

REPORT TITLE: CITY OFFICES, WINCHESTER – ESSENTIAL REPAIRS

CABINET

7 DECEMBER 2016

PORTFOLIO HOLDER: COUNCILLOR STEPHEN MILLER

REPORT OF ASSISTANT DIRECTOR OF ESTATES AND REGENERATION

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WARD(S): GENERAL

PURPOSE

Urgent essential repairs are required to the City Offices, Winchester, involving substantial expenditure to extend the useful life of the building for a further five years, while options for redevelopment are appraised.

This report examines only the essential repairs required, and is not intended to deal with other non-critical repairs required to the Offices. Essential repairs are those deemed to deal with a significant potential hazard to the health and safety of the staff, required to provide an improved environment for staff to operate, and/or essential repairs to ensure the fabric of the building is maintained to provide a useful life of five years.

RECOMMENDATIONS:

1. That to extend the useful life of the City Offices, Winchester for five years and improve the comfort of staff operating in the building, the following works be undertaken:
 - a). Renewal of the roof covering;
 - b). Alterations to the heating system;

- c). Thermal insulation upgrade in the roof spaces of the Annexe wing;
 - d). Upgrading of lighting and electrical system works;
 - e). Redecorations; replacement ceiling; and replacement carpet;
 - f). Drainage improvements to Customer Services WC;
 - g). Installation of sink, water supply and drainage on First Floor of Annexe.
2. That specialist consultants be appointed to assist in the design and procurement of these works in accordance with Contract Procedure Rule 9.2 (Obtaining quotations/Tenders).
 3. That the Assistant Director (Estates & Regeneration) be authorised to submit any applications for works requiring statutory consent.
 4. That the works described in the report be agreed and that the budget including contingency and professional fees set out in Exempt Appendix A (to be funded from the Property Reserve and Capital Receipts Reserve) be approved.
 5. That authority be given under Financial Procedure Rule 6.4 to incur the capital expenditure referred to in the report.
 6. That the Assistant Director (Estates & Regeneration) be authorised to accept the lowest tender received for the works in accordance with the Contract Procedure Rules.

IMPLICATIONS:

1 COMMUNITY STRATEGY OUTCOME

- 1.1 The works would relate to the Efficient & Effective Council outcome of the Community Strategy.

2 FINANCIAL IMPLICATIONS

- 2.1 There is an existing budget of £640,000 in the capital programme (to be financed from the Property Reserve (£575,000) and the Capital Receipts Reserve (£65,000)), as well as £30,000 estimated revenue costs for staff relocation while the work is carried out. The works are expected to be undertaken in the 2017/18 financial year.

3 LEGAL AND PROCUREMENT IMPLICATIONS

- 3.1 The works and appointment of consultants will be procured in accordance with Winchester City Council's Contract Procedure Rules and the Public Contracts Regulations 2015.

4 WORKFORCE IMPLICATIONS

- 4.1 As the works are undertaken, some staff may have to be relocated within different areas as the works are undertaken. The Facilities Management team will be responsible for making the arrangements.

5 PROPERTY AND ASSET IMPLICATIONS

- 5.1 The works are being project managed and the contracts administered by officers within the Council's Estates and Regeneration Team.
- 5.2 The works have been identified as an immediate priority and are contained within the forthcoming Asset Management Plan. The works are necessary to facilitate the continued occupation and use of City Offices, Winchester.

6 CONSULTATION AND EQUALITY IMPACT ASSESSMENT

- 6.1 The condition of the building is regularly monitored and the works identified in the report are the minimum necessary to keep the building operating safely and comfortably.
- 6.2 The Leader and Portfolio Holder for Economy and Estates have been consulted over the work programme.
- 6.3 Consultation has been carried with the City Council's Energy Manager, to determine whether any sustainable measures can be introduced as part of the works. Payback periods based on five years have been considered and there are currently no benefits from further sustainable improvements to be made.

