

Extract from the minutes of the meeting of the

*Strategic Policy and Resources Committee,
Friday, 21st October, 2011*

Former Grove Leisure Centre

The Committee considered the undernoted report:

“1.0 Relevant Background Information

- 1.1** *The issue of the former Grove Leisure Centre was raised at the September Committee and an update report was requested.*
- 1.2** *The former Grove Leisure Centre currently sits within the Councils Corporate Landbank, held by the Strategic Policy & Resources Committee & managed by the Property & Projects Department, pending future use options being considered by Committee. The site extends to approximately 1.27 acres; a location map is enclosed at Appendix 1.*
- 1.3** *Demolition of the building had previously been proposed for inclusion in the Capital Programme with a budget estimate of £500k but it is currently sitting as an uncommitted proposal, pending a decision on funding availability. Demolition had not therefore progressed due to there being no identified funding and also on the basis of previous planning advice which had indicated that from a highway perspective there could be advantages in the building remaining in place prior to submission of a planning application. This was because the associated traffic with the previous use could potentially be factored into a planning application, whereas a cleared site might mean that ‘nil-use’ could be deemed for the site and no discount could be applied for ‘committed/previous’ trip in any Transport Assessment. This has been the position taken in respect of Maysfield for example, which has additional planning issues in relation to the adjacent apartment block, based on the advice of planning consultants. However, more recent advice from the planning consultants has indicated that this is not as relevant in the case of the former Grove Leisure Centre site which will entail a much smaller scale of development*
- 1.4** *It is expected that the demolition and associated works could be undertaken within the provisional budget estimate of £500,000, although this is subject to a detailed invasive (in that the fabric of the building will need to be opened up) survey of the building to identify issues, such as asbestos, which would need to be removed by specialist contractors.*
- 1.5** *The Director of Finance & Resources has confirmed that funding could now be made available for demolition of the building should Members wish to proceed from revenue contributions to non loan funded capital schemes on the Committed Capital Programme. It is worth noting that the cost of demolition would inevitably have to be borne by the Council either as a direct cost now or by way of a reduced financial return for the site in the event of it being disposed as any purchaser or developer would factor the cost of demolition into any offer they would make.*

- 1.6** *Members may wish to note that the total initial cost of securing the building, blocking of doors, windows and skylights and fencing off pool areas etc; retaining essential services (electricity, intruder and fire alarms); removal of contaminated water, chemicals, heating oil, de-gassing of fuel tank & cleaning contaminated areas was £34,000. The costs from November 2008 to date of insuring the building; keeping it alarmed; key holding and call out services and intermittent maintenance required has been approximately £21,250.*
- 1.7** *In terms of future disposal and/or development options for the site Members may wish to note that a planning appraisal & site contamination report have recently been undertaken in order to assess future use options and any potential constraints. The planning assessment identified that a range of development mixes could be delivered on the site, potentially incorporating a range of commercial & community uses such as serviced office accommodation, related to local enterprise/social economy uses, or retail, restaurant or entertainment uses with residential development on upper floors. It also indicated that the site is suitable for a higher density residential led mixed use development. NIHE have, however, confirmed that the site is not located in an area of identified social housing need. The planning consultants had also commented that the former Grove Primary & Nursery School site could be suitable for complementary development.*
- 1.8** *Members may also be aware that a report was undertaken in 2009 by Colin Stutt Consulting on behalf of the Council to assess business accommodation and business incubation in Belfast. This study was one of the actions identified in the Council's Local Economic Development Plan 2006 – 2010. A number of conclusions & recommendations were made in this report regarding the Council's role in relation to business accommodation & incubation provision & potential proposals for a new business centre. The report had considered the availability of business incubation space and the role of the Local Enterprise Agencies in Belfast. One of the recommendations was that the Council may want to consider developing proposals for one or more sectorally focused business development centres in areas of the city requiring regeneration. Given that the work on the report was carried out in June 2009 which considered the economic climate and demand at that time, it is considered that there would be merit in getting an update on this needs analysis and there could be a focus on this location in North Belfast, with a view to potential consideration of the former Grove Leisure Centre site as a location for a business development centre or a social economy project.*
- 1.9** *Members may also wish to note that North City Business Park, a local enterprise agency, are considering expansion of their current social economy business park (located at Duncairn Gardens) and potential development of an additional site. Whilst their proposals are still at a relatively early stage and they are considering various sites, they have however indicated an interest in this particular location. Given the current property slump there is likely to be limited demand generally for development sites such as the Grove*

site and whilst there has been this potential interest by North City Business Park it is only an initial expression of interest and equally

there may potentially be other interest in the market. North City Business Park are aware of the Council's procurement & legislative requirements in terms of any disposal; and any recommendations that will subsequently be brought to Committee in relation to disposal or development will be in accordance with those requirements. Disposal by way of a Development Brief may possibly be one option but a more detailed report will be brought back to Committee in the near future with proposals on the way forward.

