

Report to the Cabinet

Report reference:

C-016-2018/19

Date of meeting:

18th October 2018



**Epping Forest
District Council**

Portfolio: Asset Management and Economic Development
– Cllr A. Grigg

Subject: Development of the Waltham Abbey Swimming
Pool site, Roundhills, Waltham Abbey

Responsible Officer: Alan Hall – Strategic Director (01992 564004)

Democratic Services: Adrian Hendry (01992 564246)

Recommendations:

(1) That Essex Housing, part of Essex County Council, be appointed as the development consultants for the preparation and submission of an outline planning application for, and for the demolition of, Waltham Abbey Swimming Pool, Roundhills, Waltham Abbey, including the appointment of all consultants and the demolition contractor – and that Section 10 of the Council's Procurement Rules be waived, in accordance with Section 2.8 of the Procurement Rules, accordingly;

(2) That a request for a Supplementary Capital Estimate in the sum of £275,000 be made to the Council for the preparation of the Outline Planning Application and the demolition of the Swimming Pool; and

(3) That the Asset Management and Economic Development Portfolio Holder agrees the proposed mix and other arrangements for the proposed development and authorises the submission of the Outline Planning Application on behalf of the Council.

Executive Summary:

The existing Waltham Abbey Swimming Pool will close in November 2018, when the new Waltham Abbey Leisure Centre will open. The future use of the site therefore needs to be considered.

In order to do this, it will be necessary to appoint a development consultant to appoint and co-ordinate the work of the various consultants and to work up an outline planning application for the Roundhills site, which has been allocated for residential accommodation within the Council's Local Plan Submission Version. In view of their successful and high quality approach to leading on the Hillhouse development in Waltham Abbey, Essex Housing have been invited to provide a Fee Submission to work up a proposal for residential accommodation on the site, submit an outline planning application, procure a demolition contractor and supervise the demolition of the Swimming Pool.

The total estimated cost of this work is £275,000. Essex Housing's proposed Development Fee is £12,000 (5.2%), which is considered to provide good value for money.

There is currently no budget provision to undertake this work. Therefore, in view of the need to commence the demolition works as quickly as possible, and to avoid delaying the outline planning application until next year, it is proposed that a request be made to the Council for a Supplementary Capital Estimate for £275,000, in order to commence the works and services as quickly as possible.

It is proposed that the Council enters into one contract with Essex Housing, for them to appoint the various consultants required, procure the contractor for the demolition works and supervise the demolition process. Where appropriate, the consultants and contractor would be appointed through competitive processes. Since the Total Contract Value will be in excess of £25,000, the appointment of Essex Housing will require a waiver from the Council's Procurement Rules.

Reasons for Proposed Decision:

Waltham Abbey Swimming Pool will close in November 2018 and the future use of the site needs to be determined. The existing swimming pool needs to be demolished as soon as possible in order to make way for the new development and to reduce holding costs in the meantime

Other Options for Action:

The main alternative options appear to be:

(1) Undertake a competitive procurement process for the appointment of the development consultants – however, this has been discounted due to the time and cost involved in procuring a development consultant, including the formulation of a detailed specification and the need to commence the demolition works as quickly as possible. In any event, Essex Housing's development fee is very reasonable and only forms a small part of the overall costs.

(2) Enter into a contract with Essex Housing to only act on behalf of the Council in procuring the various consultants and the demolition contractor, for the Council to enter into separate contracts with these third parties. This has been discounted, since it would involve the Council in additional work and costs, which is not considered to be necessary compared to the proposed approach therefore less effective.

Background

1. When the new Waltham Abbey Leisure Centre at Hillhouse, Waltham Abbey opens in November 2018, the Waltham Abbey Swimming Pool in Roundhills, Waltham Abbey will close. Therefore, consideration needs to be given to the future use of the site. When vacated, the site also needs to be secured as quickly as possible, to reduce holding costs (site security etc).

2. The Leisure Centre in Hillhouse is one of three components on the site, the others being an Independent Living Scheme to be provided by the County Council and a Health Centre to be provided by the doctors located at the current Maynard Court Surgery. The development at Hillhouse came about through the three main partners working together to develop and produce a Master Plan, which followed public consultation, and which then led on to the formulation of an Outline Planning Application and subsequent planning approval.

3. The development consultants appointed by the three parties involved with the development were Essex Housing, which is part of Essex County Council. Their responsibility was to appoint and then co-ordinate the work of all the various consultants,

including the masterplanning consultants. Essex Housing also oversaw the submission of the successful outline planning application. All parties involved were very happy with the work undertaken by Essex Housing, which was provided at a very reasonable cost.

4. In order to consider the future use of the site, it will be necessary to appoint a development consultant to appoint and co-ordinate the work of the various consultants and to work up an outline planning application for the Roundhills site. The site has been allocated for residential accommodation within the Council's Local Plan Submission Version. In view of their work in leading on the Hillhouse development, and the standard and quality of their work, Essex Housing have been invited to provide a fee submission to:

- Work up a proposal for residential accommodation on the site and submit an outline planning application; and
- Procure a demolition contractor and supervise the demolition of the Waltham Abbey Swimming Pool

5. Since the formulation and submission of an outline planning application will take some time to reach the point of achieving planning approval, and in order to demolish the swimming pool as quickly as possible to minimise holding costs, it is proposed that the required planning approvals are dealt with separately.