7 RISK MANAGEMENT

Risk	Mitigation	Opportunities
<u>Property</u> Moderate - Risk of further defects arising as a result of undertaking the repairs.	Further investigation by specialists prior to detailed specification being defined. A contingency sum of a suitable level will be allowed for.	
<u>Community Support</u> Low – Risk of complaints concerning use of public money on Council buildings.	Only essential works are being proposed.	
<u>Timescales</u> Low – There is no financial implications for failure to complete the works.	Whilst there is no financial loss from failure to complete the works within a given period. A nominal sum for Liquidated and ascertained damages will apply for non completion, amount to be sufficient to ensure Contractor's perform well, without penalising Contractor's to raise tender prices.	
<u>Project capacity</u> Moderate - Use of internal and external resources.	The use of specialist resources will be required, which are not available internally. Consultants have been approached to confirm capacity. Internal resources for Contract Administration will be used, utilising knowledge of the site and works.	The use in part of internal resources will reduce the expense of consultants' fees.
<u>Financial / VfM</u> Moderate - Level determined due to value of works and value of building	Works to be procured under a JCT Contract, setting out payment terms.	

Risk	Mitigation	Opportunities
	Contractors and Consultants insurances to be reviewed prior to appointment.	
<u>Legal</u> Low – Regulatory compliance.	Where applicable, all test certificates will be sought and reviewed by specialist consultants.	
<u>Innovation</u> Low - No innovated solutions to be trialled as part of these works.	None.	
<u>Reputation</u> Low Potential repercussion should works not be completed on time or within budget.	Works and consultants to be procured in accordance with Contracts Procedure Rules. Careful monitoring of the Consultants, Contractor and works performance.	

8 SUPPORTING INFORMATION:

BACKGROUND

- 8.1 The City Offices building comprises three sections. The first part was constructed in 1969 and comprises a total of approximately 1,612 square metres gross internal floor area over three floors. The original building was extended in 1973 by the addition of approximately 1,036 square metres gross internal floor area over three floors. In 1987 a new wing was constructed, linked to the original building at ground and second floor levels. This annexe comprises approximately 634 square metres gross internal floor area over three floors. The gross internal floor area of all parts of City Offices therefore amounts to approximately 3,282 square metres.
- 8.2 The original City Offices building and its subsequent extension are of steel-framed construction (Conder Kingsworthy system build) with carpeted concrete floors and suspended ceilings. The building has a flat roof comprising profiled metal sheet, overlaid with thermal insulation and the roof covering. Part of the roof is covered with mineralised felt; the other part is covered with a glass fibre membrane. The walls of the original building comprise an external brick skin (just 100mm thick) or tile hanging, a void and an internal plywood sheet. The services (heating and power) are fixed to the plywood sheet and covered by perimeter cladding boards. A large proportion of the surface area of the walls comprises single-glazed aluminium-framed windows.

- 8.3 The most recent wing of the City Offices has part concrete, part suspended timber floors, conventional masonry walls of cavity construction, single-glazed timber-framed and double-glazed aluminium-framed windows and pitched tiled roofs.
- 8.4 The City Offices has a gas-fired wet central heating system served by three Hamworthy boilers. The Annexe wing has its own gas-fired boiler and wet central heating system. Power and lighting are provided throughout all accommodation. Most of the power sockets in the older parts of City Offices have been moved from the perimeter cladding boards to perimeter floor trunking. There is a passenger lift serving all floors.

REPAIR AND MAINTENANCE ISSUES

- 8.5 Due to the age of the building, a number of building elements have reached the end of their life expectancy. In addition, the specification of various elements of the building is very poor by current standards and upgrading of these elements is required.
- 8.6 The roof coverings to the flat roof over the older, main, part of the building have reached the end of their life expectancy. This is evidenced by frequent damp penetration requiring emergency patch repairs and highlighted in recent condition surveys. The roof covering requires replacement, and in order to provide a 10 year guarantee, the chosen solution is to recover the roof with a refurbishment system.
- 8.7 The heating system mostly comprises ageing fin-pipe radiators with limited output. These fin-pipe radiators are located behind the perimeter cladding panels against the external walls: the cladding panels further restrict the output from the fin-pipe radiators. The radiators are controlled by thermostatic valves. As these valves are also located behind the cladding panels, the valves heat up and turn the fin-pipe radiators off before adequate heat is radiated into the internal accommodation. The spacing of the fin-pipe radiators behind the cladding panels is haphazard: internal partitioning has been re-positioned over the years without corresponding re-location of radiators behind the perimeter cladding.
- 8.8 The failure of the heating system is demonstrated by staff reliance on electric plug-in heaters during cold weather: This is an expensive method of heating the accommodation. Furthermore, there are an increasing number of areas where the pipe work has become blocked and as such the fin-pipe radiators do not provide any heat. This has meant that new, panel radiators have been installed throughout the building behind the perimeter cladding. The relatively recent installation of the panel radiators and system control adjustments has meant that the reliance on electric radiators has significantly decreased. Although electricity consumption has decreased, one can see that there has been an increase in gas consumption when the panel radiators were installed.
- 8.9 The thermal insulation of the top floor of the Annexe wing is poor resulting in very low temperatures in the offices. Upgrading of the thermal insulation in the roof spaces is required. The drop in flow temperatures in parts of the

