

EAST AYRSHIRE COUNCIL

CABINET MEETING - 15 JUNE 2011

EXTENSION OF CONTRACT WITH STEWART LANDSCAPES TO DEMOLISH CUMNOCK TOWN HALL ANNEX BUILDING

Report by the Depute Chief Executive/Executive Director of Neighbourhood Services

1. PURPOSE OF REPORT

- 1.1 To seek the approval of Cabinet, subject to the approval of the necessary Listed Building Consent and Building Warrant, to extend the existing contract between East Ayrshire Council and Stewart Landscapes (Contracts) Ltd. to include the demolition of the Cumnock Town Hall Annexe building. To seek approval for the Head of Legal & Procurement Services to negotiate and extend the Town Centre Regeneration Fund (TCRF) contracts with Stewart Landscapes and Keppie Design.

2. BACKGROUND

- 2.1 In August 2009 East Ayrshire Council was awarded £750,000 grant funding through the Scottish Government's Town Centre Regeneration Fund to undertake major environmental improvements to the environs of Cumnock Town Hall and provide a new car park to the rear of the building.
- 2.2 At that stage, consideration was given to the future of the Town Hall Annexe building which was in a deteriorating condition and which had not been in public use for a substantial period of time. Given the condition of the property and the lack of public use the only viable options appeared to be either disposal or demolition. The Council however at that stage needed to act quickly to secure the Scottish Government TCRF investment. It was clear therefore that the time required to progress either disposal or demolition of the Town Hall Annexe building would have jeopardized the wider project funding. As a result the Town Hall Annexe building was retained but it now sits as an isolated feature within the curtilage of the Town Hall detracting from the recently made improvements. Discussions on the future of the Annexe building have been undertaken with Historic Scotland as the Annexe forms part of the Town Hall's C(S) listing. As a result of these discussions, a surveyor's report and costs for remedial works were obtained to ascertain the feasibility of repair/refurbishment of the building. The building was also advertised on the open market for a period of six weeks to gauge potential for private development; however no interest was recorded. The negative visual impact of the Annexe coupled with no viable end use from within the Council or from the private sector and the high costs associated with

refurbishment works indicate that the Annexe building does not have a sustainable future.

- 2.3 In March 2010, Stewart Landscapes won a fully competitive tender process for the construction of the Cumnock: Creating Civic Space TCRF environmental improvements in the sum of £547,000. Additional works to complete the car park and access road were undertaken within this contract on behalf of Roads Service which extended the contract sum by approximately £46,000. The architect for the project has now issued the certificate of completion for works to both the new car park and the environs of Cumnock Town Hall.

3. PROPOSED WAY FORWARD

- 3.1 An application to demolish the Annexe building has been made which will be considered by the Southern Local Planning Committee (SLPC) on 30 June 2011. Should the SLPC grant consent to demolish the annexe building a notification will be issued to Historic Scotland who are required to issue a final decision on the demolition. Considerable background information on the annexe building and a conservation statement have been prepared for submission to Historic Scotland in order to curtail the time required by them to consider the circumstances. It is anticipated that approval will be given rapidly after the committee meeting.
- 3.2 In the event that both SLPC and Historic Scotland approve the demolition of the annexe, it is proposed that demolition of the building be undertaken as soon as is practicably possible. To facilitate this course of action a proposal for the remediation of the vacant area has been prepared by the architects for the TCRF project. This design incorporates the same materials as utilised in the surrounding area in order to integrate the vacant annexe building site with the TCRF improvements. Delivery of the materials required would normally require a three month lead-in time significantly delaying work on the project. However, the current contractor, Stewart Landscapes has an excess of the material which could be used as a means of mitigating potential delays. Procurement of an alternative contractor for demolition and construction works would also add considerably to the timescale for completion of works to the site. It should be noted that if an alternative contractor is appointed the defects liability for the TCRF improvement works completed by Stewart Landscapes would be void for the area included within the demolition site and compound.
- 3.3 In these circumstances it would appear prudent to extend the current TCRF contract with Stewart Landscapes to encompass both the demolition of the annexe building and the remediation of the vacant area. This course of action will ensure that the defects liability period on the newly completed environmental improvements is maintained, that these works will be fully protected as the building will be taken down by hand, the rescued stone can be re-cycled for use elsewhere in East Ayrshire and the whole project can be completed timeously.

