



NORTHAMPTON
BOROUGH COUNCIL

CABINET REPORT

Report Title	41-45 Abington Street - Asbestos removal and soft strip out
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AGENDA STATUS: PUBLIC

Cabinet Meeting Date:	16th December 2020
Key Decision:	Yes
Within Policy:	No
Policy Document:	No
Directorates:	Economy & Assets
Accountable Cabinet Member:	Cllr Tim Hadland, Regeneration & Enterprise
Ward(s)	Castle

1. Purpose

For Cabinet to approve works to 41 – 45 Abington Street that will include extensive asbestos removal/disposal and the soft strip out of internal. The report also provides an update to Cabinet on the progression of the Towns Fund work including on the development of the Town Investment Plan.

2. Recommendations

It is recommended that:

- 2.1 Cabinet delegates authority to the Acting Director of Economy and Assets, in consultation with the Borough Secretary, Chief Finance Officer and Cabinet Member for Regeneration and Enterprise to appoint the contractor for the asbestos removal and associated works following the completion of the tender process, ensuring that the external grant monies are spent within the funding period.

3. Issues and Choices

3.1 Report Background

Towns Fund

- 3.1.1 On September 6th 2019 Northampton was selected as one of the 101 places across England that can develop proposals for a Town Deal worth up to £25m. Specific funding known as the Towns Fund will be available as the core funding within the Town Deal, with the objective to drive the economic regeneration of towns selected to apply for this funding to deliver long term economic and productivity growth.
- 3.1.2 The process of preparing for a Town Deal involved setting up a Town Deal Board to set the vision and strategy that will act to oversee the production of the Town Investment Plan as well as inform the Town Deal.
- 3.1.3 Northampton already had a strong Board that was acting to oversee the Future High Street Fund submission, (FHSF) as well as wider vision setting for town centre regeneration in the Northampton Forward Board. The Northampton Forward Board is made up of Northampton Borough Council, Northamptonshire County Council, Northamptonshire Chamber of Commerce, Trickers, Royal and Derngate, Grosvenor Centre, The University of Northampton, Northants Police and to the Town Centre Business Improvement District. The Terms of Reference for the board can be found following the weblink in para 5.1.
- 3.1.4 This Board met most of the criteria for a Town Deal Board, with the exception of having MP's represented on the board. MP's for the area have subsequently been invited and as such was formalised to also act as Town Deal Board for Northampton.
- 3.1.5 The other main requirement in order to get a Town Deal is to submit a Town Investment Plan. This must be well-evidenced and set out a clear understanding of the area, focusing on its assets, opportunities and challenges. Northampton's Town Investment Plan has been under development since the FHSF submission was made and at the time of writing the report is due to be submitted to the Ministry of Housing Communities and Local Government (MHCLG) on 11th December 2020.
- 3.1.6 The Town Deal Board and Investment Plan will together inform the second stage of agreeing a Town Deal: which will include completing a business case(s) based on the content of each respective Town Investment Plan.

Towns Fund – Forward Funding

- 3.1.7 On June 30th 2020, in recognition of the importance of the Towns Fund and the pressing need for work to get underway, government announced as part of the Towns Fund that it would be bringing forward an element of the funding. This funding needs to be spent in the current financial year (2020/21) to support projects that will make an immediate impact in towns to help kickstart investment.

