

29 June 2015

Agenda Item: 6e

## **REPORT OF SERVICE DIRECTOR TRANSPORT, PROPERTY & ENVIRONMENT**

### **DEMOLITION OF THE CLASP BLOCK, COUNTY HALL**

#### **Purpose of the Report**

1. To seek Committee approval to the demolition of the CLASP building at County Hall and to the proposal to undertake a feasibility study to review, in detail, options available for the future use of the site.

#### **Information and Advice**

2. This report contains an exempt appendix, which is not for publication by virtue of paragraph 3 of Schedule 12A of the Local Government Act 1972 (as amended) (Information relating to any individual and the business affairs of a particular person (including the authority holding that information) .Disclosure of this information would prejudice the parties' commercial interests.
3. Committee will be familiar with the current CLASP building which adjoins the County Hall 'H' Block at West Bridgford. It was built in 1962 with an estimated life expectancy of 50 years. The building is of cellular internal layout and cannot be easily refurbished without significant cost due to the high levels of asbestos that is present in the fabric of the building.
4. It is for these reasons that the Ways of Working programme (WoW) focused on upgrading only the County Hall 'H' Block office building to modern standards in order to meet the needs of the Council in the foreseeable future.
5. The building was last surveyed for condition during 2013 which indicated a total back-log maintenance cost of approximately £1.2m. It is important to emphasise that this doesn't cover the cost of upgrading the building to align with the standards of office accommodation achieved at County Hall and Trent Bridge House.
6. Previous estimates, undertaken several years ago, suggested that the cost of fully refurbishing the CLASP building for modern office use could be in the order of £7m-10m. This cost reflects the impact that the high level of asbestos within the fabric of the building would have on any major refurbishment scheme.
7. In addition to the CLASP building and the 'H' Block, the campus incorporates the Data Centre and the Riverside Block, these buildings are also of CLASP construction. The floor areas of the three buildings are:

- CLASP building 7,617 sq m (81,958 sq ft)
- Data Centre 1,433 sq m (15,419 sq ft)
- Riverside Block 2,171 sq m (23,359 sq ft)

8. The CLASP building is located centrally within the site of the entire County Hall campus. The site area of the entire County Hall campus extends to approximately 4 Ha (11 acres).
9. The overall campus accommodates the provision of c.600 surface car parking spaces. Approximately 450 of these could be considered as being within the curtilage of the CLASP building, Data Centre and Riverside Block, with the remaining c.150 adjacent to the 'H' Block.
10. A range of options will be available for the future use of the site, once the CLASP building is demolished, such as;
  - New office building
  - Car parking
  - Residential development
  - Retail use
11. It is proposed to undertake a detailed options appraisal and feasibility study to assess the most appropriate use for the site. This will be undertaken when the Smarter Working programme has established its conclusions which will help inform the type, location and amount of office space required by the Council in future.
12. A further report will be brought to Committee setting out the outcome of this proposed options appraisal and feasibility study.

## **Site Issues**

13. Some site issues to be considered in the proposed feasibility study are included below and in the exempt section of this report.

### Site Access

14. It is likely that any form of intensive development on the site would require a potentially costly upgrade of the access to and from the site. The current junction onto Loughborough Road is likely to need to be enhanced and the ramp down into what is currently the lower car park would need to be significantly improved.

### Utilities

15. A full utilities search has been conducted that has revealed the following restrictions:
  - High Voltage Electricity Cable: This represents the most severe utility restriction. A high voltage underground cable crosses the southern portion of the site to the data centre. It is possible to divert such cables although **costs**

**will be significant** and the impact on the data centre and its operation would need careful management.

- BT and Kingston Communication: Cable which crosses the northern portion of the site. Depending on where the boundary line will be for the site will determine whether these cables will require re-routing. In the circumstances that they do require diverting, the costs are likely to be significantly less than the costs associated with the electricity cable mentioned above which subject to survey, is not considered a significant restriction.
- A hard-wired communications link from the Data Centre to the H Block offices is routed via the Clasp building and the link corridor. This would need to be diverted. This has not been costed at present, but preliminary estimates suggest a figure in excess of £100,000 might be anticipated.
- A further VIRGIN communications link is planned to be installed as part of the introduction of NCC's new Wide Area Network (emCLOUD), this will be routed around the periphery of the site.

