
Report to CABINET (PART A)

Alexandra Park Eco Centre

Portfolio Holder:

Councillor Sean Fielding, Cabinet Member for Economy and Skills

Officer Contacts:

Helen Lockwood, Deputy Chief Executive – People and Place
Emma Barton, Director of Economy

Report Author:

Brian Enright (Principal Regeneration Officer)

25th January 2021

Executive Summary:

Prior to the Covid-19 (CV19) lockdown commencing, the Alexandra Park Eco Centre project had progressed to RIBA Stage 3, and subsequently obtained planning approval on 22nd May 2020. An Outline Business Case (OBC) was submitted in June 2020, and following detailed scrutiny of the proposals the project was unfortunately deemed to be financially unviable for delivery as one complete project, as the long-term revenue implications for the proposals needed significant subsidy, which could not be justified given the current financial climate.

However, the ambition for embracing green technologies and sustainable property design solutions remains – and due to the severe dilapidation issues noted with the corporate building and accommodation of staff / teams within Alexandra Park, urgent works have been declared essential to ensure compliance with workplace safety and to provide an early phase of the masterplan on an accelerated delivery programme.

As a result of this, five options were explored to provide an indication of what could be included as part of the initial phase to help rectify the building dilapidation issues. Part B of the report provides significantly more information on each of the options alongside the project objectives, benefits, issues, risks and revenue implications, however in summary:

Option 1 - Do nothing – only undertaking urgent reactive maintenance to maintain the buildings (not considered to be a feasible option given the current deteriorating condition of the depot building).

Option 2 – Do minimum - undertake urgent backlog maintenance on the existing building to ensure it is compliant and safe for teams / services to use. (This would need significant

levels of investment; it would cause considerable disruption to the services and wouldn't deliver any of the ambitions for green technologies or efficiency / sustainability).

Option 3 – Progress an early phase of the masterplan for the Eco Centre including the green technology power solutions within the new office building.

Option 4 – Build and deliver a new office with conventional/mains gas and electricity supply to help keep construction costs to a minimum (this helps support the building dilapidations, but does not allow opportunities to introduce or accelerate any of the eco / green technologies).

Option 5 – Install emergency portacabins powered by electricity to provide a temporary / efficient solution to ensure staff were working in safe and compliant accommodation. (This option fails to tackle any of the longer term building dilapidation issues and doesn't introduce any of the green or sustainability ambition).

Original proposal (masterplan) – Deliver a new office, a new glasshouse, a green energy centre and substantial external works – this is the entire project masterplan but it has significant financial viability challenges to deliver as one entire project.

An application has been made to the Decarbonisation Fund for grant towards the cost of an air source heat pump system to support the accelerated delivery of option 3 to kickstart the first phase of the Eco Centre ambitions. If successful, this system will, along with mains electricity, provide heat and hot water for the new office. The remaining structures within the depot that require power will be supplied via the current mains gas and electricity system.

There is a commitment to proactively search for external funds for the eco-components and wider proposals supporting the holistic masterplan. Therefore, the recommendation is to approve **Option 3**: this introduces an early phase to the delivery of a key component of the masterplan, it helps deliver a safer solution for services, and supports the delivery of a realistic and financially viable solution, including and accelerating some of the eco / energy / green technologies through external funding sources.

Reason for Decision

To progress the recommended option for the Alexandra Park Eco Centre

Recommendations

Cabinet is recommended to:

- Approve Option 3 as the preferred option for the Alexandra Park Eco Centre in order to rectify the immediate dilapidation issues with the building, and to provide new accommodation as part of an immediate physical start for the holistic masterplan.
- Note the application to the Decarbonisation Fund for grant to cover, in part, the estimated costs of purchasing and installing an air source heat pump system for the new office (Option 3).
- Further details on the recommendations for Cabinet consideration are listed in Part B.

