

<b>Report to:</b>	<b>EXECUTIVE CABINET</b>
<b>Date:</b>	30 September 2020
<b>Executive Member:</b>	Councillor Oliver Ryan – Executive Member (Finance and Economic Growth)
<b>Reporting Officer:</b>	Jayne Traverse, Director of Growth
<b>Subject:</b>	<b>DENTON POOL - SITE CLEARANCE</b>
<b>Report Summary:</b>	To seek approval and funding to proceed with the urgent demolition of the former Denton Pool and associated site clearance, to make the site safe and in preparation for disposal or redevelopment.
<b>Recommendations:</b>	That Executive Cabinet recommend to Council: <ul style="list-style-type: none"> <li>(i) That the approved capital programme is varied to allocate £0.720m to fund demolition and site clearance on the basis of urgent Health and safety works.</li> <li>(ii) To procure the demolition and site clearance through the LEP Additional Services Contract.</li> </ul>
<b>Corporate Plan:</b>	Modern infrastructure and a sustainable environment that works for all generations and future generations
<b>Policy Implications:</b>	It is a requirement to manage health and safety concerns but currently no allocated budget to do so.
<b>Financial Implications: (Authorised by the statutory Section 151 Officer &amp; Chief Finance Officer)</b>	<p>The estimated asbestos removal, demolition and site clearance costs set out in this report are likely to exceed the estimated potential capital receipt for the site. No provision was made in the Tameside Wellness Centre project budget for demolition costs at Denton Pool, and as such any budget approved by members for demolition will be an additional pressure on the capital programme, for which the Council does not currently have sufficient resources to fund.</p> <p>It should be noted that the proposed scheme has been assessed by an independent cost specialist to ensure value for money as set out in section 4.4. However, given the significance of the estimated costs, possible options for the future use or disposal of the site were explored, including the impact of leaving vacant whilst plans for the site are developed.</p> <p>The Council's capital programme ambition is currently in excess of the funding identified as available making it unsustainable in its current form. The committed programme at 1 April 2020 (which does not include any approved budget for demolition costs at Denton Pool) requires £18.8m of corporate resources, with only £14.6m available in reserves, leaving a £4.2m shortfall which needs to be met from the proceeds from the sale of surplus assets. If the costs of demolition for the Denton Pool Site are to be met by the Council, then this shortfall in available resources will increase further.</p> <p>The broader ambition of the Council, as first established in October 2017, points to a further requirement of £33.2m of</p>

corporate funding to pay for schemes identified as a priority and subject to future business cases. Clearly these will be unable to progress until additional capital receipts are generated. The Growth Directorate are reviewing the estate and developing a pipeline of surplus sites for disposal

**Legal Implications:  
(Authorised by the Borough  
Solicitor)**

The Council has a policy of having all risks contracts with the LEP unless any risks can be better managed by the Council. The draft vfm report executive summary (**Appendix 2**) that the Council's obtains to protect its interest and ensure that the LEP undertakes its role states:

*"From reviewing the information available it can be considered that the scheme is acceptable from a Value for Money point of view.*

*However, there are some items which remain unresolved depending on which sub-contractor is appointed. These concern the allowances included for Section 80 compliance, removal of obstructions and cylinders together with the status of other abnormal costs. A decision needs to be taken by the client as to whether these latter costs become fixed or are turned into Provisional Sums. There is a degree of risk in both options which requires careful consideration to be made."*

Whilst the report is adopting the favoured approach of paying in effect the insurance and not getting stung – para 7.2 should we in effect lose our bet - it will be important that a final updated vfm report is obtained before we enter into any contract.


**Risk Management:**

The risks are set out in section 7 of this report.

**Background Information:**

**Appendix 1 – Demolition Survey  
Appendix 2 – Draft Value for Money Report**

The background papers relating to this report can be inspected by contacting the report author Roger Greenwood, Capital Project Manager

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## **1. INTRODUCTION**

- 1.1 The closure of Denton Pool took place in March 2020 to coincide with the opening of the new Tameside Wellness Centre. Denton Pool is owned by the Council and was managed by Active Tameside, under a lease arrangement until its closure whereby it was handed back to the Council as a surplus asset.
- 1.2 Since the closure the cost to remove asbestos, demolish the building and clear the site has now been established at £0.720m. The cost is based on detailed intrusive surveys that could not have been carried out whilst the building was in operational use. This report seeks approval to clear the Denton Pool site and requests that £0.720m be made available in the 2020/21 approved Capital Programme.
- 1.3 The subsequent disposal of the site is being considered as part of the wider Strategic Asset Management Plan and will be the subject of a separate report at a later date.
- 1.4 Since the site closed it has been a focus for Anti-Social Behaviour, leading to a requirement for additional security guards to be provided. A pre demolition asbestos survey has also raised concerns with the future management of the building, requiring significant work to be undertaken as soon as practicable, it is therefore recommended that the building be demolished as soon as possible.