1.10 Members may also be aware that Grove Primary & Nursery Schools, located opposite the Grove former leisure centre site are now closed and have been earmarked for disposal. There may, therefore, be scope for joint consideration of disposal/development options of both sites and an initial preliminary discussion has taken place with BELB on this potential.

2.0 Key Issues

2.1 Demolition of the building had previously been proposed for inclusion in the Capital Programme but it is currently sitting as an uncommitted proposal, pending a decision on funding availability. Demolition was not therefore progressed due there being no identified funding and also on the basis of previous planning advice in relation to the effect demolition might have on any future planning applications.

2.2 The cost of demolition would ultimately be borne by the Council either as a direct cost now or by way of a reduced financial return on disposal of the site if purchaser/developer were to undertake demolition.

2.3 A previous report commissioned by the Council back in 2009 on business accommodation & incubation space in Belfast recommended that the Council consider developing proposals for a business development centre in areas of the city requiring regeneration. In order to inform the future use options for the subject site and following on from this 2009 report, it is recommended that an updated needs analysis is undertaken, which could focus on this particular location, with a view to potential consideration of the former Grove Leisure Centre site as a location for a business development centre or a social economy project. In addition, the terms of reference for the business case (as detailed above) that is being taken forward for a digital hub could include consideration of specific locations including the subject site.

2.4 It is also recommended that officers take forward discussions with BELB regarding any scope for joint consideration of disposal/development options for both the Council's site and the adjacent former schools site.

2.5 It is proposed that a future report will be brought back to Committee in the near future with proposals for future use options based upon the updated market analysis on business accommodation; as well as property demand generally; the business case findings in relation to a potential digital hub; the discussions with BELB, and any potential funding opportunities.

3.0 Resource Implications

Finance

- 3.1 *A provisional estimate of £500,000 for demolition was shown in the uncommitted capital programme. It is expected that the demolition and associated works could be undertaken within this budget estimate cost of £500,000, although this is subject to a detailed invasive survey of the building to identify issues, such as asbestos, which would need to be removed by specialist contractors.*
- 3.2 *This cost will be offset in part by the ongoing costs of insuring & maintaining the existing building. Any financial return on disposal of the site will reflect that the developer /purchaser does not have to undertake demolition of the building.*

Human Resources

- 3.3 *Staff resource, primarily from Property & Projects in progressing demolition & future use/ disposal options.*

Asset & Other Implications

- 3.4 *Demolition of the building should diminish health & safety risks associated with an old vacant building, as well as improving the area from an aesthetic perspective. Consideration of future use disposal and/or development options should have economic, regenerative & financial benefits.*

4.0 Equality and Good Relations Considerations

- 4.1 *None at this time.*

5.0 Recommendations

Members are asked to recommend:

- 5.1 *To progress with the demolition of the building and proceed with the invitation of tenders for the demolition works and the award of contract to the most economically advantageous offer received.*
- 5.2 *In order to inform future use options for this site that an updated report be undertaken on a needs analysis for business accommodation and incubation space in Belfast, which would also focus on this particular location.*
- 5.3 *Officers take forward discussions with BELB regarding any scope for joint consideration of disposal/development options for both the subject site and the adjacent former schools site.*
- 5.4 *A report will be brought back to Committee in the near future with proposals for future use options for the site based on the foregoing.*

6.0 Decision Tracking

- 6.1 *The Director of Property & Projects to progress the above within 4 months.”*

After discussion, the Committee adopted the recommendation and noted that the report in relation to future options would be submitted to the Committee after consultation with the locally elected representatives. The Committee agreed also that a report on the costs associated with maintaining the former Maysfield Leisure Centre be submitted for consideration.