### Flooding

16. The site benefits from the flood defence works along the Trent and as such the risk of flooding is reduced. However the Environment Agency has not provided any detailed comments on restrictions for this site other than development would need to be 8m away from the flood defences. This, in principle, should not hinder the redevelopment of the site, although developer experience in trying to obtain planning permission for residential conversion of nearby Centenary House suggests that habitable spaces would need to be raised above the flood plain, using the void space for underground car parking to serve the development.

### The Boundary of any Surplus Site

17. The proposed feasibility report should consider the issue of the extent and availability of any potentially surplus land at this site, this will include considering:
- Should the Data Centre be relocated?
  - Should the Riverview block be included within the site?

## **Adjacent Buildings**

### Data Centre

18. A decision was taken in 2009 to retain the Council's Data Centre at this location after consideration of a range of options, including siting the centre at alternative locations. As a result, £1.5m was spent during 2010-11 refurbishing and making the property suitable for this use.
19. The ongoing refresh of ICT technologies within the Data Centre is constant and will be required wherever the Data centre is located. ICT is constantly refreshing its technology infrastructure as part of its annual equipment replacement programme (IER).

20. The cost of refreshing any plant and equipment is currently unknown, but it is not anticipated that this would be required for many years. The backlog maintenance cost is estimated to be £500,000.

#### Riverview Restaurant

21. The restaurant and adjoining rooms are also of CLASP construction and are attached to the main County Hall building. Backlog maintenance is estimated at £220k. Most of this cost relates to Mechanical and Electrical life cycle replacement.

#### **Cost of Demolition**

22. In order to provide an element of forward planning, a capital bid has been submitted to the Capital Asset Management Group (CAMG) that seeks potential funding that would cover the cost of demolishing the CLASP building. This has been estimated by the WoW team at £1.3m. As will be appreciated due to the experiences encountered with asbestos at County Hall, there has been historically an under-estimation of the costs involved when undertaking works. However, as the works proposed are for demolition as opposed to refurbishment, the risk of cost variability should be reduced.
23. It is worth noting that current utility costs and rates payable in connection with the CLASP block equate to approximately £178,000 per annum. Part of this cost saving will begin to be achieved once the building is fully vacated by staff.

#### **Timescales**

24. Subject to identifying and resolving a number of key issues, a project to demolish the building is anticipated to take between 10-12 months after securing planning permission and vacating the building. It is currently anticipated by WoW that the building will be fully vacated by staff and all equipment during Spring 2016. This programme is reconsidering as to whether the vacation date can be brought forward to October/November 2015.

#### **Currently Identified Key Issues to be Resolved**

##### Deliveries

25. The main goods delivery point to County Hall is currently situated within the CLASP building. Goods are unloaded from delivery vehicles via the large goods access adjacent to the car park and are then distributed to the rest of the campus from that point. Goods being delivered to the 'H' Block are currently taken up in lifts within the CLASP block and transported via the link corridor. The demolition of the CLASP building will mean that an alternative delivery point will be required. This may need to include a method of lifting the goods from the car park level, up to the level of the 'H' Block across the level change between the CLASP building and the 'H' Block.

##### Showers/Toilets

26. Showers and toilets used by staff cycling to work are currently provided within the CLASP building. These will need to be re-provided within the 'H' Block building. A CAMG bid is being submitted to secure funding for these to be included within a project to refurbish the toilets on the ground floor of the 'H' block.

#### Multi Faith Room

27. A room is currently available within the CLASP building for this purpose which will need to be re-provided.

#### Cycle Parking

28. The cycle parking facility will also need to be relocated.

#### Proposed Use of Cleared Site

29. It is proposed that the cleared site of the CLASP building will be made available for car parking in the short term. This may be used by the Council for its own parking provision, or may be let out in order to generate an income.

#### Site Remediation

30. It is proposed that the CLASP block and associated link corridors will be demolished and all material/substances removed from site in their entirety including the safe removal of asbestos in accordance with current legislation.
31. The former floor slab will be broken out to a reduced level, ground compacted and prepared for a new macadam car parking surface.
32. Existing foul drainage will be located and removed where not connected to a live system.
33. Existing surface water drains can be adopted and used for car park drainage subject to planning conditions.
34. All existing services located within or around the demolition will be re-routed or replaced where serving other campus buildings.

