

10. **PROPOSED DEMOLITION OF THE LYTTELTON PLUNKET BUILDING, 4 SUMNER ROAD, LYTTELTON**



General Manager responsible:	General Manager Community Services, DDI: 941-8534
Officer responsible:	Strategic Property Analyst
Author:	Strategic Property Analyst - Tim Priddy

PURPOSE OF REPORT

1. The purpose of this report is to seek a Council resolution for the demolition of the Lyttelton Plunket building.

EXECUTIVE SUMMARY

2. The Lyttelton Plunket building at 4 Sumner Road, Lyttelton has sustained progressive damage since the first earthquake on 4 September 2010 with the 22 February 2011 earthquake causing significant additional damage.
3. The Council has received a Notice of Demolition from the Canterbury Earthquake Recovery Authority (CERA) under Section 38(4) of the Canterbury Earthquake Act 2011. However, the Notice is for only partial demolition as required for 'Make Safe' work. As CERA is focused on dangerous buildings and on the removal of any potential hazards, the scope of the CERA-required work is limited to the removal of the damaged brick veneer and tile roof to mitigate any potential fall hazards.
4. Our engineer has confirmed that the building structure has sustained extensive structural distortion damage and a Quantity Surveyor has estimated that it is now uneconomic to repair the building. Further, our Loss Adjusters have provided written confirmation on behalf of our insurers that the cost to repair the building exceeds the insurance settlement sum of \$172,634, and that they would support an insurance settlement to the total sum insured.
5. The joint delegation given by the Council to the General Manager Corporate Services and General Manager Community Services at the 19 December 2011 Council Meeting contained in Section 3 (g) (i) of the Meeting Memorandum only covers the authority to:

Approve the demolition of buildings for safety reasons, i.e. act on Section 38 Notices from Canterbury Earthquake Authority (CERA).

6. As the recommended demolition covers the entire building ie a scope of work greater than the CERA Section 38 Notice, the Council's agreement is sought for the demolition of the remainder of the building.

FINANCIAL IMPLICATIONS

7. The cost of demolition and the removal of the demolition debris will be met by our insurance cover.
8. We have received a quotation from Citycare for the demolition, debris removal, termination of utilities and site works to level and grass the site of \$33,523 excl GST.

Do the Recommendations of this Report Align with 2009-19 LTCCP budgets?

9. As the recommendations are a consequence of the earthquake events, this issue is not addressed in the LTCCP.

LEGAL CONSIDERATIONS

10. In order to expedite the demolition of this building, we are proceeding under the CERA process, hence a resource consent is not required.

10. Cont'd

Have you considered the legal implications of the issue under consideration?

11. Not applicable.

ALIGNMENT WITH LTCCP AND ACTIVITY MANAGEMENT PLANS

12. As the recommendations are a consequence of the earthquake events, this issue is not addressed in the LTCCP.

Do the recommendations of this report support a level of service or project in the LTCCP?

13. Not applicable.

ALIGNMENT WITH STRATEGIES

14. Due to the exigencies of the Earthquake Recovery process, this recommended action is outside of 'normal' strategic process.

Do the recommendations align with the Council's strategies?

15. Not applicable.

CONSULTATION FULFILMENT

16. Due to the level of damage which the building has sustained, demolition is recommended as the most cost-effective option available to the Council.
17. If the Council agrees to this recommendation to demolish the building, it is proposed that the Council prepare an immediate communication for the Community Board and the wider local community confirming our plan of action. There is a clear level of awareness in the Lyttelton community that the building has been badly damaged and that full demolition is a possible outcome.
18. Due to the level of damage which the building has sustained, there has been limited opportunity for the retrieval of user possessions/assets but we intend that retrieval work will be completed by the demolition contractor before demolition work commences. The building is not a heritage building but a number of historical elements have been identified and documented for protection or retrieval eg the foundation stone, the entrance gate and a memorial plaque at the entrance. It is planned to retrieve these elements using the demolition contractor before demolition work commences, which will be both the safest and most cost effective method.
19. Any decision around a rebuild of a building for Plunket's use and/or a new building at this site will come under the Facilities Rebuild Plan. It is possible that the site may not be suitable to allow a new building without additional work, due to the age and condition of the retaining walls, but this cannot be determined until a geotechnical investigation has been carried-out.

STAFF RECOMMENDATION

It is recommended that the Council agree to the demolition of the Lyttelton Plunket building.