## **2. BUILDING STATUS AND CONDITION**

- 2.1 Denton Pool was secured immediately after its closure in March 2020. Since June the site has attracted significant levels of anti-social behaviour including attempts to illegally enter the building by large groups of youths. Given the health and safety concerns posed by the building it was deemed necessary to introduce full time security presence at the site.
- 2.2 A Demolition Survey (**Appendix 1**) indicates that significant levels of asbestos have been detected resulting in an environment which is unsafe for uncontrolled entry into the premises.

## **3. OPTIONS**

- 3.1 Consideration has been given to leaving the building in situ and to seek to dispose of the property and land, however this option has been dismissed due to increased financial and Health and Safety risks together with a likely protracted negative impact on the local neighbourhood. Therefore, the proposed option is to demolish the building and clear the site ready for disposal or redevelopment. Although this option places significant pressure on the approved Capital Programme, the immediate site clearance will deal with the current instances of anti-social behaviour, associated health & safety concerns and negative impact on the surrounding area and help optimise the regeneration value from the asset.

## **4. COST OF SITE CLEARANCE**

- 4.1 Plans to clear the Denton Pool site are at an advanced stage including a detailed cost plan necessary to inform this report which has been developed through a robust procurement exercise through the LEP. The cost of the site clearance is considered to be high due to significant levels of asbestos discovered during the pre-demolition asbestos survey.
- 4.2 The demolition and site clearance has been competitively procured through the LEP with an emphasis on achieving value for money and quality. The cost is £0.720m and will be

delivered through a fixed price contract, with the necessary insurance and protections that the contractual arrangements provide. A summary of the cost is set out below:

£637k – LEP Cost Plan  
£21k - Spend to date on planning and surveys  
£10k – Utility Disconnections  
£15k - Sum set aside for Business Rates liability  
£35,000 – set aside for security

Any delays to commencing the demolition works will increase the security and business rates cost at approximately £10k per month.

- 4.3 The above LEP cost plan includes the cost of supplying and erecting an 8ft timber hoarding to the perimeter of the site at a cost of approximately £40k. Early erection of the hoarding will also help improve security and aesthetics of the site whilst the demolition project is being mobilised and delivered.
- 4.4 The Council have received the value for money certification required under the contractual arrangements with the LEP, which requires them to obtain an independent value for money assessment from an independent certifier. From reviewing the information available it can be considered that the scheme is acceptable from a Value for Money point of view. A copy of the draft value for money report is at **Appendix 2** of this report.
- 4.5 On completion of the demolition and site clearance the site will be left levelled and ready for disposal or redevelopment as determined by the strategic asset management plan.

## **5. IMPACT ON THE APPROVED CAPITAL PROGRAMME**

- 5.1 The cost of demolishing the building and clearing the site is £0.720m.
- 5.2 The Council's capital programme is currently over committed which will need to be met from the capital receipts generated from the sale of surplus assets, and/or decisions made to reprioritise the capital programme. The Growth Directorate is reviewing the estate and developing a pipeline of surplus sites for disposal. In addition, the Growth Directorate will continue to apply for any grants that become available that could assist with the cost of site clearance and redevelopment. Due to the health and safety risks this is a priority project.

## **6. ARTWORK ON WALL ADJACENT TO VICTORIA PARK.**

- 6.1 The south façade of the pool building forms a boundary with Victoria Park. This façade has artwork painted directly on to it. It is proposed that, if safe and cost effective to do so, this section of wall will be left in situ to act as a site boundary, until the future of the former pool site is decided.

## **7. RISK**

- 7.1 The risks associated with anti-social behaviour in the locality will be reduced if the site is cleared at the earliest opportunity.
- 7.2 The final contract with the LEP will be based on a fix price to minimise financial risk.
- 7.3 There is a risk that as the building is demolished, Health and Safety, structural or contamination issues may compel the demolition of the wall which has artwork painted directly on to it.

## **8. SITE CLEARANCE TIMESCALE**

8.1 If approved works to clear the site are estimated to take approximately 6 months to complete. The key milestones from approval and formal appointment of the LEP are summarised below:

- Instruct LEP and Project Start – October 2020
- Mobilisation and HSE Notifications – 6 Weeks – October to Mid November 2020
- Asbestos Removal – 14 Weeks – Mid November 2020 to Mid-February 2021
- Demolition and site clearance – 6 Weeks – Mid February to April 2021
- Project Completion – April 2021

## **9 RECOMMENDATIONS**

9.1 As set out at the front of the report.