#### Car Parking Access

35. During the demolition works, car parking and access to the campus may be severely restricted. This may be mitigated by using alternative parking such as at the Nottingham Forest Ground, where additional car parking spaces may need to be acquired for a temporary period.
36. Due to the time line involved in the demolition of the CLASP block, it is important that a decision in principle is obtained to demolish the building. The issues identified above require detailed consideration to seek resolution and unless stated otherwise will require additional funding above the £1.3m demolition bid identified by WOW. A further update report will be presented to F+P on these issues.

## **Other Options Considered**

### Centralised Offices

37. The CLASP building could be used to consolidate NCC accommodation needs onto one site primarily from the nearby Trent Bridge house and Sir John Robinson House (SJRH) in Arnold. However the building would require significant refurbishment, as it is unsuitable for continued use in its current state, and accommodation needs from outside the West Bridgford area are required in part due to their locality. The Smarter Working Programme will help to identify the type of accommodation that will be required in the future and where it should be located. This exercise is yet to be completed. The nature of the building, backlog repairs, cost and refurbishment supports previous reports presented to full Council, 9 December 2010 (WOW Business Case and Investment), that have concluded the building is no longer economically viable for longer term use.

### Mothballing

38. The building could be 'mothballed' pending demolition; although it is expected the building would start to deteriorate after a period of time. In view of the high profile nature of the site this may result in criticism and may impact adversely on the image of the locality. However if the site was redeveloped, the demolition could form part of the works, transferring cost and any risk onto the developer. There may well be economies of scale in this approach. There would clearly be a reduction in price for the site to reflect this redevelopment cost.

### Office Use by External User(s)

39. Economic Development has been approached by a company that wishes to explore the possibility of operating part of the CLASP building for office lets, also an approach has been made on behalf of a Government Department requiring accommodation. Such a use would prevent the Council from accessing the full savings of £178,000pa available, should the building be demolished. In addition, any use for office space is likely to require the building to be refurbished, thus making the use unviable.

40. At the time of report drafting the two potential interested parties have not formally confirmed their desire to occupy the building. A verbal update on the situation will be provided at committee. However any letting would be restrictive on any internal alterations and NCC would be required to actively manage the letting to minimise any health and safety risk. Particularly connected with the condition of the building and embedded asbestos.

### Use as Temporary Decant Space

41. Consideration was given to using the CLASP building as decant space during the WoW project but this is now complete.

## **Reasons for Recommendations**

42. The recommended course of action allows the Council to access the entire potential running cost savings of £178,000pa at the earliest possible opportunity

whilst also providing the time and information needed to properly consider and determine the best future use of the site for the Authority.

43. The building is deteriorating and immediate demolition will avoid any further costs arising from maintenance or health and safety risks.

44. There is no viable external or any internal requirement for the building.

## **Statutory and Policy Implications**

45. This report has been compiled after consideration of implications in respect of crime and disorder, finance, human resources, human rights, the NHS Constitution (Public Health only), the public sector equality duty, safeguarding of children and vulnerable adults, service users, sustainability and the environment and ways of working and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

## **RECOMMENDATION/S**

That Committee approves:

- 1) The demolition of the CLASP building at the earliest opportunity;
- 2) The preparation of an option appraisal and detailed feasibility study which seeks to identify and review options available for the future use of the site; and
- 3) That the site of the building should be used as additional car parking for the County Hall campus, until further options have been considered.

**Jas Hundal**

**Service Director – Transport, Property & Environment**

**For any enquiries about this report please contact: Alison Warren 0115 977 2094**

## **Constitutional Comments (CEH 04.06.15)**

46. The recommendations fall within the delegation to the Finance and Property Committee for consideration.

## **Financial Comments (GB 17.06.15)**

47. The funding associated with these works is within the Council's approved capital programme.

## **Background Papers and Published Documents**

48. CAMG bid for funding to demolish the CLASP building.

## **Electoral Division(s) and Member(s) Affected**

49. Ward(s): West Bridgford Central and South  
Member(s): Councillor Liz Plant, Councillor Steve Calvert

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SP: 2868

Properties affected: 00029 - County Hall