Alexandra Park Eco Centre

1.0 Background:

- 1.1 Alexandra Park Depot is a base for 170 staff that deliver the following services:
- Maintenance of the borough's parks and gardens
 - Plant growing to service planters and hanging baskets
 - Greenspace and countryside management
 - Tree maintenance
 - Playground maintenance
 - Street cleansing
 - Weed spraying
 - Running and maintenance of the borough's cemeteries
 - School grounds maintenance (via SLAs)
 - Delivery of environmental projects with s106 and LIFT monies
- 1.2 Currently, services are delivered from some buildings within the depot, with the main office being the former Gardener's Lodge. The Gardener's Lodge has come into a serious state of disrepair and has additional support on the gable end due to ground movement in the local facility. The rate of dilapidation is a concern and action is needed within the next 12 months to ensure services can continue to operate safely. This has recently been made all the more pressing when, week commencing 23rd November 2020, the depot suffered a major power outage whereby heat and electricity was lost to a number of the buildings. Whilst temporary generators have been deployed, a long-term solution needs to be found.
- 1.3 Following Cabinet approvals in January 2019, a multidisciplinary design team was appointed through Turner and Townsend. Prior to the Covid-19 (CV19) lockdown commencing, the Alexandra Park Eco Centre project had progressed to RIBA Stage 3, and subsequently obtained planning approval on 22nd May 2020.
- 1.4 An Outline Business Case (OBC) was submitted in June 2020, and following detailed scrutiny of the proposals the project was unfortunately deemed to be financially unviable for delivery as one complete project, as the long-term revenue implications for the proposals needed significant subsidy, which could not be justified given the current financial climate.
- 1.5 This report explores the options considered to resolve the building dilapidation concerns and to provide early / affordable solutions to kick start delivery of the site masterplan and help demonstrate the ambition for Alexandra Park Eco Centre as part of post-COVID-19 recovery.

2.0 Options Overview:

- 2.1 The options appraisal work has sought to help deliver and where possible accelerate the delivery of the ambitious Eco-Centre masterplan through the implementation of different phases, while seeking improvements to financial viability and delivering value for money.

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- 2.2 Due to the severity of the building damage and rapid rate of dilapidation, this has been deemed an essential requirement for the options appraisal work.
 - 2.3 Any new building on the site would provide alternative accommodation for the many existing buildings and structures (including the Gardener's Lodge, a portacabin and containers) that staff currently occupy.

3.0 Alexandra Park Depot: Options Considered

- 3.1 Detailed appraisal of the options are set out in Part B of this report.
- 3.2 In summary:

Option 1 - Do nothing – only undertaking urgent reactive maintenance to maintain the buildings (not considered to be a feasible option given the current deteriorating condition of the depot building).

Option 2 – Do minimum - undertake urgent backlog maintenance on the existing building to ensure it is compliant and safe for teams / services to use. (This would need significant levels of investment; it would cause considerable disruption to the services and wouldn't deliver any of the ambitions for green technologies or efficiency / sustainability).

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Original proposal (masterplan) – Deliver a new office, a new glasshouse, a green energy centre and substantial external works – this is the entire project masterplan but it has significant financial viability challenges to deliver as one entire project.

- 3.3 The recommendation is to approve **Option 3**: this introduces an early phase to the delivery of a key component of the masterplan, it helps deliver a safer solution for services, and supports the delivery of a realistic and financially viable solution, including and accelerating some of the eco / energy / green technologies through external funding sources.
- 3.4 An application has been made to the Decarbonisation Fund for grant towards the cost of an air source heat pump system to support the accelerated delivery of option 3 to kickstart the first phase of the Eco Centre ambitions. If successful, this

system will, along with mains electricity, provide heat and hot water for the new office. The remaining structures within the depot that require power will be supplied via the current mains gas and electricity system.

4.0 Finance Implications

Covered in Part B version of this report

5.0 Legal implications

5.1 Set out in Part B of this report. All procurement and tender exercises must be carried out in compliance with the Council's Contract Procedural Rules and Financial Procedural Rules.

(Rebecca Boyle, Group Solicitor – Corporate Team)
(Angela Vodden – Construction Solicitor – Corporate Team)

6.1 Procurement implications

6.1 Set out in Part B of this report.

7.0 Property Implications

7.1 The risks associated with the existing backlog maintenance issues will need to be considered when deciding on what option to take, as it will be essential that these issues are mitigated to address health and safety priorities.

(Peter Wood – Head of Strategic Assets and Facilities Management)

8.0 HR / People implications:

8.1 None applicable

9.0 Links to Co-operative Values

9.1 The Alexandra Park Eco Depot project will serve to build a sustainable co-operative workforce that innovates based on the principle of being equal partners and co-creators. The work that the Environmental Services workforce will continue to do from the depot will directly benefit residents and communities throughout the borough.

10.0 Strategic Links

10.1 This project directly links into the overarching Creating a Better Place strategic framework, the Green New Deal and the Oldham Model.

11.0 Communications – comments/implications

- 11.1 The project has received much publicity and there is a lot of public awareness of the plans.
- 11.2 Communications audiences include: residents, employees, stakeholders/partners and elected members.

(Jessica Beckett – Communications Manager, Marketing and Communications Team)

14.0 Key decision reference: ECEN-05-20