

Governance, Risk and Best Value Committee

10am, Thursday, 5 March 2015

Review of Maintenance of Duncan Place

Item number	7.2
Report number	
Executive/routine	Executive
Wards	Leith

Executive summary

Committee requested a review of decisions regarding Duncan Place covering a period of at least 15 years. This review has identified successive issues regarding the building condition, with some repairs being resolved, but sources of funding could not be identified to address the more significant issues. The review identified that a decision to close the property, because of its poor condition, was taken by the Council in 2004, however, the proposal was not implemented due to the costs of replacing the school gym and nursery which are co-located with the community centre in the building.

A common theme of the surveys undertaken over the course of the review period was the need for a planned maintenance programme to prevent the condition deteriorating. However, this was at a time of reducing revenue funding for this purpose. Resources have only been applied to reactive maintenance. A planned maintenance programme is required in order to prevent similar building failures arising in future.

Links

Coalition pledges	P40
Council outcomes	CO19 , CO25
Single Outcome Agreement	SO4

Review of Maintenance of Duncan Place

Recommendations

- 1.1 The Committee is recommended to:
- (i) Note the history of the maintenance issues at Duncan Place, ultimately leading to its closure; and
 - (ii) Note the need for an adequate revenue funded planned maintenance programme to ensure building issues are resolved at the earliest opportunity.

Background

- 2.1 The Duncan Place building was closed as a precautionary measure, in September 2014, to allow intrusive surveys on the fabric of the building to be undertaken. The outcome of these surveys, along with other fabric related issues, was reported to Education, Children and Families Committee in December 2014, when the decision was taken to close the building permanently and demolish it.
- 2.2 The report was referred to the Governance, Risk and Best Value Committee on 18 December 2014. Committee requested that officers carry out an investigation 'into how the building condition was allowed to deteriorate to such an extent that, it was considered unsafe, and ask that a report on the outcome of such investigation be reported to GRBV Committee in two cycles. This report also includes reference to the longer term history of the maintenance of the premises and related Council decisions taken over the last 15 years, at least.'

Main report

- 3.1 Given the timeframe of the review, staff changes over that period, and the responsibility for maintenance transferring from Children and Families to City Development in 2007 and subsequently to Services for Communities, a comprehensive set of records is not available. However, sufficient information within files and 'corporate memory' exists to provide an outline of the recent (fifteen years) history of the building.

History of Council decisions

- 3.2 Since 2000, Duncan Place Resource Centre first featured in a Council decision at the Council meeting on 19 February 2004. The report 'Community Education Centres: A Strategy for Improvement' set out proposals for the improvement and rationalisation of the community education estate. It sought authority to deliver four new community centres. Six centres, including Duncan Place, were proposed for closure. The justification for the closure of Duncan Place was the poor condition of the building, with major roof work and internal upgrading requiring substantial investment. The Council agreed, in principle, to the option of closing the centres, subject to further consultation with stakeholders, in particular, on the issue of the relocation of activities, which was to be the subject to a further report. Any capital receipts arising from the closures were to be ringfenced towards the costs of providing the four new community centres.
- 3.3 In response to the Council decision, subsequent work was undertaken on the feasibility of relocating the school gym and nursery into Leith Primary School in 2004. This concluded that the costs associated with the relocation exceeded the value of the receipt that could be generated from Duncan Place, and the proposal to close was halted.
- 3.4 A bid for £0.8m was developed to install a lift at Duncan Place to address accessibility issues, through the Council's capital investment programme, in autumn 2005. While initially unsuccessful in the standard selection process, the Council agreed to allocate £0.4m to the project in 2006.
- 3.5 A report to the Council on 12 February 2009 entitled 'Capital Investment Programme 2009-13: Update Report', set out proposals to address an overspend in the Children and Families capital budget, by removing a number of projects from the capital investment programme. It was agreed to delay the Duncan Place allocation of £0.4m until future years (2011/12 and 2012/13). The allocation of £0.387m still remains in the Children and Families core budget. Education, Children and Families Committee took the decision at its December 2014 meeting that this will be utilised for the building's demolition.
- 3.6 A further report entitled 'Community Learning and Development (CLD) Re-Design' was presented to Education, Children and Families Committee on 18 May 2010. This report outlined the outcome of the deliberations of a strategic group to review and inform the future direction of the CLD service, established by the Convener. The report referred to a decision in February 2010 where the CLD budget would be reduced by £345k per annum through measures including the re-provisioning of four community centres (unnamed). Committee agreed to receive a further report following further consultation. This review concluded in a report to Committee on 21 June 2011 with no reference to Duncan Place.
- 3.7 A succession of Council questions were posed between 2010 and 2012 regarding the timing of the installation of the lift. The responses indicated that the timing would require to be determined following the conclusion of

