

UNIT 8 HARDLEY INDUSTRIAL ESTATE DEMOLITION – REQUEST FOR SUPPLEMENTARY BUDGET APPROVAL

1. INTRODUCTION

- 1.1. New Forest District Council owns the freehold of Hardley Industrial Estate, Hardley. All units are leased to third parties with the exception of Unit 8, for which full control rests with the Council. This reports sets out the current position with Unit 8 and seeks authorisation to demolish the redundant buildings currently on site.

2. BACKGROUND

- 2.1. The estate as a whole was leased out and developed in the mid to late 1970's. Unit 8 was originally leased to Racal Vodafone and subsequently leased by a number of parties. Since 2004 the unit has been leased to various property investment companies, but has remained vacant. In 2011 the last tenant went into liquidation and, following lengthy negotiations, the Council recovered direct possession of the premises in 2013. This resulted in the Council receiving £140,000 in relation to outstanding rental.
- 2.2. A Working Group chaired by the Executive Director, with senior officer support and Member representation through Cllr C Wise, Cllr M Harris and Cllr B Wappet, have been developing options for the site. However further progress is now subject to demolishing the old buildings on site.

3. BUILDING CONDITION

- 3.1. The buildings on the site were constructed in the late 1970's and are built mainly of multi-bay, steel frame, under a pitched asbestos roof. The buildings are not built to current standards for modern occupation and could therefore to some degree be described as obsolete. They are also of a size and dimensions that far exceed any current requirements for the site. In addition, at the time the premises were returned to the Council, the buildings were in a very poor condition. All the fixtures and fittings had been removed and the buildings were left as a bare shell.

4. SITE POTENTIAL

- 4.1. The site has been informally marketed in recent months and limited interest has been expressed for the buildings in the current dilapidated state. The majority of interest has been for a clean site and retaining the buildings on site adds little or no value. In light of the above, the condition of the premises and the potential risk of retaining the abandoned and disused buildings on site, it is considered the most appropriate action would be to demolish the existing structures.

5. DEMOLITION

- 5.1. Tenders have been obtained for the demolition of the existing structures and removal of foundations and floor slab. A good response was received to the tender process with the lowest tender being £142,895. This tender is particularly advantageous as the tenderer has been able to factor in recycling of the steelwork, an allowance only available within a short window of opportunity.
- 5.2. The tender price has been based on a reasonable assessment of the structure, however there is a chance of discovering unknown items once demolition commences and it would be prudent to allow an additional 15% contingency element to the budget to cater for such eventualities.

6. FINANCIAL IMPLICATIONS

- 6.1. There is currently no budgetary provision for the cost of the demolition. The Cabinet is there requested to approve a supplementary funding request for £165,000 to cover the demolition cost.

7. CRIME AND DISORDER IMPLICATIONS

- 7.1. There are no direct Crime and Disorder implications arising as a consequence of this report, however any disused building of this nature has the potential to attract antisocial behaviour. The demolition of the building would aid in minimising this risk.

8. ENVIRONMENTAL IMPLICATIONS

- 8.1. There are no direct environmental implications arising from this report. However, the contract for demolition will ensure that wherever possible materials from the demolition are treated in a sustainable manner.

9. EQUALITY AND DIVERSITY IMPLICATIONS

- 9.1. There are no equality or diversity implications arising out of this report.

10. PORTFOLIO HOLDERS COMMENTS

- 10.1. The Portfolio Holder for Finance and Efficiency supports the recommendation contained in this report.

11. CONCLUSION

- 11.1. The current buildings on Unit 8 Hardley are out of date, in are in a poor state of repair and pose a potential risk if retained. Further, the buildings are generally considered to be of no or very little value and any significant interest in the site has been expressed for a vacant site.

12. RECOMMENDATION

- 12.1. It is recommended that Cabinet approves a Supplementary Budget Request for £165,000 for the cost of the demolition of Unit 8 Hardley Industrial Estate.

For further information contact

Estate management and Valuation matters

Andy Groom
Estates and Valuations Manager
New Forest District Council
Tel: Internal 4444 / External 023 8028 5588
andy.groom@nfdc.gov.uk

Demolition and Contract matters

Richard Brennan
Building Surveyor
Property Services Surveying and Technical
Tel: Internal: 4444 / External: 023 8028 5588
richard.brennan@nfdc.gov.uk

Background Papers:

None