6. At the appropriate time, the future of the site at Roundhills will need to be considered. There are four main options that could be considered:

- Sell the site to a developer;
- Sell the site to a developer, with a requirement that the Council purchases the affordable homes on completion – in a similar way to the arrangement for the Pylles Lane nursery development, Loughton;
- The Council retains part of the site to build the affordable housing and sells the remainder of the site to a developer; or
- The Council develops the site itself – either for 100% affordable housing, or to include some market housing for sale

Fee Submission from Essex Housing

7. The Fee Submission from Essex Housing is in three parts to meet the above brief.

Demolition of Waltham Abbey Swimming Pool

8. In order to oversee the demolition of the site, the following work would be required:

- Physically secure the building
- Undertake all necessary surveys to include protected species, asbestos and locating all utilities.
- Prepare demolition specification.
- Undertake a procurement exercise for asbestos removal and demolition works.
- Prepare Section 80 notice for the demolition.
- Manage and oversee the demolition process.
- Provide full documentation of the cleared site to be available for any future contractor / purchaser.

9. Essex Housing would appoint the consultants and procure the contractor and then supervise the work. The estimated period to obtain all the required consents and to complete the demolition is around 8 months. The estimated cost of this work is £194,500, which includes Essex Housing's fee of £5,465.

10. It should be noted that the Council will be arranging the non-structural security of the site until the swimming pool is demolished.

Outline Planning Application for residential accommodation

11. Last year, Essex Housing gave some initial consideration to the development potential of the site, at their own risk, which they have re-visited to formulate their Fee Submission. At this early stage, they have identified three potential development mixes for the site, which would obviously need further work as part of the outline planning application process, including the views of planning officers. These 3 options are:

- Option 1 - 31 homes, comprising 10 houses and 21 apartments
- Option 2 - 21 houses
- Option 3 - 40 apartments

12. In order to work up and submit an Outline Planning Application, the following work would be required:

- Appointment of a planning consultant to advise upon and submit the outline planning application.
- Instruct architects to draw up indicative layouts, and attend pre-application meetings with planners and revise as necessary upon feedback received.
- Undertake various required survey reports to support the planning application, including:
 - Topographical site survey
 - Ground condition survey
 - Noise survey
 - Air quality impact assessment
 - Ecology and arboricultural survey
 - Viability assessment

13. Again, Essex Housing would appoint and co-ordinate the work of the consultants and oversee the planning application process. Essex Housing would report to the Asset Management and Economic Development Portfolio Holder on the proposed development mix, for it to be approved for the submission of the outline planning application. It is estimated that the process of seeking outline planning permission will take around 8 months. The estimated cost of this work is £48,000, including Essex Housing's Fee of £6,300.

Possible additional costs

14. The above costs represent the absolute minimum costs involved. Within their fee proposal, Essex Housing has identified potential additional work and associated costs that may be required as the two separate projects progress, which amount to £32,000. It is therefore suggested that the budget provision for the project includes this amount as a contingency.

Summary of costs

15. The following provides summary of the above costs (rounded), with Essex Housing's fee separated out:

Demolition of existing swimming pool	£189,000
Obtaining outline planning permission	£42,000
Essex Housing Development Fee	£12,000
Contingencies	£32,000
Total	£275,000

16. It is considered that Essex Housing's proposed Development Fee of £12,000 (around 5.2%) provides good value for money, and also avoids the need, associated cost and additional time that would be required if this service was to be procured competitively.

Budget provision

17. There is currently no budget provision to undertake this work. In view of the need to commence the demolition works as quickly as possible, and to avoid delaying the outline planning application until next year, it is proposed that a request be made to the Council for a Supplementary Capital Estimate for £275,000 in order to commence the works and services as quickly as possible.

Procurement issues

18. It is proposed that the Council enters into one contract with Essex Housing, for Essex Housing to appoint the various consultants required and to procure the contractor for the demolition works. Where appropriate, these would be appointed through competitive processes. Since the Total Contract Value will be in excess of £25,000, the appointment of Essex Housing will require a waiver from the Council's Procurement Rules.

19. The Council's Procurement Manager has been consulted on the applicability of the EU Procurement Regulations and the associated Public Contracts Regulations 2015. Since the contract will involve a combination of services and works, with the works costs for the demolition comprising the largest element (estimated at around £189,000), the EU procurement threshold relating to "Works" prevails. Since this limit is currently £4,551,413, the contract value will be well within this threshold.

Resource Implications

A Supplementary Capital Estimate of £275,000 is required, which needs to be approved by Full Council.

Legal and Governance Implications

EFDC's Procurement Rules
Public Contracts Regulations 2015

Safer, Cleaner and Greener Implications

When the Waltham Abbey Swimming Pool is vacated, the demolition works need to be undertaken as quickly as possible to ensure that the site is made safe as quickly as possible.

Consultation Undertaken

None

Background Papers

None

Risk Management

The main risk to the Council is for the cost of the services and works to be higher than estimated. However, this has been mitigated by the inclusion of an appropriate contingency allowance.

Equality Analysis

The Equality Act 2010 requires that the Public Sector Equality Duty is actively applied in decision-making. This means that the equality information provided to accompany this report is essential reading for all members involved in the consideration of this report. However, since the decision only relates to the demolition of the swimming pool and obtaining of outline planning permission, no equality issues arises at this stage.