Annex that are linked to the main City Offices heating system also need to be understood as this is a main reason why so many staff complaints are received.

- 8.10 The lighting throughout the office accommodation is of variable quality. In many areas the lighting provision is inadequate for office use and non-compliant. The arrangement of the lighting has not changed to match changes to the arrangement of the internal partitioning or changes to use of the different areas. Works to upgrade the lighting are required. At the same time as the lighting is upgraded the arrangement of other cables through the void above the suspended ceiling needs to be improved to reduce the fire-risk. Consultation with WCC's Energy Manager will be undertaken to review fittings and their energy saving with potential payback periods.
- 8.11 The internal finishes throughout the accommodation are marked and worn. Suspended ceilings and carpet tiles need to be replaced and internal walls and joinery need to be redecorated. Internal decoration does not appear to have been undertaken within the last ten years. The external joinery of the Annexe wing also requires redecoration. The poor condition of these decorations has resulted in localised decay to timber joinery. Repairs to affected joinery are required before redecoration.
- 8.12 Some years ago a toilet which was designed to allow for use by disabled persons was installed in the customer services area for public use. However, the location was remote from below-ground drainage and therefore the toilet was connected to a Saniflo system. This system uses a macerator to reduce the waste before pumping it through small diameter pipework to discharge into the below ground drainage system in a remote location. This type of pumped drainage is prone to blockage if it is used inappropriately. In operation the system has continually broken down due to members of the public ignoring warning signs and flushing inappropriate waste down the toilet. Consequently the facility is often out of action awaiting repair and the service to the public is therefore unsatisfactory. It is proposed to rectify this situation by making a connection to the mains sewer.
- 8.13 There is no tea-making facility on the first floor of the Annexe wing. The closest refreshment point on the same level is at the far end of City Offices: otherwise it is necessary to travel up to the second floor of the Annexe involving several flights of stairs. The installation of a refreshment point on the first floor is considered to be necessary to provide a suitable and safe working environment.
- 8.14 In order to undertake the works, it will be necessary to temporarily relocate staff to other areas of City Office and the adjoining West Wing. The estimated cost of the proposed works is detailed in Exempt Appendix A.

9 OTHER OPTIONS CONSIDERED AND REJECTED

- 9.1 Alternatives for the development for replacement City Offices are currently being considered. In the interim, it will be prudent to extend the useful life of the building for five years.

9.2 Alternatives for the replacement roof covering have been considered; these include:

- Undertake patch repairs – this option has been discounted due to the likely number of patches required for a five year period;
- Complete Replacement – this option would include stripping the covering, insulation barriers, installation of new insulation with upgrading to current standards and a complete new covering. This option would provide a 20 year guarantee. This option has been discounted due the significant cost and the payback period for upgrading the insulation not being achievable within 5 years;
- Refurbishment Covering – the chosen option. This provides a 10 year guarantee, without the need to thermally upgrade the roof as part of the works. Core samples of the roof have been taken and show this solution is possible for the City Office roof. The refurbishment covering would utilise the existing vapour barrier and maintain water tightness throughout the works (except those areas that are currently experiencing water ingress).

9.3 The option of doing nothing further exists, but the condition of the building services is continuing to deteriorate, with the potential that the elements referred to in the report will fail, resulting in early or partial closure of the building and the disruption of services to the public.

10 CONCLUSION

10.1 The works detailed above should enable the use of the building for a further five years without significant capital spend on these items, However, without further significant investment in the building there is a greater likelihood of an impact on services and additional cost will be incurred if the Council wishes to improve the environment for customers and staff alike, or sought to improve the energy rating for the building

BACKGROUND DOCUMENTS:-

Previous Committee Reports:-

None.

Other Background Documents:-

None.

APPENDICES:

Appendix A Exempt – Estimated Works Cost