

FRESHNEY PLACE CABINET SUBCOMITTEE

DATE	16 th July 2025
REPORT OF	Councillor Philip Jackson, Leader of the Council and Portfolio Holder for Economy, Regeneration, Devolution and Skills
RESPONSIBLE OFFICER	Sharon Wroot Interim Chief Executive and Executive Director Place and Resources
SUBJECT	Reinforced Autoclaved Aerated Concrete
STATUS	Open Report
	Appendix NOT FOR PUBLICATION Exempt information within paragraph 3 of Schedule 12A to the Local Government Act 1972 (as amended)
FORWARD PLAN REF NO.	CBSC 07/25/02

CONTRIBUTION TO OUR AIMS

Taking a proactive approach to the management and maintenance of Freshney Place supports the Council's key objectives of Stronger Economy and Stronger Communities by ensuring the asset remains fit for purpose and supports the vitality of the town centre.

EXECUTIVE SUMMARY

This report provides further information on the potential approaches to dealing with the Reinforced Autoclaved Aerated Concrete. One method involves complete removal and the other involves the introduction of steel supports. Design work is expected to conclude Autumn 2025 with contract mobilisation through to Spring 2026 and with an anticipated two year works period, subject to contractor programme.

RECOMMENDATIONS

It is recommended that Cabinet:

1. Approves the commencement of design works and subsequent tender and, subject to the tender being within the overall anticipated costs referenced, delegates authority to the Interim Chief Executive and Executive Director Place and Resources, through the Interim S151 Officer and Assistant Directors for Law and Governance and Regeneration, in consultation with the Leader of the Council, to approve the appointment of a contractor and thereafter mobilise and implement and take all reasonably ancillary actions arising.
2. Authorises the Assistant Director Law and Governance to execute arising documentation.

REASONS FOR DECISION

The decision will ensure a pro-active approach to the maintenance of Freshney Place.

1. BACKGROUND

- 1.1 Following approval at Cabinet and Full Council, the acquisition of Freshney Place was completed on 4th August 2022.
- 1.2 The Freshney Place Business Plan 2025 was considered by Economy Scrutiny on 23 January 2025 and approved by Freshney Place Sub-Committee on 12 February 2025. The Business Plan included the inclusion of Reinforced Autoclaved Aerated Concrete (RAAC) as a capital project requiring commencement within 12-24 month. The document also referenced anticipated expenditure of £6.06m as included within the wider financial information received by Cabinet / Full Council as part of the Freshney Place Leisure Scheme report in December 2024.
- 1.3 The Council's Asset Manager, Queensberry, have been working with Black Cat Building Consultancy (BC) on the likely solutions, programme and cost for the works and updated advice was provided by BC in May of this year.
- 1.4 Two remediation options are suggested being full replacement and the other involving permanent steel supports. Subject to detailed design, the advice is that full replacement is preferable as it removes any further potential issues associated with the RAAC.
- 1.5 Subject to approval, the programme would see detailed design work completed Summer – Autumn 2025, tender Winter 2025/26, mobilisation Spring 2026 with works scheduled for completion Winter 2027. Please note this is a high-level programme and will be further informed by both detailed design and also, the successful contractors programme.

2. NEXT STEPS

Should the recommendations in this report be approved, detailed design work will be completed, works tendered and subject to being within budget, a works contract let. Communications would also be managed with relevant tenants.

3. RISKS, OPPORTUNITES AND EQUALITY ISSUES

- 3.1 The RAAC within Freshney Place has already had temporary propping installed to mitigate against the risk of failure, rare as it may be.
- 3.2 The opportunity is to exercise proper management and maintenance of the asset to ensure the longer-term condition of the centre.
- 3.3 Works will be undertaken to minimise any impacts on staff within the centre, including providing access to temporary welfare facilities of these are impact by works.

4. OTHER OPTIONS CONSIDERED

The Council could decide not to progress with the project. However, whilst issues are rare, as has been seen nationally, RAAC can fail and it is important to deal with this matter to discharge health and safety requirements and ensure the viability of the centre.

5. REPUTATION AND COMMUNICATIONS CONSIDERATIONS

- 5.1 The works have been referred to previously and have been included in long-term cashflow projections for Freshney Place. The main challenge would be not undertaking the works which could lead to challenges from tenants.
- 5.2 Naturally, there will be appropriate communications with tenants at the appropriate time.

6. FINANCIAL CONSIDERATIONS

- 6.1 At this time, the advice from independent experts is that the works are anticipated to be inline with the projection of £6.06m.
- 6.2 The Council's retained Asset Manager will seek to recover a proportion of the works under the service charge provision within the respective leases as referred to in the closed appendix.

7. CHILDREN AND YOUNG PEOPLE IMPLICATIONS

The works will not have any implications.

8. CLIMATE CHANGE AND ENVIRONMENTAL IMPLICATIONS

The works will apply with building regulations but otherwise will have limited implications.

9. CONSULTATION WITH SCRUTINY

Scrutiny considered the Freshney Place Business Plan on 23 January 2025.

10. FINANCIAL IMPLICATIONS

As detailed above, the advice from independent experts is that the works are anticipated to cost in the region of £6m. The works would be funded through external borrowing. Capital financing costs will be met in part through additional service charge income.

11. LEGAL IMPLICATIONS

- 11.1 The tender exercise will be conducted so as to comply with the Council's policy and legal obligations, specifically in compliance with the Council's Contract Procedure Rules and the Procurement Act 2023, and supported by relevant officers.

11.2 The delegations sought are consistent with an exercise of this nature.

12. HUMAN RESOURCES IMPLICATIONS

There are no human resource implications for the Council arising from the report.

13. WARD IMPLICATIONS

Freshney Place is located in the West Marsh ward.

14. BACKGROUND PAPERS

The background papers are listed below:

- Town Centre Acquisition Cabinet report 30 November 2023
- Freshney Place Leisure Scheme Cabinet Report – 11th December 2024 (<https://www.nelincs.gov.uk/assets/uploads/2024/06/7.-Freshney-Place-Leisure-Scheme-Cabinet-Report.pdf>)
- Freshney Place Business Plan and Report Freshney Place Cabinet Sub Committee 12 February 2025

15. CONTACT OFFICER(S)

Damien Jaines-White, Assistant Director Regeneration
Simon Jones, Assistant Director Law and Governance (Monitoring Officer)
Guy Lonsdale, Assistant Director Finance (Interim 151 Officer)

COUNCILLOR PHILIP JACKSON
LEADER OF THE COUNCIL AND
PORTFOLIO HOLDER FOR ECONOMY, REGENERATION,
DEVOLUTION AND SKILLS

APPENDIX 1