

Decision Maker: EXECUTIVE

Date: Wednesday 10 July 2019

Decision Type: Urgent Executive Key

Title: CENTRAL LIBRARY/ CHURCHILL THEATRE DEFECTIVE
TILING: REQUEST FOR ADDITIONAL FUNDING

Contact Officer: Catherine Pimm, Senior Property Manager
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Chief Officer: Director of Regeneration

Ward: Bromley Town;

1. Reason for report

The works have now been tendered and this report seeks additional funding to enable them to proceed.

2. RECOMMENDATION(S)

Members are asked to

2.1 approve additional funding of £110k from the earmarked reserve for the Infrastructure Investment Fund to undertake the temporary works.

2.2 agree that call in should not be applicable to allow the purchase order to be raised immediately so that there is sufficient lead-in time for commencement of the work prior to the expiry of the extant planning permission.

Impact on Vulnerable Adults and Children

1. Summary of Impact: None
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Corporate Policy

1. Policy Status: Existing Policy
 2. BBB Priority: Excellent Council
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Financial

1. Cost of proposal: Estimated Cost £537k
 2. Ongoing costs: Recurring Cost Scaffolding Hire of £53k for two years included in the £537k total scheme cost
 3. Budget head/performance centre: Unallocated sum from Earmarked Reserve
 4. Total current budget for this head: £364k
 5. Source of funding: Earmarked reserve for Infrastructure Investment (unallocated budget)
-

Personnel

1. Number of staff (current and additional): Not applicable
 2. If from existing staff resources, number of staff hours: Not applicable
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Legal

1. Legal Requirement: Statutory Requirement
 2. Call-in: Not Applicable to allow the purchase order to be raised immediately so that sufficient lead-in time is available for mobilisation and commencement of the work prior to the expiry of the extant planning permission.
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Procurement

1. Summary of Procurement Implications:
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Customer Impact

1. Estimated number of users/beneficiaries (current and projected): Borough wide
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Ward Councillor Views

1. Have Ward Councillors been asked for comments? Not Applicable
2. Summary of Ward Councillors comments: Not Applicable

3. COMMENTARY

3.1 At the Executive on 11 July 2018, the following recommendations were approved:

- funding of £427k from the earmarked reserve for Infrastructure Investment to undertake temporary works
- the procurement route
- that a further report will be brought back to the Executive to up-date Members on remedial works required to the building
- confirmation for officers to review the future of the building and to consider its disposal and reconstruction elsewhere in the context of the town centre regeneration programme
- approval of delegated authority for the Project Manager to authorise variations against the construction and/ or surveys within the 15% contingency tolerances.

3.2 The temporary works proposed were the removal of the green slate tiles and the application of a protective coating and the continued hire of scaffolding for the rear elevation for 2 years.

3.3 The works will provide better protection for the public and will also eliminate the need for unsightly scaffolding and hoarding, thereby improving the appearance of the High Street.

3.4 Amey Ltd, in accordance with the procurement route agreed, was instructed to prepare tender documentation and obtain competitive tenders for the work from their own supplier list. A number of surveys and tests were undertaken and areas of tiling removed for sample treatments to be applied to inform the specification.

3.5 As a result of the tests undertaken, the anticipated specification was changed. The original budget estimate was based on applying the protective coating directly onto the concrete base following removal of the tiles. It was subsequently recommended that a cement render should be applied first, otherwise there is a risk that the coating will not adhere properly and the manufacturer would not provide a warranty. The cement render will then form the base for the permanent cladding solution, anticipated to be of similar slate appearance.

3.6 As a result of the various changes to the specification and the tenders received, it is anticipated that the project will now cost £537k, which is £110k more than the approved funding of £427k. The extra cost reflects the impact of the additional rendering works with minor price variations relating to the outcome of the tenders. A more detailed breakdown is provided in the table below:-

Details of Works to be undertaken	Proposed Budget £'000s	Revised Budget £000's	Increase in Cost £'000s
Works	292	368	76
Structural Survey	18	18	0
Other Surveys	0	3	3
Planning Application	0	3	3
Hire of Scaffolding for 2 years for rear elevation	61	53	-8
Sub Total	371	445	74
Contingency @15%	56	67	11
Sub Total	427	512	85
Fees @5%	0	26	26
Total	427	537	110

- 3.7 The works include the cost of scaffolding, application of rust inhibitor and corrosion inhibitor, minor concrete repairs, application of Sika cement render, application of anti-carbonation paint, removal and re-fixing sign.
- 3.8 Discussions have also taken place with the Planning Department. It was originally anticipated that a Certificate of Lawful Development would be required in accordance with Section 192 of the Town and Country Planning Act before the works could commence. It was however discovered that there was an extant planning permission in place for the replacement of the cladding, which was approved in 2016 and must have been made as part of an earlier scheme initiated by the the Council's former Operational Property Team. As a result, the works can proceed under this permission, but they must commence before 17 August 2019, which is the expiry date of the extant planning permission.
- 3.9 The contractors have confirmed that they will be able to start by this date providing they receive a purchase order immediately after the date of this Executive meeting to give them time to mobilise their labour, materials and supply chain. It is therefore recommended not to apply the call-in period for this report. If this time window is missed, then another planning application will have to be submitted, which could delay the works by a further 3-4 months.
- 3.10 The anticipated milestones for the delivery of these temporary works are as follows:

Task	Completion By
Approval	July 2019
Appointment of Contractor	July 2019
Commencement	August 2019
Completion	February 2019

4. IMPACT ON VULNERABLE ADULTS AND CHILDREN

- 4.1 There is not considered to be any impact on vulnerable children and adults as a consequence of this decision.

5. FINANCIAL IMPLICATIONS

- 5.1 In recognition of the risks arising from the significant reduction in the building maintenance budget, there is an earmarked reserve for Infrastructure Investment. The Fund has an uncommitted balance of £364k and in order to access resources, a business case needs to be presented to the Executive.
- 5.2 It is recommended that an additional sum of up to £110k is allocated from the earmarked reserve, to carry out the works identified in the report and to fund temporary scaffolding on the rear elevation for a 2 year period.
- 5.3 The estimated project costs of £537k include a 15% contingency. Delegated authority has been approved for the Project Manager to authorise variations against the construction and/ or surveys within the 15% tolerances.
- 5.4 The table below summarises the current financial position of the earmarked reserve: -

	£'000	£'000
Initial Approved Sum		2,000
Allocations agreed to date		
Condition surveys & associated work	363	
Central Depot	53	
Churchill Theatre/Central Library	4	
Fire Risk remedial works	79	
Central Depot	500	
Yeoman House	210	
Central Library/Churchill Theatre	427	
	1,636	
Current unallocated Balance		364
Allocation approval requested July 2019		110
Unallocated Balance if request approved		254

6. LEGAL IMPLICATIONS

- 7.1 The Council has a duty to undertake maintenance of its properties. Failure to ensure that its properties and buildings are maintained to a level to avoid risks to its staff and members of the public can lead to criminal and civil liability.

Non-Applicable Sections:	Personnel Implications, Policy Implications, Procurement Implications
Background Documents: (Access via Contact Officer)	Central Library/ Churchill Theatre: Defective Tiling (Executive Report 11 July 2018)