discussions about the provision of CLD services within the Leith area. The Convener of Education, Children and Families also met with Duncan Place staff and users in spring 2010, during which it was agreed that the Users Group would prepare a business case to test the feasibility for running the centre. The response to Council questions in April 2011 identified the need for a £1.25m spend on condition works, a further response in March 2012 indicated a £3m spend being required to fully refurbish and update the building.

History of building maintenance (revenue)

- 3.8 Records indicate a history of building inspections, identifying the poor condition of the building, going back to at least the 1990s. The upper floor of the building was shut off because of condition issues when the building was still being used as a school in the 1980s. Accordingly, there is long term history of building fabric failures, despite attempts to try and rectify defects.
- 3.9 Records, from 1997, describe the building as structurally sound, but complete overhaul of the roof was recommended, with signs of past and present water penetration at roof level and also from the windows. Rising damp was also noted at that time. A further report from 2003, notes the poor condition of the roof and very poor condition of the rain water goods, the need for complete roof replacement, up to 15% spalling render, dilapidated windows other than in the west elevation which had been replaced. This also noted that the internal fabric had been affected by water ingress.
- 3.10 In 2009, a roof survey was undertaken which estimated a required spend of £0.25m. The survey notes that remedial works had previously taken place to roof voids in 2007/8, that treatment for damp proofing had taken place and that a new felt overlay to the roof had been undertaken in 2006/7. This survey also identified that the roof slates were close to failing, and concluded that the pitched roof was nearing the end of its life expectancy, while the flat roof section was in fair condition.
- 3.11 A general condition survey was undertaken in 2010, which reported the building as condition B (on a scale of A-D, A being good). This seems to be at odds with the outcomes of the other inspection regimes over the period. The final condition survey on record was undertaken in 2013, which identified the building as condition D. This identified a required spend of £2.3m to address condition elements only. This was referred to in a report to Education, Children and Families, in December 2013, which set out the proposed five year capital programme of work for the Children and Families estate. This report stated that Duncan Place had been 'excluded from the programme at this stage to allow time for consideration of solutions for this area'. A review of building costs, which covered an upgrade of the building to make it more fit for purpose, as well as condition elements, identified a total spend in excess of £3m, was concluded in early 2013.

Conclusions

- 3.12 It is clear, from the terms of the 2004 Council report, that the poor condition of the building, and the lack of available funding to address a significant investment requirement, were already issues before the proposal to close was raised. The poor condition of the building fabric appears to have been a historical issue, which, despite a number of interventions to try and address it, was never fully resolved.
- 3.13 The scale of the investment required was clearly a barrier to resolving the condition issues. In recent years, the costs of between £1.25m and £3m to remedy defects and improve the building condition meant that a solution within available finances was not identified. It is also likely that the proposal to close, itself as a consequence of the poor condition of the building, led to a lack of clarity about how to resolve the necessary spend.
- 3.14 A consistent theme emerging from the condition reports over the period, is the recommendation to adopt a planned maintenance programme. This was at a time when revenue budgets for maintenance were being reduced. The revenue budget available for maintenance issues now stands at £4.2m pa, with an additional sum of £2m made available in 2015/16. The limited available budget in recent years, has only addressed reactive maintenance. Ultimately, budget provision is required for planned revenue maintenance. A programme of planned maintenance could have avoided the initial deterioration of the building which led to such large investment being required.
- 3.15 In order to avoid similar events arising in the future, an adequate revenue budget is required for a planned maintenance programme across the Council estate. The additional £2m for 2015/16 will assist in this regard. A long term maintenance plan should tackle issues before they emerge and avoid the need for expensive capital projects arising from the lack of planned maintenance over successive years.

