



ALEXANDRA PARK AND PALACE CHARITABLE TRUST BOARD
14th January 2019

Report Title: Fabric Maintenance Annual Update

Report of: Neil Coe (Buildings Manager), presented by Emma Dagnes (Deputy CEO)

Purpose: This cover report summarises the annual review of the Fabric Maintenance Plan and seeks the Board's approval to proceed with the recommended priorities.

Local Government (Access to Information) Act 1985 N/A

1. Recommendations

- 1.1 to note progress made in 2019/20 despite the challenges of the very limited budget, increasing number of severe weather events placing additional pressure on the assets.
- 1.2 to approve adjustments to priorities presented during the meeting.

2. Background

- 2.1 Further to the preparation of the 10-year Fabric Maintenance Plan by the Surveyor to the Fabric, Purcell, in 2014 an update has been undertaken and the priorities for Year 6 2019/20 are proposed within Appendix 1.
- 2.2 Over 10 years the plan identified that the Trust needed to spend £14.7m on the building fabric repairs, services repair/renewals, and improved roof access. This covered maintaining and repairing the existing elements, rather than wholesale enhancements which would be covered by major projects. The Trust's capital budget and project funds do not cover all of the scheduled works.
- 2.3 The services elements (electrics, fire systems etc.) on the Theatre, East Court and BBC Studios were excluded from the FMP, as complete redesign and renewal was envisaged under the East Wing Restoration Project (EWRP). Similarly, the services installed in the new West Yard Building post-date the original FMP.
- 2.4 Overall progress to date on the 10-year Fabric Maintenance Plan is:
Fabric items 25.4% (actual against target of 62.6% for end of Year 5)
Services items 51.2% (actual against target of 59.8% for end of Year 5)
- 2.5 The requirements (not actual funds available) break down as:
Building Fabric Repairs 18.5% of £11,850,200
Services Repair/Renewal 44% of £2,569,400
Roof Access Installations 1% of £279,800

- 2.6 Year 5 continued to focus on Health and Safety and making the building weather-tight, and has been predominately successful, although there has been significant deterioration to the East Court and Palm Court glazed domes and atriums. Additional resources have been reallocated to comprehensively survey and repair persistent and new leaks and renew potentially dangerous cracked glazing.
- 2.7 The fabric repairs within the FMP for the Theatre and East Court and associated spaces fell primarily into Year 4 with the residual works in Year 5, and is reflected in the actual to date. Additional works outside of the scope of the project, such as the propping of the Theatre stage, have been carried out in Year 6 from the Capital Budget.
- 2.8 Further deferral of the TV studios restoration (as originally part of the East Wing Restoration Project) will delay the progress of the FMP scheduled fabric repair and services renewal in these areas into Year 7 and beyond.
- 2.9 Installing safe access to all roof areas was a priority for Years 5 and 6, with some permanent roof access installations incorporated in the East Wing Restoration Project and West Yard Project in Year 4, and started to the Great Hall. Progress on other roofs has not been possible due to other H&S and operational priorities.
- 2.10 The condition of the East Court and Palm Court glazing, gutters and leadwork has continued to deteriorate, with full abseil access now gained to both domes and all atriums. We introduced a bi-annual glazing service in Year 6 and the aspiration is to bring the East Court and Palm Court back into reasonable and serviceable condition within 1.5 to 2 years, with priority repairs already carried out in Year 6 and extensive repairs and overhauls planned for April and August 2020, and April 2021.
- 2.11 The bi-monthly periodic inspections continue to the external elevations, due to lack of funds for conservation works, and are proving essential although the condition has stabilized over the last 4 months. We have had a particularly wet year and this may impact on the condition and safety of the external fabric over the winter and spring. The concerns regarding the South West Tower decorative rendered features has lessened and the conservation works deferred to over two financial years and into the better weather conditions.
- 2.12 Significant progress has been made on the renewal of services, with priority on Life Safety installations, including fire alarm network, smoke vent control panels, and central battery systems for the emergency lighting.
- 2.13 Good progress has also been made on the renewal of Operational services installations, such as the Great Hall Goods Lift and Passenger Lift. It was also essential to renew the Great Hall loading bay shutter, which after 40 years of service and damage could not be repaired, the Capital Budget was reallocated to fund this essential item which has Life Safety and Licensing requirements.
- 2.14 The FMP is split into 13 building sectors and the condition of each element has been reassessed to compare between the original survey of 2014 and that of late 2019, and are classed as 'Poor', 'Fair' and 'Good'.

