

Towards a Strategy for Kirkgate Market: Building Improvement Works

1.0 Introduction

- 1.1. Completed capital environmental improvements to the value of around £11.5m have been made to Kirkgate Market during the last 12 years. Ongoing routine, planned and reactive maintenance is undertaken each year throughout the indoor market; improvements since 2000 have cost a further £1.4m.
- 1.2. The 1976/81 structures were erected as temporary buildings following the market fire in 1975. Both buildings have now exceeded the fifteen to twenty year life expectancy for buildings of this type.
- 1.3. Kirkgate Market now has extensive maintenance requirements, so the Strategic Design Alliance (SDA) was commissioned by Leeds City Council to undertake building condition surveys of all sections of Leeds Kirkgate Indoor Market.

2.0 BACKGROUND INFORMATION

- 2.1. Leeds Kirkgate indoor market covers four distinct sections – the 1904, 1875, 1976 and 1981 sections. The survey was undertaken in two parts with two resulting condition reports.
- 2.2. The condition reports are a general overview of the condition of the market and its compliance where applicable to appropriate legislation and regulation. The reports also provide approximate and basic budget costs. The surveys followed the standard condition format with the scope being to examine the basic structure of the buildings specifically:
 - Wind and weathertight items
 - Disability Discrimination Act (DDA) compliance.
 - Asbestos removal works
 - Building works
 - Electrical services
 - Mechanical services.
- 2.3. **It should be noted that the surveys are visual only and that none of the structures have been opened up for inspection.**
- 2.4. The actions identified have been prioritised, following standard building condition format, as either imminent, essential, desirable or long term, the definitions of which are as follows:

Imminent	Urgent works that will prevent immediate closure ¹ of premises and/or address an immediate high risk to the health and safety of the occupants and/or remedy a serious breach of legislation.
Essential	Work required within two years that will prevent serious deterioration of the fabric or services and/or address a medium risk to the health and safety of the occupants and/or remedy a minor breach of the legislation.
Desirable	Work required within 3 to 5 years that will prevent deterioration of the fabric or services and /or address a low risk to the health and safety of the occupants and/or a minor breach of the legislation.
Long term	There is no industry standard definition for long term works.

- 2.5 It should be noted that for specialist surveys relating to drainage, the lightning conductor systems and electrical work, have been recommended. For each of these areas the budget estimate includes the cost for the survey and a budget provision for the possible remedial work required following the surveys.

3.0 FINANCIAL IMPLICATIONS/RISK ANALYSIS

- 3.1 When considering the work required officers have considered the following options, which are considered in more detail below:

No.	Option
1	Do nothing.
2	Do the imminent work only
3	Do the imminent and essential work only
4	Do all the work identified

3.2 Option (1): Do nothing

- 3.2.1 To ‘do nothing’ is not a viable option on the basis that some of the work identified has been categorised as imminent or essential in that it is a legislative and/or insurance requirement to address – therefore not to do this work may, in some cases, result in breach of legislation/insurance requirements. It would also contradict the ongoing assurances given by the Council regarding its commitment to ensure the long term future of the market.

3.3 Option (2): Do the imminent work only

- 3.3.1 As stated above work identified as being ‘essential’ should be undertaken within two years to prevent serious deterioration of the fabric or services and/or address a medium risk to the health and safety of the occupants and/or remedy a minor breach of the legislation. Therefore the Council could just undertake the imminent works only during 2011 and undertake the essential works in 2012.
- 3.3.2 The cost of the imminent works only is approximately £600,000 of which approximately £100k is for general maintenance work and which should be funded from Markets’ revenue budget.

¹ Strategic Asset Management officer has advised that imminent work can be completed within 12 months unless otherwise instructed/advised by the Surveyor and no such advice/instruction has been received.

3.3.3 Under the terms of indoor tenants' leases the cost of general maintenance work in the indoor market should be recharged to tenants via the service charge element of their rental agreements. However to increase the amount of service charge recharged to tenants to address the work identified as revenue within the condition surveys would result in significant criticism from traders along with adverse media interest, and it is considered would not be appropriate at this point in time.

3.4 Option (3): Do the imminent and essential work only

3.4.1 The council has a legal obligation to undertake the imminent and essential work identified. The cost of undertaking the imminent and essential work is estimated to be £1.8m.

3.4.2 It should also be noted that Officers are advised that it will be more cost effective to undertake imminent and essential works together to reduce the cost of hiring scaffolding etc.

4.4 OPTION (4) - Do all the work identified.

4.4.1 The total cost of undertaking all the work identified is approximately £2.4m which is an additional £0.6m for the work identified as desirable and long term.

4.4.2 Consideration could be given to undertaking the desirable and long term work once the future direction of Kirkgate Market has been decided.

5.0 CONCLUSION

5.1 As detailed in this report four options have been considered with regard to undertaking the work identified.

5.2 The Markets service recommendation is for option 3: to undertake all the imminent and essential work whilst developing the strategy for the future of the market.

5.3 It is proposed that this is funded as follows:

- up to £200k from Corporate Property Management
- that the remainder is considered as part of the Q3 review of the capital programme