Measures of success

- 4.1 The prevention of similar building closures in the future through the application of an estate wide planned maintenance programme.

Financial impact

- 5.1 The financial implications of this building closure relate to the costs of replacement of necessary accommodation. The cost of temporary replacement for the school uses was described in the December 2014 report to Education, Children and Families Committee. There will be a significant cost associated with the required new build replacement, yet to be fully scoped, which will be reported at a future meeting of Education, Children and Families Committee.

The opportunity will be taken to increase nursery capacity, so the replacement costs will not be directly comparable with the existing building.

Risk, policy, compliance and governance impact

- 6.1 This report highlights the risks associated with a lack of funding being available to maintain the Council's estate. This is an extreme example where the building ultimately required closure with unplanned interim arrangements having to be put in place to allow continuity of service delivery.
- 6.2 Information to date indicates that this is the only D rated building on the estate, however, conditions surveys for the estate outwith Children and Families and Health and Social Care is out of date. Significant improvements to the management information on condition will be achieved now that a team, to deliver a five year rolling programme of condition surveys, has been approved.
- 6.3 The main mitigation measure to reduce the risk of building failure would be to adopt a planned maintenance regime.

Equalities impact

- 7.1 The closure of Duncan Place has led to a short period of time when services could not be offered to user groups, thus having a detrimental effect on these users. However, almost all of the users have now been accommodated elsewhere, the exceptions being a drawing group and an upholstery group. There is an impact on ease of access to the relocated services as travel patterns have had to change to reflect the new locations.
- 7.2 The Council has been able to mitigate the loss of accommodation for the statutory school uses to ensure that PE can continue to be provided for all pupils and nursery places are provided in the immediate area, indeed, the temporary solution will see an increase in locally available places to meet rising demand.

Sustainability impact

- 8.1 As the Council's estate ages, it becomes less efficient and out of date from a sustainability perspective, unable to take advantage of emerging technology that offers environmental efficiencies. The maintenance burden is increased as fabric and plant deteriorates with age. This is particularly exemplified in the case of Duncan Place, which suffered from significant heat loss, poor ventilation, and high costs of heating. The proposal to replace it with a modern, efficient building meeting modern building regulations will improve the environmental performance and reduce the maintenance burden for the Council.

Consultation and engagement

- 9.1 Limited notice of the impending building closure was necessary given the escalation of issues that brought about a decision to close. However, since the closure, Council officers have met with Leith Primary School Parent Council on

two occasions. Council officials have also attended meetings with the wider community organised by the Duncan Place Management Committee, and a working group has been set up to discuss the way forward. There has also been a meeting with the Chair of Edinburgh College.

Background reading/external references

'Closure of Duncan Place including implications for Leith Primary School' – report to Education Children and Families Committee on 9 December 2014.

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Links

Coalition pledges	P40 – Work with Edinburgh World Heritage Trust and other stakeholders to conserve the City's built heritage.
Council outcomes	CO19 - Attractive Places and Well Maintained – Edinburgh remains an attractive city through the development of high quality buildings and places and the delivery of high standards and maintenance infrastructure and public realm. CO25 – The Council has efficient and effective services that deliver on objectives.
Single Outcome Agreement	SO4 – Edinburgh's communities are safer and have improved physical and social fabric.
Appendices	None.