The priority ratings for each work package has also been adjusted to suit the current condition and operational requirements, and are relisted under:

- A = Within 12 months,
- B = Within 36 months,
- C = Within 5 Years, and
- D = Desirable – Within 10 Years.

- 2.14 We presently have capital and project budget allocations to carry out the Priority A items only during Year 6. All of the Priority B, C and D items will need to be deferred into Year 7 and beyond; this includes approximately £4.9 million Building Fabric/Roof Access items and £220,000 Services Infrastructure items.
- 2.15 The proposed deferral of these Priority B & C items (and some Priority A items) will have an impact on the presentation of the building, such as the internal decorations to the Great Hall, West Hall and Ice Rink, and brick and render repair to the South Terrace/Traitor's Gate and low level to the BBC colonnades, and on the completion of the renewal of Critical services items.
- 2.16 The installation of a bespoke fire alarm system to the Great Hall, at £90,000 was considered a Priority A last year and kept as a reserve item. The system is functional but difficult to maintain, and further design work is required to find a system that will fully meet the operational requirements of this multi-purpose space. This is not an exhaustive list; other reserve items include: remainder of central battery system for emergency lighting (6no. at £15,000 each) and drainage channel repairs/levelling to South Terrace at £26,000.

3. Risks

- 3.1 Due to lack of resources the Trust continues to spend below the recommended amount to bring the fabric and services into good condition within the 10-year plan and the general condition has only improved slightly in certain areas.
- 3.2 The completion of the East Wing Restoration Project and imminent completion of the West Yard Project have significantly improved the condition of the East Wing of the Palace and the safety and stability of the North wall and NW Tower.
- 3.3 The original percentages of the building being 60% in use to 40% semi-derelict/out of use, has gradually improved with the ratio in at the end of Year 5 being 71% to 29%. Further modest enhancements are hoped to be achieved by end of Year 6 (2019/20) and in next year with the intended conservation repair of the North East Office Building (with 50% grant from Historic England) and potential full scheme conservation repair of the SW Tower, and internal fit out/full upgrade of the South East Office Building.
- 3.4 The plan to renew all life safety systems which include fire alarms systems, smoke vents controls, emergency lighting, public address speakers, sprinklers and lightning protection, by the end of Year 4 had slipped into subsequent years. However, good progress has been already made in Year 6 to complete the fire alarm network upgrades, renew the smoke vent controls, renewal of 5no. central battery systems (out of 13no.), and renewal of Great Hall loading bay shutter which forms part of fire strategy.

