

Report of: Head of Regeneration

Report to: Director City Development

Date: 21st January 2015

Subject: Design and Cost Report for repairs to the Giotto Tower, Verona Tower, and Little Tower at the Tower Works Holbeck

Capital Scheme Number: 32258

Are specific electoral Wards affected? If relevant, name(s) of Ward(s): Beeston and Holbeck	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of main issues

1. In March 2013 Executive Board agreed that the Council accept the freehold transfer of ownership from the Homes and Communities Agency (HCA) of buildings known as the Engine House, Giotto Tower, Verona Tower, and Little Tower at the Tower Works. The transfer was completed in September 2013.
2. The transfer was accompanied by a dowry payment from HCA for repair and maintenance of the buildings. This was informed by an assessment of the condition of the towers carried out by experts commissioned by HCA.
3. This assessment identified necessary works and informed the amount of the dowry payment to the Council, which is held in a departmental reserve budget.
4. The towers are generally in good condition, although a number of repairs are required to protect and maintain the structures. With development propositions likely to move forward at the wider site in the short term, it is proposed to commission repairs to each tower as early on site works pending further development. This also reduces the risk associated with more than one contractor working on site at the same time.
5. Since the HCA's assessment additional works have been identified to the Giotto Tower and a robust contingency has been allowed, giving a total pre-tender estimate of £180,000 for repairs to all three towers.

6. For the purpose of funding the repairs to the three towers, Executive Board approved an injection of £180,000 into the capital programme as part of the Capital Programme Update on 11th February 2015, fully funded from the dowry payment received from the HCA.
7. The work described in this report contributes to the Best Council Plan 2013-2017, and in particular the objective of promoting sustainable and inclusive economic growth, by boosting the local economy and providing housing as the city grows.

Recommendations

8. The Director City Development is recommended to:-
 - i) Authorise expenditure up to £180,000 from scheme 32258/000/000 for the repair of the three towers at the Tower Works, following approval by Executive Board of an injection of £180,000 into the Capital Programme on February 11th 2015.
 - ii) In accordance with CPR 3.1.8 approve the proposed procurement route for the appointment of a contractor, utilising the government approved list *Constructionline*, and an evaluation model of 100% cost.
 - iii) Note the steps required to implement the decision as detailed in paragraph 3.7 of this report and note that the Head of Regeneration, will be responsible for implementing this decision.
 - iv) Note the proposed timescales in paragraph 3.7 of this report.

1 Purpose of this report

- 1.1 To advise the Director City Development of the progress of the development of the specification and costs in relation to repairs to the Giotto, Verona and Little towers at the Tower Works Holbeck.
- 1.2 To advise the Director City Development of the decision to inject £180,000 into the capital programme, via the Capital Programme Update to Executive Board on 11th February 2015, and to request approval of expenditure up to £180,000 for repair work to the three towers from scheme 32258/000/000.
- 1.3 Seek the Director City Development's approval of the proposed procurement route for a contractor, through the government approved list *Constructionline*, and an evaluation model of 100% of marks for cost.

2 Background information

- 2.1 In March 2013 the Council's Executive Board agreed that the Council accept the freehold transfer of ownership from the HCA of buildings known as; the Engine House, Giotto Tower, Verona Tower and Little Tower at the Tower Works, Globe Rd, Holbeck. All of the buildings referred to above are listed.

- 2.2 The transfer was accompanied by a “dowry” payment from the HCA for repair and maintenance of the Engine House and the three towers in perpetuity. The rationale for taking ownership of the properties was to de-risk the Tower Works site in which they are located, and to enable development propositions to move forward in support of ongoing regeneration of the Holbeck Urban Village.
- 2.3 LCC and the HCA commenced a joint procurement exercise to secure new developers for the Tower Works site in April 2014. This included competition for the development of the HCA owned land at the site, and a competition for the disposal of the Council owned Engine House. The competitions are due to conclude in spring 2015, with development propositions to progress after this.
- 2.4 The Towers are generally in good condition, although repairs are required to each tower to protect and maintain the structures. With development propositions soon to move forward in the short term at the site it is proposed to commission repairs to each tower as early on site works pending further development. This also reduces the risks associated with having more than one contractor working on site at the same time. This report sets out the nature of the works required, the method of procurement and a programme for the delivery of the works.

