

DECISION-MAKER:	CABINET		
SUBJECT:	DEMOLITION OF OAKLANDS SCHOOL AND ASSOCIATED BUILDINGS		
DATE OF DECISION:	16 APRIL 2013		
REPORT OF:	CABINET MEMBER FOR RESOURCES		
<u>CONTACT DETAILS</u>			
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STATEMENT OF CONFIDENTIALITY
Not Applicable

BRIEF SUMMARY

The capital budget for the Oaklands School demolition was added to the General Fund Capital Programme by Council on 13 February 2013. In accordance with Financial Procedure rules, Cabinet approval is now sought for approval to spend.

RECOMMENDATIONS:

- (i) To approve, in accordance with Financial Procedure Rules, capital expenditure of £480,000 in 2013/14 for the Oaklands School demolition, to be funded by Direct Revenue Financing
- (ii) That the Head of Property and Procurement is granted Delegated Powers to vary the scope and programme of the work following consultation with the Cabinet Member for Resources within the overall budget parameters of the scheme.
- (iii) To delegate authority to the Chief Financial Officer, following consultation with the Cabinet Member for Resources, to approve additional expenditure of £100,000 for the demolition and associated costs, bringing the total scheme up to a maximum of £580,000, to be funded by Direct Revenue Financing.

REASONS FOR REPORT RECOMMENDATIONS

1. The Council's approved Capital Programme for 2012/13 to 2015/16, includes a budget for the demolition of vacant surplus buildings at the site of the former Oaklands Oasis school (excluding the swimming pool). Cabinet authority is required for approval to spend this budget in 2013/14. Demolition of all redundant buildings at the site plus enhanced perimeter site security is a cost effective alternative to retention of the buildings over an assumed five year void period. Whilst the actual costs of demolition are similar to the anticipated outgoings in retaining the buildings over a five year period, the costs of

demolition will enhance the development value of the site, meaning the sooner the buildings are demolished, the greater the benefit to the Council. Demolition proposals exclude the Oaklands Pool.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

2. Retention of all buildings would not be cost effective over the assumed five year void period as the security costs and empty rates liability would be similar to initial outlay on demolition, and demolition will have the added benefit of enhancing the capital receipt on eventual disposal.

DETAIL (Including consultation carried out)

3. The lease of the Oaklands school was formally handed back to the Council in September 2012. Full Secretary of State's consent has been obtained for change of use from education. A copy of the consent is attached to this report at Appendix 1. Pending a formal decision on the future of the site, interim security measures have been put in place in an attempt to mitigate vandalism and deterioration of the property. The ongoing costs associated with the site will be significantly reduced if the redundant buildings are demolished.
4. An initial feasibility study estimated the cost of demolition within the range of £480,000 to £580,000. On 13th February 2013, Council added a budget of £480,000 in 2013/14 to the Resources Capital Programme. Council also gave delegated authority to the Chief Financial Officer, following consultation with the Cabinet Member for Resources, to add a further £100,000 to the capital programme if required, bringing the total scheme up to a maximum of £580,000 to be funded by Direct Revenue Financing.
5. The site has been transferred from the Children's Services Portfolio to the Resources portfolio on the basis that the future development of the site will be corporately determined.
6. Redevelopment options for the site and a marketing plan are currently being considered. The future of the Oaklands Swimming Pool is under active consideration. It is not currently proposed to demolish this building.
7. An Options Appraisal has demonstrated that the cost of demolition and management of a vacant site is the more cost effective option than retention of the buildings for which there is a significant, empty rates liability, insurance, repairs and maintenance and boarding up costs and additional security costs. The buildings are highly unlikely to attract temporary uses.

RESOURCE IMPLICATIONS

Capital

8. The capital budget of £480,000 for the Oaklands School demolition was added to the General Fund Capital Programme by Council on 13 February 2013.
9. Council also delegated authority to the Chief Financial Officer, following consultation with the Cabinet Member for Resources, to add a further £100,000 to the capital programme for the demolition costs if required, to be funded by Direct Revenue Financing

10. In accordance with financial procedure rules, this report seeks Cabinet approval to spend £480,000 in 2013/14. Any additional approval to spend up to a further £100,000 will need to be approved by the Chief Financial Officer following consultation with the Cabinet Member for Resources. The maximum spend of £580,000 will be funded by Direct Revenue Financing.

Revenue

11. The ongoing revenue costs associated with maintaining the site are currently being covered within existing property management budgets. However, these costs will continue to create a pressure on the budgets in 2013/14 until the demolition of the site is complete. Approval to spend is therefore needed to ensure that demolition can be implemented as soon as possible to minimise the impact of these ongoing costs.

Property/Other

12. A largely cleared site will enhance the appeal and value of the site when marketed for disposal for redevelopment.

LEGAL IMPLICATIONS

Statutory power to undertake proposals in the report:

13. Section 1 Localism Act 2011, which empowers a Council to do anything that a private individual may do provided that it is not prohibited by any pre or post commencement limitations

Other Legal Implications:

14. It is necessary to apply to the local planning authority for a determination as to whether prior approval is required for the method of demolition. The planning authority will also consider whether the demolition project is likely to have significant environmental effects, possibly requiring from the applicant an Environmental Impact Assessment and for a screening opinion to be issued.

POLICY FRAMEWORK IMPLICATIONS

15. The proposals are not contrary to the Policy Framework

KEY DECISION? YES

WARDS/COMMUNITIES AFFECTED:

Coxford

SUPPORTING DOCUMENTATION

Appendices

1.	Copy of Secretary of State Approval to change of use from
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Documents In Members' Rooms

1.	None
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Equality Impact Assessment

Do the implications/subject of the report require an Equality Impact Assessment (EIA) to be carried out.	No
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Other Background Documents

Equality Impact Assessment and Other Background documents available for inspection at:

Title of Background Paper(s)

Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)

1.	None	
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