

Agenda Item No: 9

PROPOSED BUSINESS CASE TO FUND THE ROOF WORKS REQUIRED AT THE MARWICK CENTRE, MARCH PE15 8PH

To: **Commercial and Investment Committee**

Meeting Date: **23 March 2018**

From: **Chris Malyon, Deputy Chief Executive**

Electoral division(s): **March North and Waldersey**

Forward Plan ref: **N/a** *Key decision:* **No**

Purpose: **To agree the strategy to fund the repair to the roof at the Marwick Centre, 21 Marwick Road March, PE15 8PH**

Recommendation: **a) That in consideration for CCC paying for the roof works of £92,934.60 plus VAT if the insurers do not agree a settlement then FACET pay CCC back a fixed sum over the period of the lease
b) Financial support can be provided to FACET for the roof**

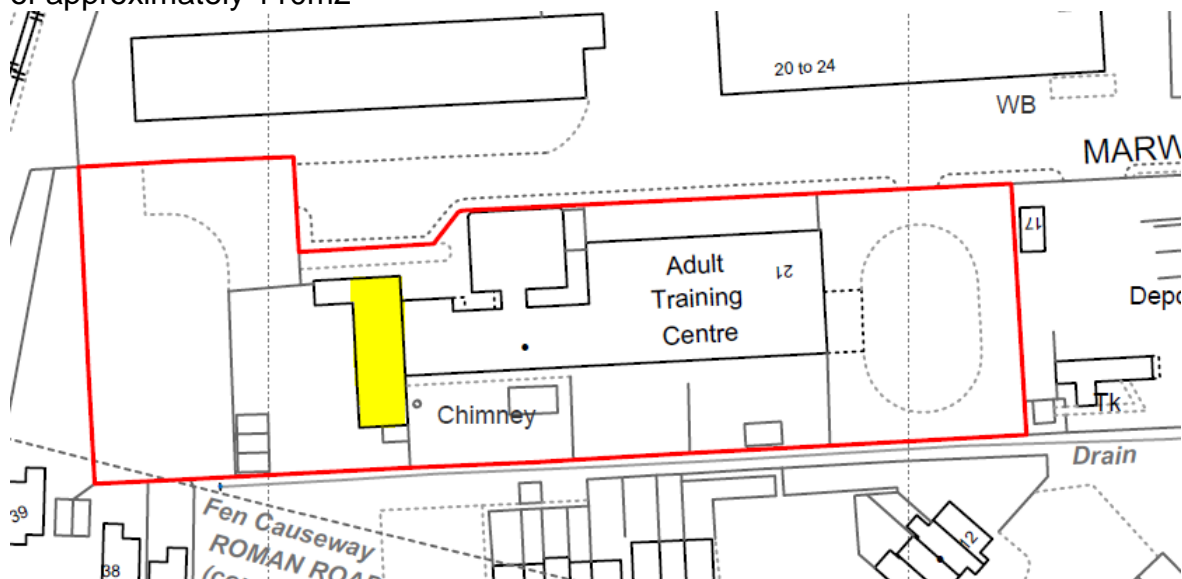
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1. BACKGROUND

