

REPORT TO:	Executive Board
REPORT NO:	HHE/55/18
DATE:	8 January 2019
REPORTING OFFICER:	Councillor Mark Pritchard (Organisation – Finance, Performance, Health & Safety and Governance)
CONTACT OFFICER:	Nick Adamson (6671)
SUBJECT:	Erlas

1 PURPOSE OF THE REPORT

Members to consider the recommendations of the Joint Members and Officers Corporate Land and Buildings Strategy Working Group for the future of Erlas House and the adjacent site.

2 EXECUTIVE SUMMARY

- 2.1. The Office Accommodation Strategy was agreed at Executive Board on the 1 November 2011 (Report Ref. LR/30/11). The proposals contained within it outlined a more efficient use of our town centre office accommodation and with that, the identification of Erlas for potential disposal.
- 2.2 Erlas lies within land east of Cefn Road that has been allocated as a key strategic site (KKS2) in the deposit LDP to deliver 1680 new homes, 1580 of which may be delivered, over the plan period.
- 2.3 The building has been empty since November 2015 and in preparing the site for either sale or demolition, Marches Ecology was commissioned by the Council in 2015 to undertake a background data search and ecology surveys of land at Erlas House. The surveys are now deemed to be out of date. Therefore the surveys will be required to be undertaken again. This may have an impact on the timescales to deliver any recommendations and may involve costs associated with mitigation solutions.
- 2.4 A revised timeline for Ecological Survey has been produced, (copy attached for reference in Appendix 1), that illustrates the period for surveys and ecological licence and mitigation work that will enable a proposed demolition date of circa September 2020.

- 2.5 CADW inspected the site, including the walled garden on 3 July 2018 and has confirmed that it does not intend to list Erlas and its grounds including the walled garden. Copy of response attached in Appendix 2.
- 2.6 It is proposed to demolish any redundant buildings on the site and retain the land, within the existing Education Department portfolio, for future determination, in accordance with the Council's Corporate Land and Buildings Policy and Procedures.
- 2.7 A report was presented to the Joint Member and Officer Corporate Land and Buildings Strategy Working Group on 5 December 2018 (LR/09/18).

3 RECOMMENDATIONS

That Members:

- (i) authorise the Head of Housing and Economy to carry out relevant ecological surveys and implement mitigation measures required to enable the demolition of Erlas House, as marked 1 on Appendix 3 together with the derelict semi-detached cottages as marked 2;**
- (ii) subject to the outcome of the Adult Social Care Work Opportunities review authorise the Head of Housing and Economy in consultation with the relevant Lead Member(s) to determine whether or not to demolish the Principal's House and associated structures as marked 3 on Appendix 3;**
- (iii) confirm that the site edged red on Appendix 3 is retained for future use to be determined by the Executive Board in accordance with the Council's Corporate Land and Buildings Policy and Procedures.**

REASONS FOR RECOMMENDATIONS

A release strategy for assets will enable more effective use of office accommodation and reduce annual costs whilst also offering the potential for either seeking a capital receipt or reusing the site in the future.

4. BACKGROUND INFORMATION

- 4.1 The Office Accommodation Strategy was agreed at Executive Board on the 1 November 2011 (Report Ref. LR/30/11). The proposals contained within it outlined a more efficient use of our town centre office accommodation and with that, the identification of Erlas for potential disposal.
- 4.2 Land to the north and south of Erlas has been allocated as a key strategic site (KKS2) in the deposit LDP to deliver 1680 new homes, 1580 of which will be delivered over the plan period.
- 4.3 The land at Erlas is included within KKS2 and has the potential to be included as part of any potential urban extension and as such the site is centrally located within the wider allocation.

- 4.4 The site is currently occupied by the Erlas Victorian Walled Garden, by way of a lease until 9 September 2027, as marked edged blue, with accesses marked in brown and yellow on Appendix 3, together with Adult Social Care Department which operates on land between the walled garden and Erlas House.
- 4.5 The Council has the opportunity to work with the Erlas Victorian Walled Garden in relation to its future aspirations and to accommodate the outcomes of the Adult Social Care Work Opportunities Review.
- 4.6 The Council is incurring ongoing costs in relation to ensuring that the building remains secure. These costs are being met from the education budget.
- 4.7 A Tree Preservation Order was served on the site on 26 July 2017 and made permanent on 15 December 2017. The trees affected cover the main green area and frontage to Bryn Estyn Road. Such TPO's will need to be taken into account for any future use of the site.
- 4.8 A report was presented to the Joint Member and Officer Corporate Land and Buildings and Strategy Working Group which supported the principle to demolish the redundant buildings on the Erlas site, (as edged red on the plan in Appendix 3) , including Erlas House, the derelict semi-detached cottages (as marked 1 and 2 respectively on the plan in Appendix 3) and subject to the outcome of the Adult Social Care Work Opportunities Review, the potential inclusion of the Principals House with associated structures (as marked 3 on the plan in Appendix 3). The site would then be retained for future determination in order to reduce the Council's liability for the site whilst awaiting the outcome of the LDP and the wider KKS2 allocation site, of which Erlas forms part.
- 4.9 An independent valuation may be required to assist in any future appraisal for the use of the site.
- 4.10 CADW inspected the site, including the walled garden on 3 July 2018 and has confirmed that it does not intend to list Erlas and grounds that includes the walled garden. Copy of response attached in Appendix 2.