- 3.4 The contractor's costs for the works have been indicated in the region of £53,085 however, this cost may have to be revised as no allowance has been made for the removal of asbestos from the building. A survey of the annexe is being undertaken to ascertain if this is required. Completion of the works, assuming no adverse weather or unforeseen circumstances with the annexe building demolition, should be achieved prior to 5 August 2011.

4. FINANCIAL IMPLICATIONS

- 4.1 The costs associated with the demolition of the Annexe building were not included in the Cumnock: Creating Civic Space TCRF project any costs will therefore be met from the existing Restoring Communities Programme budget.

5. PERSONNEL IMPLICATIONS

- 5.1 There will be a requirement for staff input to the management and overseeing of the demolition and construction work which can be met by Planning and Economic Development project staff. A contract Administrator has been appointed through the Council's Asset Improvement Service.

6. LEGAL IMPLICATIONS

- 6.1 The Town Hall and surrounding grounds including the Annexe building are held on the Council's Common Good Account. Common good assets are divided into two distinct categories; those considered inalienable where court authority to dispose or potentially demolish may be required and those considered alienable where no such authority is required. Given that the Town Hall Annexe has not been in public use for a substantial period of time it is considered to be alienable and accordingly it is considered that there is no legal restriction to its demolition. Following demolition the ground on which the Annexe Building sits will remain on the Common Good Account as part of the land in the curtilage of the Town Hall.
- 6.2 The Solicitor to the Council requires authority to extend the current TCRF contracts under section 21(2) of the Council's Standing Orders relating to Contracts & Tendering.

7. COMMUNITY PLANNING /POLICY IMPLICATIONS

- 7.1 The sustainable regeneration of our town centres is a key local outcome of the Delivering Community Regeneration Action Plan. The environmental improvements to the environs of Cumnock Town Hall, including the removal the derelict annexe building will significantly enhance the visual amenity of the area, encourage use of the Town Hall and have a positive impact on the image of the town.

8. RISK MANAGEMENT IMPLICATIONS

- 8.1 As it is envisaged that the works will be carried out on the basis of an extension of the existing contract, all terms and conditions currently in place will apply to the contract extension; this includes the provision of 6.5.1 non-negligent liability insurance cover. All Health & Safety risk assessments will be reviewed and revised by the contractor prior to any extension of the contract.

9. RECOMMENDATIONS

9.1 It is recommended that Cabinet:

- (i) agree to the works outlined in section 3 of this report being undertaken subject to obtaining listed building consent and a building warrant for the demolition of the Cumnock Town Hall Annex Building;**
- (ii) agree to the expenditure of up to £60,000 from the Restoring Communities Programme to cover the costs associated with demolition of the annex and remediation of the vacant area, design and professional fees and, potentially, removal of asbestos from the annex building;**
- (iii) authorise the Head of Planning & Economic Development to negotiate an extension to the construction and consultancy contracts with Stewart Landscapes and Keppie Design in order to undertake the works outlined in section 3 of this report;**
- (iv) authorise the Solicitor to the Council to extend the contracts to Stewart Landscapes and Keppie Design up to a maximum of £60,000 jointly, to achieve the objectives as indicated in section 3 of this report**
- (v) otherwise note the contents of this report.**

Elizabeth Morton

Depute Chief Executive/Executive Director of Neighbourhood Services

30 May 2011

LIST OF BACKGROUND PAPERS

- (i) Cabinet report 21st May 2009 'Delivering Community Regeneration'
- (ii) Cabinet report 29th August 2009 'Town Centre Regeneration Fund Bids – Project Development'

For further information on this report please contact Karl Doroszenko (01563) 576751 or Sylvia Allen (01563) 578168.

Implementation officer: Alan Neish, Head of Planning and Economic Development (01563) 576767.