal Quarter within which 1 Lodge Street is located.

Recommendations

To approve the capital budget of £486,450 and agree to undertake the necessary works to repair the building and bring it into a lettable condition.

Relationship to Policy Framework

Carrying out the essential repair works to Council assets demonstrates sound asset management and optimisation of Council assets. Once the work is completed the Council will then be able to lease the improved building. This also links to the Council's "A thriving and Prosperous economy"

Conclusion of Impact Assessment(s), where applicable

Climate – As the project involves a complete re-roof of the property, this will enable us to put effective insulation in place, which will significantly reduce heat loss.	Wellbeing & Social Value
Digital	Health & Safety – The current state of the building means there are safety issues, particularly in relation to the roof. The most high-risk elements have been addressed but there are props installed to ensure the stability of the roof and these cannot be deemed a long, or even medium, term solution.
Equality	Community Safety

Details of Consultation

Legal Services, Property Group, Economic Growth, Arts and Culture, and Planning and Conservation have all been involved from a Council perspective and are aware of the plans and reasons behind them. We have also been in close liaison with the existing tenants (Lancaster Musician's Co-Op) to ensure the work can be carried out in the safest way at the best time.

Legal Implications

To allow repair works to be carried out safely, the premises will need to be empty and it is understood that the Tenants have already agreed to vacate the property.

If structural repair work is not carried out and the property deteriorates and becomes unsafe/ dangerous it could be deemed a statutory nuisance within the meaning of s80 of the Environmental Protection Act 1990 or a nuisance/ dangerous structure within the meaning of s76, s77 and s 78 of the Building Act 1984 by the Council's own Environmental Health and Building Control Department. With third party owned properties, these departments would investigate and issue any appropriate enforcement notices to the property owner to rectify the unsafe/ dangerous structure. The Council would not want to have to issue enforcement notices on itself for obvious reasons.

Any further deterioration could also impact on the safety of neighbouring properties and leave the Council open to claims from third parties in the event of damage.

Financial Implications

No comments.

Other Resource or Risk Implications

None.

Section 151 Officer's Comments

Provision for the repair of the Council's asset has been made in accordance with the Council's budget and policy framework.

Monitoring Officer's Comments

The Monitoring Officer has been consulted and has no further comments to add.

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Links to Background Papers

N/A

Report**1.0 Background Information**

1.1 Discussions have previously taken place around the repair works necessary to protect this Council owned asset. As these discussions have taken place over an 18 month period, and have involved requests for additional funding to cover an identified shortfall, we felt it pertinent to present an up to date and complete case for clarity.

1.2 The work required to ensure the envelope of the building is wind and water tight, and structurally sound has been compiled by RG Parkins (Lancaster) and sent out to competitive tender.

1.3 On receipt of the tenders in June 2019, they were reviewed and scored, with the successful contractor being WRPS (Westhoughton Roofing and Pointing Services). The contract amount being £413,000.

1.4 A significant amount of time has passed but with regular communication with WRPS we have managed to keep them on board with this contract. No formal arrangement has yet been made though, and the specification will need to be reviewed and quote amended to reflect current prices before we can enter into this. This has all been reflected in the budget request.

2.0 Proposal Details

2.1 Facilities Management propose that the currently allocated and remaining budget of £486,450 (P8126/EC603) be utilised to complete the essential works that will protect the asset for future use.

2.2 The work would consist of:

- Strip off existing roof to main building and re-roof
- Install new valley gutter system
- Remedial works to internal walls and floor (first floor) of main building
- Replace staircases
- External repointing
- Repair/replace downpipes and guttering
- Window replacement where necessary
- Demolition of the lean to (rear of site)

2.3 A breakdown of how the budget would be utilised is as follows:

- Contractors price £412,606.00
- Architect/engineer fees (to include CDM oversight and project management)
£ 10,000.00
- 15% contingency (to allow for specification and original contractor price to be reviewed – see background information section 1.4)
£ 63,400.00
- **Total** **£486,006.00**

3.0 Options and Options Analysis (including risk assessment)

Option 1: Do nothing
Advantages: The council does not spend the allocation of capital funds requested.
Disadvantages: The asset will continue to deteriorate and eventually become unsafe. There are already props in place in order to prevent possible roof collapse. A significant site within the Canal Quarter will remain unsightly.
Risks: The building could become unsafe/a dangerous structure if it continues to be left. If our lack of action impacts the tenants, public or adjoining buildings, there could be significant reputational damage.
Option 2: Complete the works as described
Advantages: Protect a Council asset that sits in the prominent Canal Quarter area of Lancaster. Allow the Council the opportunity to bring the asset to a lettable state.
Disadvantages: There is a capital cost to the Council.
Risks: Delay in reaching new lease terms with the existing tenant, based on a new business plan and cultural service level agreement.

4.0 Officer Preferred Option (and comments)

4.1 The officer preferred option is Option 2. The condition of the asset has been of concern for some time and it is now beyond minor/remedial repair.