- 3.1.8 Northampton has been allocated a grant of £1million to fund capital projects that can be delivered in this financial year. The size of the grant was based on Northampton's population size with £1m being the highest amount of forward funding that has been offered.
- 3.1.9 The grant funding must be used to support capital spend in line with the objectives established through the Towns Fund Guidance. Government was particularly interested in encouraging projects that will address immediate challenges including:
- Improve parks, green spaces and sustainable transport links
 - Improve town centres including repurposing empty commercial properties
 - Demolition and site remediation where this will have an immediate benefit
- 3.1.9 Confirmation on how the council intended to use the grant were needed to be sent to the MHCLG by 14th August 2020, setting out that the spending is in line with the Towns Fund intervention framework, how this will achieve good value for money and that the project can be delivered this financial year
- 3.1.10 Options for which projects could meet the criteria for this funding were considered and presented to the Northampton Forward Board on 11th August 2020. The Board decided that the monies would be best spent on site remediation (asbestos removal and soft strip out) at 41 – 45 Abington Street and this project was subsequently put forwards to the (MHCLG).
- 3.1.11 41 – 45 Abington Street (the former Marks and Spencer's unit) was acquired by the Council on 4th September 2020 to enable the future regeneration of the site. As was reported to Cabinet report dated 20th May 2020 on the acquisition of the former Marks and Spencer's unit large format retail stores such as this have very limited demand. It was understood that the site had substantial issues with asbestos, with this being one of the main factors that was restricting its ability to be redeveloped. By undertaking these works it will put the site in a better position to be able to be redeveloped.
- 3.1.12 On September 30th 2020 the Council received £1m of capital funding to undertake the asbestos removal and soft strip out at 41 – 45 Abington Street. This has meant there is only 6 months for the specification to be finalised and the works to be undertaken.

Works to 41-45 Abington Street

- 3.1.13 An asbestos demolition survey was commissioned and undertaken for the site between 28th September – 6th October 2020 to locate and identify the presence of the asbestos containing materials. The survey found the presence of Asbestos Containing Materials (ACM) throughout the site. This included within insulating board panels, vinyl tiles and bitumen adhesive, thermoplastic tiles, ropes to ducts and many other forms of insulation.
- 3.1.14 The Council have appointed a Contract Administrator (CS2 Chartered Surveyors) and Principal Designer (Ensafe) who have produced a detailed specification and schedule has been prepared which sets out the requirement for a construction phase plan, access and restrictions, environmental

considerations, H&S risks, the requirements for welfare, enabling works and the detailed methodology for the asbestos & soft strip out works

- 3.1.15 It is requirement of the licenced asbestos removal contractor (LARC) to provide a construction phase plan in line with CDM Regulations 2015. This and the specification prepared by Ensafe will also set out the detailed programme whilst ensuring that strict health and safety requirements are adhered to with the Health and Safety Executive (HSE) notified. All materials will be disposed of according to strict guidelines and under supervision.
- 3.1.16 The risk for all additional professional services including structural engineers, lift engineers, mechanical and electrical engineers, plant specialists is on the contractor to include within their submission/price.
- 3.1.17 To further control risk the contractor will be responsible for isolating all services and for providing all hoarding, scaffolding and necessary plant.
- 3.1.18 While the work to remove the asbestos takes place this will also involve large amounts of soft strip out with the removal of internal non-load bearing walls, ceilings, and floor finishes.
- 3.1.19 Given the intrusive nature of the asbestos demolition survey and the high level of strip out that will be required to remove the ACM the building is no longer suitable for occupation. On this basis an application to get the building delisted for business rates has been made to apply to remove the business rates liability
- 3.1.20 Given the challenging timescales to deliver the works the Council will be using a framework to procure a contractor, with the Cambridgeshire County Council Asbestos Removal Framework the chosen framework that will be used.
- 3.1.21 To ensure that the Council are getting Value for Money the Council will be undertaking a mini competition between the potential contractors on the framework. The contractors will be evaluated against Cost and Quality criteria, with Cost making up 60% of the marks and Quality making up 40%.
- 3.1.22 An indicative programme of works is included as Appendix A

3.2 Issues

- 3.2.1 The amount of funding to undertake these works is capped below the level of funding received from government in relation to the Towns Fund, with an allowance for a suitable contingency also included. To ensure that the costs do not exceed this amount a cap of £900k on the cost has been set within the tender, with tenders beyond this cost categorised as non-compliant. A suitable contingency has also been set for the work should variations be required once work is underway. If the contingency is not sufficient then value engineering will be considered to bring the cost of works in line with the set budget.
- 3.2.2 As identified within the project programme the timescales for this delivery does not allow much time for slippage. Each stage of the approvals and works needs to be completed in line with the programme to ensure that the works can be

completed to schedule, and all of the monies spent with the current financial year. If the programme is not met there is a risk that the unspent monies will be reclaimed by MHCLG.