Ecology

- 4.11 The building has been empty since November 2015 and in preparing the site for either sale or demolition, a range of ecological mitigation activities were undertaken in 2015. Future ecological works will also be required should demolition be the preferred option.
- 4.12 In terms of ecology affecting the site, Marches Ecology was commissioned by the Council to undertake a background data search and ecology surveys of land at Erlas House. The surveys were required to inform options for future decisions for the site and were completed in 2015 and are now deemed to be out of date. Therefore the surveys will be required to be undertaken again. This may have an impact on the timescales to deliver any recommendations and may involve costs associated with mitigation solutions.

- 4.13 Where bat/s or a roost or place rest/shelter will be affected by work at the three buildings then a Welsh Assembly Development Licence will be required to legally commence with such work. As part of the licence application suitable and adequate mitigation will be required for all species concerned. No work should be undertaken until such time that a Welsh Assembly Development Licence has been applied for and granted to allow any work to proceed.
- 4.14 Due the uncertainty about the site the production of mitigation measures cannot be formulated at this stage but basically a “stand alone” roost will be required and designed in such a way that it can accommodate the species and numbers that were located during the emergence/re-entry surveys and located in an area that will be productive for bats relative to foraging/commuting, prior to demolition works commencing.
- 4.15 A revised indicative timeline for Ecological Survey has been produced, copy attached for reference in Appendix 1, that illustrates the period for surveys and ecological licence and mitigation work that will enable a proposed demolition date of circa September 2020.

5. IMPLICATIONS

- 5.1 **Policy Framework** – This proposed way forward has been carried out in light of the decision taken to no longer use Erlas for office accommodation. This initial decision was agreed in the Office Accommodation Review paper at Executive Board on the 1 November 2011 (Report Ref. LR/30/11).

This recommendation supports the following aims within the Council Plan:

(i) PI3: Communities with sustainable, attractive settlements, neighbourhoods, buildings and spaces, have identified sufficient land to support the housing, business and retail needs of the County Borough whilst protecting our built and natural heritage. Deliver the Local Development Plan.

- 5.2 **Budget** – The revenue savings associated with Erlas House were identified as part of the reshaping services agenda in 2015/16. The revenue savings were associated with the overall running costs of the building made up of building repairs and maintenance, energy and rates, Security, building cleaning and waste removal. A budget was identified for valuation advice and further budget is required for Ecological survey requirements and associated works.

The projected expenditure on the Former Erlas Centre for the 2018/2019 Financial Year is £36,000. This is made up of £29,000 in Business Rates, £2,200 in Security Costs & £4,800 on utilities and premises costs, which are currently paid out of the Education budget.

- 5.3 **Legal** – Procurement of external agents to conduct the valuation exercise has been conducted in accordance with the Council’s financial regulations and the relevant statutory requirements. Legal input may be required in due course with regards to an existing lease to the Erlas Victorian Walled Garden.

- 5.4 **Staffing** – There are no detailed or identified staffing implications related to this report, subject to the outcome of the Adult Social Care Work Opportunities review. This report outlines a proposal for the future of Erlas. All education staff previously located in the main building of the site have been provided with a new work location ranging from School locations to town centre office locations. All staff were consulted with during the re-location process.
- 5.5 **Equality/Human Rights** – An Equality Impact Assessment has been carried out for the overall Office Accommodation Review and also specifically for the Erlas proposals. The reference number is FIN/EIA00066/2016 and a summary of the document can be found below.
- 5.6 **Risks** – A project risk assessment has been created and updated to reflect the work of the Office Accommodation Review and the decision to decant and vacate Erlas. A separate Risk Assessment for this specific project has been undertaken and will be updated again following this meeting to reflect the decisions made.

6. CONSULTATION

- 6.1 Stakeholders with a vested interest in the site have been consulted with along with officers from the Education Department who have declared the Erlas buildings surplus to their requirements, whilst retaining an interest in the land. Further consultation with the Education Department will be required as to the future determination of the site. The additional stakeholders include an independent charity restoring the Victorian Walled Garden and Adult Social Care who occupy the Principal's House and garden area for job opportunities.
- 6.2 Other external stakeholders have been considered and consulted with including Police Officers working on Operation Pallial. A communications strategy is in place for direct links to those affected by the police operation. First Choice Housing and the Armed Forces Rehabilitation Centre use the access and egress to the site to access their premises. Pending the outcome of demolition and securing the site First Choice Housing will need to be consulted with as part of the process to manage their access arrangements.

7. SCRUTINY COMMITTEE COMMENTS

- 7.1 The overall Office Accommodation Review has been presented to the relevant Scrutiny Committee.

BACKGROUND PAPERS	LOCATION	WEBSITE INFO.
LR0715 – Erlas LR/30/11 - Office Accommodation Review – Strategy, Timescales and Cost Model		

Summary Of Updated Erlas EIA (OAR)

Please note, this is a summary of the assessment. Refer to the full text.

Department: Finance
Department Reference: FIN/EIA00066/2016
Responsible Officer: Mark Owen
Job Title: Head of Finance
Completed Date:

Positive Impacts	
Impact	Description
Disability	Building is not DDA compliant. New locations for affected staff will be DDA compliant. Ongoing agreement between the ASC Garden Project and the EVWG will ensure services for client groups are maintained and improved on site. Also, with the potential for improved collaborative working.
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