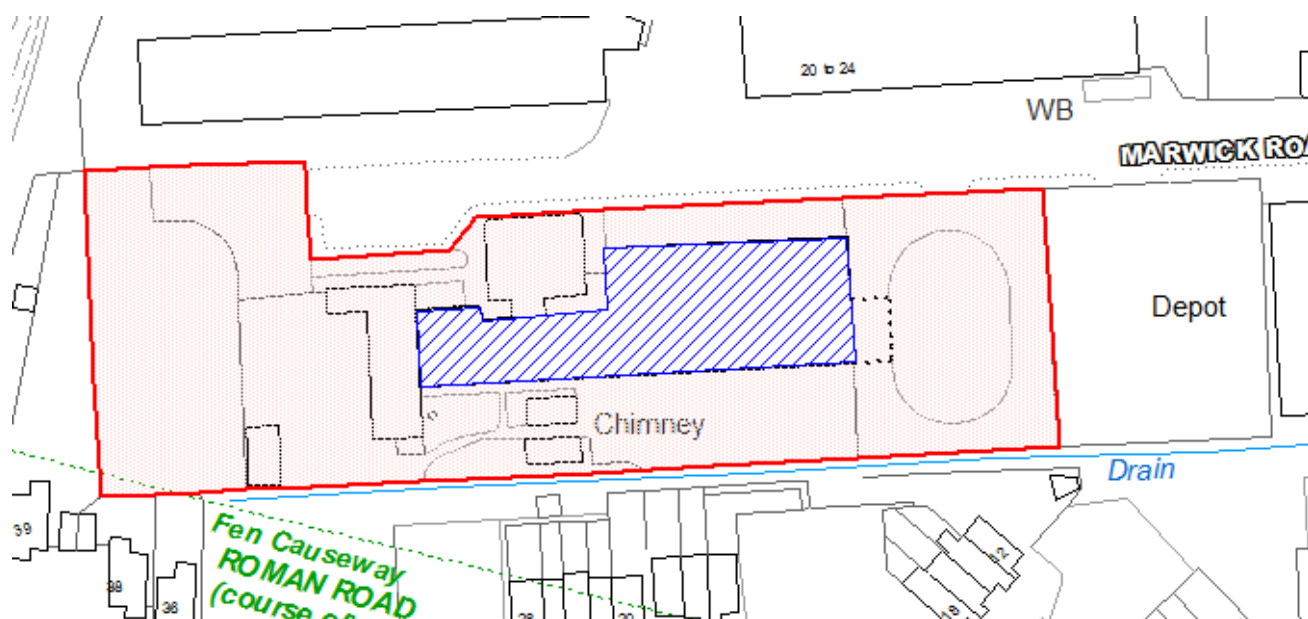
- 1.1 The Marwick Centre is a CCC freehold property currently occupied by Fenland Area Community Trust (FACET). The main building is approximately 1,350 m², providing training facilities, a sensory room, two halls and garden centre area. Prior to FACET taking occupation the 1960's part of the building which has a flat roof construction and had been in a state of disrepair.
- 1.2 FACET are a Registered Charity who provide training and day care to adults with learning disabilities within Fenland. They deliver over 31,750 training sessions per year, with circa 140 students attending each week, 69 of whom are directly funded by CCC.
- 1.3 In 2010 FACET secured some grant funding from the Social Enterprise Investment Fund (National Government source). This was conditional upon a new 25 year lease being granted and the original committee decision agreed that to agree the 25 year lease FACET needed to raise the funding necessary to improve the building. A total of £425,617 was spent on repairs, including £134,000 to replace the flat roof.
- 1.4 FACET have requested CCC's assistance in funding the additional roof repairs and have written to the Council appealing for help.

2 MAIN ISSUES

- 2.1 On 23 February 2017 the building was hit by Storm Doris the main hall roof at the western end of building lifted off causing significant damage. FACET appointed Morton & Hall Consulting Ltd, structural engineers to assess the damage and provide recommendations to them.
- 2.2 CCC's insurance team instructed loss adjusters Cunningham & Lindsay (C&L), and in discussion with Morton & Hall the insurance claim. Morton & Hall put out a tender to five contractors which East Coast Building won, the roof works were completed in 2017.
- 2.3 The roof area repaired under the original settlement is highlighted in yellow below, an area of approximately 110m²



- 2.4 The remainder of the flat roof shown hatched blue below, is still considered dangerous. There is concern that the building could be condemned if there is further deterioration or in the event of bad storm it could be lifted off.



- 2.5 A temporary fix to keep the roof secured down by strapping was carried out by East Coast, but a permanent solution is required to make the roof secure and safeguard against a similar situation occurring in the event of another bad storm. FACET wish to start works on the rest of the roof as soon as possible to make the building safe.
- 2.6 After putting out to tender two contractors provided quotes to Morton & Hall - East Coast Building quoted a budget figure of **£80,000** depending on final specification. The second quote from Wren Roofing was for **£85,000 plus VAT** but their proposal was not feasible due to the existing rubber bonded fabric being glued to the surface of the Celotex.
- 2.7 East Coast were the preferred contractor to use as they have prior knowledge and experience of working on the flat roof and its existing covering.
- 2.8 Morton & Hall and C&L have differing views regarding the cuts and slashes found in the roof rubber. A specialist report was commissioned on guidance from C&L to assess whether the damage to the rest of the flat roof and the slashes resulted from storm Doris.
- 2.9 The report proved inconclusive and recommended further investigation, C&L's loss adjuster is liaising with a further specialist in relation to the investigation required. In parallel a case against the original contractor who installed the roof in 2010 is also being pursued as the storm fell within 6 years of FACET paying the final invoice for the works. The opinion of Morton & Hall is that they did not carry out the works to the specification required, although the works were signed off by Fenland District Council at the time.
- 2.10 Therefore whilst legally FACET are responsible for the repair of the building they cannot afford the cost of this work and as time is of the essence regarding the stability of