3.3 Choices (Options)

- 3.3.1 Cabinet can choose not to agree to the recommendations of this report and not proceed with the asbestos removal and associated works to 41-45 Abington Street. This will mean the Towns Fund forwarding funding grant must be returned and the building will continue to have the substantial remediation issues that need addressing.
- 3.3.2 Cabinet can choose to accept the recommendations as presented. This option is recommended in order to remediate the building and improve the sites viability ahead of redevelopment.

4. Implications (including financial implications)

4.1 Policy

- 4.1.1 The recommendations of this report are within policy and have no policy implications.

4.2 Resources and Risk

- 4.2.1 A sum of £1,000,000 was received for the works listed in this report from the Ministry of Housing, Communities and Local Government on 30th September 2020.
- 4.2.2 The grant of £1m must be spent in full by April 2021 (Financial Completion of the project).
- 4.2.3 Time constraints around the grant funding are a risk and challenging targets have been set for completion of the works. However, these will be managed robustly by the Regeneration team and mitigations are available to ensure delivery within the current financial year.

4.3 Legal

- 4.3.1 It is noted at paragraph 3.1.3 that for the purposes of expediency given the similarities between the Future High Street Fund (FHSF) and the Town Deal Board that the Board for Northampton considers both. It is important that the Council strictly adhere to requirements of the grant funder in relation to both funds and that the Council can be seen to properly comply with each its obligations thereunder, keeping any decisions and proposals made under each fund separate and independent of one another, so that no challenge on the grounds of procedural impropriety.
- 4.3.2. It is noted from paragraphs 3.1.13 to 3.1.20 above, that the removal of Asbestos from the building known as 41-45 Abington Street, is subject to both a significant time constraint and a cost ceiling. The financial implications and subsequent risk on the Council's short term plans were identified as a high

level risk to the Council in the Statement of Officer Delegated Executive Decision dated 28th August 2020 following the consideration of and completion of the due diligence undertaken by the Council prior to the acquisition of 41-45 Abington Street.

- 4.3.3 It is noted at paragraph 3.2.1 that a suitable contingency has been set to meet any potential additional costs over and above the grant funding provided to remove the Asbestos. It is recommended that Cabinet as part of the decision making process should have the fullest opportunity to consider all material considerations, which should include what steps the Council will take if the cost of the Asbestos removal exceed the contingency budget given that extent of the presence of Asbestos is now understood by the Council.
- 4.3.4 The works will need to be tendered and awarded in strict accordance with the conditions of the Cambridgeshire County Council Framework and external advice sought to ensure the Council have a strict Health and Safety compliant Contract that addresses all the risks and liabilities the Council could be exposed to in a contract of this nature. Collateral warranties must be sought as appropriate.

4.4 Equality and Health

- 4.4.1 Services to the public will not be directly impacted as a result of the recommendation of this report. There are therefore no direct equality or health implications. However, there will be a variety of non-direct benefits that will come from these vacant sites coming back into use.

4.5 Consultees (Internal and External)

- 4.5.1 Public consultation took place in late spring/early summer 2019 to gather the opinions of the public with regards to the proposed interventions. A total of 742 people gave detailed responses to the questionnaire.
- 4.5.2 The Northampton Forward Board are in full support of the project to enable the redevelopment of 41- 45 Abington Street and discussed and agreed the project on 11th August 2020.

4.6 How the Proposals deliver Priority Outcomes

- 4.6.1 This report will contribute to the priority corporate outcomes of
- Creating a thriving, vibrant town by removing long term vacant unit's from within the town center and enabling a cultural led use.

5. Background Papers

- 5.1 Northampton Forward Board papers and Terms of Reference can be viewed here:
<https://www.northampton.gov.uk/info/592/regeneration/2543/northampton-forward-board>

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