3 Main issues

- 3.1 In February 2013 the HCA commissioned ARUP and Aecom under a joint duty of care, to carry out condition surveys and assessments of necessary repairs on the listed buildings at the Tower Works site. This resulted in a detailed specification of work for repairs (immediate and ongoing) with costs, and informed part of the total dowry allowance.
- 3.2 Following this and further investigation by the Council’s Civic Enterprise Leeds (CEL) team, the following repair works are proposed;
- Repair cracks to joints – all towers
 - Re-point brickwork and replace eroded bricks – all towers
 - Remove debris from base of Giotto Tower and improve natural ventilation
 - Repair metal support legs to the cast iron feature on the Giotto Tower summit
 - Repair gold coloured glass tiles at upper levels of Giotto Tower, and replace any missing tiles.
 - Remove bird droppings and install bird deterrents
- 3.3 Taking into account the initial condition surveys, inflationary increases and contingency allowance, it is proposed that £180,000 of the dowry is allocated for repairs to the three towers. This will be fully funded from the payment received from the HCA.

- 3.4 All three towers are listed and specialist methods and materials will be required, including appropriately skilled and experienced steeplejacks. CEL have advised that the necessary expertise does not exist in-house to undertake these works, therefore a procurement exercise is required.
- 3.5 In accordance with Contract Procedure Rule 3.1.7 is it proposed to use an Approved Framework Agreement to deliver these works in the absence of an in-house provider.
- 3.6 Following advice from the Procurement Unit and CEL it is proposed to appoint a suitable contractor from the government approved list *Constructionline* on the basis of a detailed specification setting out the Council's requirements (including listed building consent).
- 3.7 An evaluation model comprising of 100% cost is proposed as the companies on the *Constructionline* framework have already been quality assured as part of the procurement process for the framework, and the specified works are not complex. The *Constructionline* list includes a specific category for companies with experience of working on listed buildings which will be utilised for this procurement.
- 3.8 An indicative programme for the works appears below;
- All approvals in place – 27th February
 - Tender out – 6th March
 - Tender return – 27th March
 - Start on site – 17th April
 - Completion – 29th May

4 Corporate Considerations

4.1 Consultation and Engagement

- 4.1.1 The lead member, Transport and the Economy, has been consulted and is supportive of the recommendations detailed in this report. Ward members have been informed of the proposals.
- 4.1.2 Officers from Resources have been consulted and confirm the budgetary provision contained in this report
- 4.1.3 Officers from PPPU/PU have been consulted and support the procurement approach recommended in this report.

4.2 Equality and Diversity / Cohesion and Integration

- 4.2.1 An equality screening exercise has been undertaken and a completed screening form is attached as an appendix to this report.

Parent Scheme Number : 32258
Title : Tower Works Site Holbeck

4.5 Legal Implications, Access to Information and Call In

- 4.5.1 The decisions recommended in this report are classed as Significant Operational Decisions and are therefore not eligible for call-in.
- 4.5.2 Discussions have been held with planning officers who advise that as the project is for repair rather than development planning permission and listed building consent is not required.

4.6 Risk Management

- 4.6.1 There is a risk that if the repair works took place at the same time as the selected developer's construction work, there may be poor coordination between the two sets of contractors and consequent disputes over liability for any delays or incidents. This is mitigated by the proposed procurement route which will enable the repairs to be concluded in advance of the major development.
- 4.6.2 There is a risk that the tenders exceed the pre-tender estimate. This is mitigated by the fact that the estimate is based on a thorough condition survey and includes contingency provisions.
- 4.6.3 The contract will be managed by CEL who will ensure appropriate risk management procedures are in place with regard to the works before start on site.

5 Conclusions

- 5.1 Approval of the recommendations contained in this report will enable repair works to be concluded on the towers prior to the conclusion of the developer competition and commencement of development at the Tower Works site in which they are located. This provides a higher degree of confidence for the selected developer to progress the development of the site as a whole.

6 Recommendations

- 6.1 The Director City Development is recommended to:-
- i) Authorise expenditure up to £180,000 from scheme 32258/000/000 for the repair of the three towers at the Tower Works, following approval by Executive Board of an injection of £180,000 into the Capital Programme on February 11th 2015.
 - ii) In accordance with CPR 3.1.8 approve the proposed procurement route for the appointment of a contractor, utilising the government approved list *Constructionline*, and an evaluation model of 100% cost.
 - iii) Note the steps required to implement the decision as detailed in paragraph 3.7 of this report and note that the Head of Regeneration, will be responsible for implementing this decision.

iv) Note the proposed timescales in paragraph 3.7 of this report.

7 Background documents¹

7.1 None

¹ The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.