

	
<b>Executive</b>	15 <sup>th</sup> December 2009
Report of the Corporate Landlord	

## **Former Lowfields School, Dijon Avenue, Acomb**

### **Summary**

1. This report seeks to obtain approval from the Executive to the demolition of the former school buildings at the above site and to fund the work from the resultant capital receipt.

### **Background**

2. On 31<sup>st</sup> December 2008 York High School vacated the buildings at the Lowfields site on completion of the new York High School at Cornlands Road.
3. Following vacation the buildings were secured, services disconnected and security patrols put in place.
4. It had been originally intended that the site would be marketed for disposal as soon as the High School moved. However, with the economic downturn the best capital receipt would not have been achieved and therefore, the property remains in the ownership of the Council.
5. A development brief is currently being prepared by the City Development Team, which will be completed by April 2010, with a view to possibly marketing the property later in 2010/early 2011, to be sold in the 2010/11 financial year This will depend on market conditions at the time. The cost of demolition will potentially be recouped by way of increased capital receipt to reflect the fact that the property is a cleared site, and will also speed up the sale process.
6. Inevitably the buildings have become a target for vandalism and the buildings have been broken into on several occasions. This has including arson on two occasions, with resultant costs and inconvenience to the fire service and local residents, despite the security measures in place.

7. Clearly the only way to stop the problems associated with the site is to demolish the buildings, which are not suitable for any form of re-use.
8. Work has been going on now for several months to carry out all the necessary surveys and health and safety assessments prior to obtaining formal quotations for the demolition work. The tenders have now been obtained. This is set out later in the report.
9. Should the Executive approve the recommendations, work will start on site in January 2010 and the work is expected to take 12 weeks to complete.

### **Consultation**

10. This report has been prepared in consultation with the Corporate Asset Management Group.

### **Options**

11. Approve or reject the recommendations.

### **Analysis**

12. Approve the recommendations

#### Advantages:

- a. The buildings can be demolished leaving a cleared site, which is no longer a target for vandalism. The demolition work will result in an increased capital receipt being received.
- b. Vastly reduced costs of security and maintenance, which will result in a saving that can be transferred to support the surplus property budget.
- c. A more attractive site for developers on disposal.

#### Disadvantages:

- a. The cost of the demolition work will ultimately be funded from the increased capital receipt received from the sale of the cleared site. However, any financing costs incurred as a result of the timing differences between the costs of the demolition and the capital receipt being received will be funded from property services revenue budgets.
- b. If the site is not sold then the demolition costs will need to be written off to revenue and funded from property services revenue budget.

13. Reject the recommendations

#### Advantages

- a. No need for prudential borrowing.

- b. No requirement for the surplus property budget to fund the demolition costs if the site is not sold.

#### Disadvantages

- a. The buildings continue to be a target for vandalism and arson.
- b. Ongoing costs of security and maintenance to be picked up by the surplus property fund.
- c. Continuing inconvenience and disturbance to local residents, the fire service and police.

### Corporate Priorities

- 14. The successful delivery of this scheme will help to achieve a number of the themes of the Corporate Strategy 2009/10 including:
  - (a) Sustainable City – improve the local environment
  - (b) Safer City – reduced vandalism and anti-social behaviour

### Implications

- 15.
  - (a) **Financial** - the cost of demolition will be £250,000. This cost will be funded from the sale of the site and the resultant capital receipt. Any financing costs incurred as a result of the timing differences between the costs of the demolition and the capital receipt being received will be funded from property services revenue budget.
  - (b) If the site is not sold then the demolition costs incurred will be written off to revenue and the £250k will be charged to property services revenue budget.
  - (c) **Human Resources (HR)** – there are no HR implications
  - (d) **Equalities** – there are no equalities implications
  - (e) **Legal** – there are no legal implications
  - (f) **Crime and Disorder** - reduction in criminal activity and anti-social behaviour from the removal of the buildings, which are a target for vandalism and arson
  - (g) **Information Technology (IT)** - there are no IT implications
  - (h) **Property** - the implications are set out in this report
  - (i) **Other** - there are no other known implications

## Risk Management

16. There are no known risks associated with the recommendations.

## Recommendations

17. Members are asked to:  
Approve the demolition of the buildings at the former Lowfields School site, and the funding of the work from the sale of the resultant capital receipt.
18. Approve the use of the property services revenue budget as required
- a. to fund the finance costs incurred as a result of the timing differences between the demolition costs incurred and the sale of the capital receipt or
  - b. to fund the demolition costs from the surplus property fund budget if the site is not sold.
19. Reason: to eliminate a target for vandalism, arson and anti-social behaviour. This will result in savings on security and maintenance costs, a reduction in nuisance to local neighbours, and a reduction in the drain on police and fire service resources.

## Contact Details

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	<b>Report Approved</b>		<b>Date</b>	
	<b>Report Approved</b>	<i>tick</i>	<b>Date</b>	<i>Insert Date</i>
<b>Specialist Implications Officer</b> Financial Louise Branford-White Technical Finance Manager 551187				
<b>Ward Affected: Westfield</b>			<b>All</b>	<i>tick</i>
<b>For further information please contact the author of the report</b>				

**Background Papers:**

File No. E00546 held in Asset and Property Management, Property Services

**Annexes**

Annex 1 – Site plan