the roof have appealed to CCC as landlord to help fund the works whilst the outstanding matters of the claim are resolved.

3 PROPOSED OPTIONS FOR CCC

- 3.1 Continue to pursue insurance claim, commission the second specialist report.
- 3.2 FACET have been provided with a quote for temporary repairs to fix the slashes in the covering and give the existing roof a more ridged and sound base. They have recommended this should be replaced by the permanent solution within 12-18months. The cost of this being **£13,670** plus VAT (**Appendix 1**).
- 3.3 Agree to assist FACET with the cost of full roof replacement pending final insurance settlement. The final quote from East Coast for the specification discussed with Morton Hall and C&L came in at **£92,934.60** plus VAT and a variation of £5,560 for roof lights and sill details. (**Appendix 2**).
- 3.4 Pursue the claim against the original roof contractor.
- 3.5 If the insurance claim for the full amount is not settled agree with FACET annual payments towards the cost of the roof over the term of the lease.

4. ALIGNMENT WITH CORPORATE PRIORITIES

4.1 Developing the local economy for the benefit of all

- FACET employ 37 staff, with 4 being the Senior Management Team.
- They have 4 charity shops in Fenland and train some of their students in retail so they may go on to work outside of FACET.
- A placement at FACET costs less than any form of supported living or residential placement that may otherwise be required.

4.2 Helping people live healthy and independent lives

- FACET provide training and day care for adults with learning disabilities.
- They provide lessons in everyday life skills such as cooking and healthy living.
- They also provide lessons and training in Maths, English, Science, IT, woodwork and horticulture

4.3 Supporting and protecting vulnerable people

- FACET provide support and training to those with disabilities and also their families and carers.
- They employ a specialist in autism
- The facilities such as the sensory room allow for a wide spectrum of learning abilities to be catered for.

4 SIGNIFICANT IMPLICATIONS

5.1 Resource Implications

The report above sets out details of significant implications.

5.2 Procurement/Contractual/Council Contract Procedure Rules Implications

5.3 Statutory, Legal and Risk Implications

5.4 Equality and Diversity Implications

The report above sets out details of significant implications.

5.5 Engagement and Communications Implications

There are no significant implications within this category.

5.6 Localism and Local Member Involvement

Councillor Count commented *“that this is a building occupied by vulnerable individuals on a daily basis. I don’t know the condition but I ask that you consider whether you can make a favourable decision in consultation with the chair (or declare the building unsafe until insurers repair) under delegated powers and then C & I can debate the degree with which to pursue cost recovery from insurers or FACET”*.

5.7 Public Health Implications

The report above sets out details of significant implications in 4.2, 4.3

Implications	Officer Clearance
Have the resource implications been cleared by Finance?	Yes or No Name of Financial Officer: Chris Malyon
Have the procurement/contractual/ Council Contract Procedure Rules implications been cleared by the LGSS Head of Procurement?	Yes Name of Officer: Paul White
Has the impact on statutory, legal and risk implications been cleared by LGSS Law?	Yes or No Name of Legal Officer: Helen Penny
Have the equality and diversity implications been cleared by your Service Contact?	Yes or No Name of Officer: John Macmillan

Have any engagement and communication implications been cleared by Communications?	Yes or No Name of Officer:
Have any localism and Local Member involvement issues been cleared by your Service Contact?	Yes or No Councillor French and Councillor Count have been consulted and Councillor Count is supportive of FACET and CCC providing assistance.
Have any Public Health implications been cleared by Public Health	Yes or No Name of Officer: Tess Campbell

Source Documents	Location
Appendices 1 + 2	Attached