- 3.5 The structural condition of the Victorian basements under the Panorama Room and SW Colonnades had deteriorated with continuing water ingress and corrosion to the cast iron beams supporting the brick vaults/floor slab, and the structural investigations/repairs, enhancements to drainage and ventilation, and waterproofing were completed in Year 5, with the defects liability period and release of retention falling into Year 6.
- 3.6 The identified need to renew two bays of the corroding clinker concrete floor slab to the SW Colonnades at £39,000 was allocated in Year 6 but we propose to defer these works until April 2020 (or August to cause less disruption to the event programme) and reallocate the capital budget to other roofing and joinery priorities for 2019/20. This is pending the redevelopment of this area and the reinstatement of a building behind the colonnades and partial reuse of the basements. There are no immediate plans at the time of writing for the redevelopment of this area.
- 3.7 The condition of the roofs, roof lanterns and joinery has deteriorated with health & safety and security implications, and it is proposed to reallocate the capital budget to carry out essential works to the Palm Court Suites lanterns, Palm Court external doors, Theatre balcony fire doors, East Lightwell/ BBC store fire doors, and priority repairs roof leaks, with the priority items listed on the FMP presentation.
- 3.8 The Great Hall space frames have been surveyed by drone camera, and the scope of metalwork repairs is manageable. We propose to repair the spaceframes in February/March 2020 using specialist abseil access, and defer the redecoration of the spaceframes into April/May 2020/21. The capital budget will be reallocated accordingly.
- 3.9 Emergency works were also required to the Ice Rink pipe trenches, with the renewal of corroding metalwork supports and upgrading the 45mm GRP trench covers to 75mm, and defrosting of the pipes to prevent damage to the building or re-establish permafrost to the rink and trenches. Cost of these works is £17,400 metalwork, £20,200 trench covers and £4,000 edge reinforcement.
- 3.10 We previously reported that the FMP had to take a pragmatic approach to the renewal of the business critical services items, which include high voltage breakers, power distribution, generators, transformers and IT, as these date from the late 1980's and are beyond their standard serviceable life, but are well built and operational. In the event of a breakdown it may not be possible to restart these systems or obtain replacement parts.
- 3.11 We also previously reported the full cost of renewing all of the services throughout the Palace was estimated at £26 million and, therefore, the decision was taken to upgrade as part of each major project.
- 3.12 The condition of the services was previously rated Poor throughout largely due to the age of the installations. Sectors such as the Theatre and East Court have improved to Good/Fair due to renewals within the EWRP (which were excluded from the FMP), and progress has been made on the Life Systems and some Operational Systems, including the main lifts. The renewal of the services included within the FMP is therefore on target to complete by Year 10 based on the average spend to date.

- 3.13 The condition of the fabric had improved significantly to Sectors 8 (Theatre, North East Tower and Adjoining Spaces) and Sector 11 (East Court and Adjoining Spaces) last year, and partially to Sector 3 (Service Yard Store and North West Tower). This is due to completion of the repair items to the Theatre and East Court under the EWRP, and partly due to the NW Tower and North Wall through the West Yard Project.
- 3.14 The condition of the fabric has remained 'Fair' to 'Poor' in the remaining Sectors, with further slight deterioration to the Ice Rink, Palm Court and East Court roofs, BBC Wing and South Basement elevations.
- 3.15 The re-securing of the North Wall by the new building has substantially reduced the structural risks associated with the free standing North Wall and its condition has become more stable and manageable.
- 3.16 Progress has continued although not achieved the target (particularly on the Fabric items) due to lack of funds, however, Trustees are reminded that the schedule of works is dynamic and regularly reprioritised when issues emerge or surveys indicate different works are required. The priority is always the safety of the public, staff and contractors. Opportunities also exist for the enhancement of the derelict North East Office Building, prominent but disused SW Tower, and fit out of the South East Office Building in the year ahead.
- 3.17 The Trust holds valid Public and Employer Liability Insurance and property insurance (with specialist insurers for historic buildings). The insurers are fully aware of the building condition and our programme of repair and maintenance and their representatives attend annual meetings and inspections of the building. Any areas or faults highlighted by the insurers at the time of inspection are prioritised and the insurers are kept well informed of the progress to avoid any risk of invalidating the insurance by not complying with insurers' recommendations.

4. Legal Implications

- 4.1 The functions of the Trust stipulated in the Alexandra Park and Palace Acts and Orders include: to uphold, maintain and repair the Palace as a place of public resort. Under charity law the Trustee Board Members also have individual and collective responsibility for safeguarding the Charity's assets for the benefit of the public.
- 4.2 The Council's Assistant Director of Corporate Governance has been consulted in the preparation of this report, and has no comments.

5. Financial Implications

- 5.1 Reallocation of capital items to remain within budget for 2019/20 with carry-over from deferred projects allocated in 2020/21.
- 5.2 The Council's Chief Financial Officer has been consulted in the preparation of this report, and advises that good asset management is an essential component of the Trust's business activities. The proposals within the report appear consistent with the Trust's obligations.

6. Use of Appendices

NONE

7. Background Papers

APP Fabric Maintenance Plan, APP Colour Framework, 2019/20 Trust Budget.