

CABINET

16 March 2011

RIVER PARK LEISURE CENTRE – ESSENTIAL WORKS PROPOSALS

REPORT OF CORPORATE DIRECTOR (OPERATIONS)

Contact Officer: Clive Broomfield Tel No: 01962 848149.
email:cbroomfield@winchester.gov.uk;

RECENT REFERENCES:

[CAB 1965](#) – River Park Leisure Centre – Refurbishment Proposals, 3 February 2010

CAB 1999 - River Park Leisure Centre – Consultancy Appointment Proposals for Refurbishment Project 7 April 2010 (exempt)

CAB 1999 – River Park Leisure Centre – Consultancy Appointment, Proposal for Refurbishment Project, 7 April 2010 (exempt)

[CAB 2047](#) – River Park Leisure Centre – Refurbishment Proposals, 15 September 2010

EXECUTIVE SUMMARY

At its meeting of 15 September 2010 Cabinet approved a revised strategy for the refurbishment of River Park Leisure Centre on the basis of carrying out essential defined works and associated fees up to a value of £460,000 in 2011/12, with the major part of the refurbishment deferred to 2013/14 subject to availability of resources. It was also agreed that up to £40,000 be spent as necessary on design and procurement consultancy fees in financial year 2010/11 (with a corresponding reduction in 2011/12).

It was further agreed that reports be brought to Cabinet in due course, specifying a definitive schedule of works including those proposed by DC Leisure, and to authorise capital expenditure for the works and associated consultancy support, and to approve the appointment of the appropriate contractors.

The report was not included on the Forward Plan because Officers were unsure whether the design and procurement works necessary would be completed in time to enable Cabinet to approve the Essential Works proposals in March. As this work

has been completed and DC Leisure are also in a position to proceed with their refurbishment proposals, approval by Cabinet in March 2011 will enable all works to be completed in August 2011, and avoid further delay. The Chairman of Principal Scrutiny Committee has therefore been informed it is considered expedient to seek approval for the works at Cabinet on 16 March 2011.

RECOMMENDATIONS:

That Cabinet : -

- 1 Approves the indicative Essential Works Programme as set out in Appendix B and the Essential Works & Cost Plan as set out in Exempt Appendix D of the report, and approves the capital expenditure in accordance with Financial Procedure Rule 6.4 (authority to incur capital expenditure).
- 2 Endorses the approach adopted by the Council's Project Team towards procurement of individual work packages, and where appropriate and as indicated in Exempt Appendix D, makes a direction under Contracts Procedure Rule 3.3 for the reasons set out in Exempt Appendix D of the report.
- 3 Notes the proposed remodelling and refurbishment of the Kinetica Gym and changing rooms as proposed by DC Leisure, as shown in Appendix C of this report, that are proposed to be carried out in conjunction with the Council's essential works proposals.

CABINET16 March 2011RIVER PARK LEISURE CENTRE – ESSENTIAL WORKS PROPOSALSREPORT OF CORPORATE DIRECTOR (OPERATIONS)DETAIL:1 INTRODUCTIONESSENTIAL WORKS PROPOSALS

- 1.1 The report to Cabinet on 3 February 2010 (CAB 1965 refers) gave details of the refurbishment works proposed to River Park Leisure Centre to keep the Centre fit for purpose for at least a 12 year period beyond 2011. The timing of these works was designed to coincide with the extended period of the management contract which the Council has agreed with the current operator DC Leisure which will run until 2023.
- 1.2 The proposals included works categorised as “essential”, “desirable” and “optional” up to a total cost estimated at £3.736m (inclusive of fees). To carry out these works would require the Centre to be closed for up to 3 months (dry side) and 6 months (wet side) and would require substantial compensation for loss of income payable by the Council to DC Leisure.
- 1.3 Owing to severe pressures and competing priorities across the Council’s Capital and Revenue funded programmes, the Council’s Design Team presented alternative proposals to Cabinet on 15 September 2010 (CAB 2047 refers).
- 1.4 These alternative refurbishment proposals were prepared and approved (CAB 2047 Minute 19 refers) on the principle that essential high priority works should be carried out in 2011/12 to mitigate against the highest risks of constructional and/or services failure, with the remainder of the works deferred until 2013/14 (subject to funding then being available).
- 1.5 These proposals have regard to the original feasibility study and give priority to the following considerations: -
- (i) Health & Safety standards are maintained having regard to the Centre’s use.
 - (ii) Ensuring the Centre remains weather tight.
 - (iii) Building Services continuity can be maintained.
 - (iv) No full or partial planned closures of the facilities are required
 - (v) Improving and/or maintaining the Centre’s existing energy rating (assessed at 69).
 - (vi) That the life of certain finishes and services are extended having regard only to basic functionality and pre-assessed risk factors.
 - (vii) The timing of the London 2012 Olympic and Paralympic Games.

- (viii) The Council's Mechanical & Electrical Services Consultants Henderson Green whose summary risk assessment towards defined services at River Park is summarised in Exempt Appendix E of this report.
- 1.6 Based on the revised project requirements, the Council's Project Team comprising of Officers and consultants White Young Green Management Services and Henderson Green Consulting Engineers as designers have progressed the design and procurement process. Project Team meetings have been held at regular intervals since last September throughout the project planning phase and have included the centre operator DC Leisure.
- 1.7 Only the electrical distribution works part of the Council's proposed essential works project is notifiable under the Construction (Design and Management) Regulations. For these purposes White Young Green are acting as CDM Coordinator for the Council's project.
- 1.8 A schedule of the highest priority works is shown in Exempt Appendix D of this report and substantially remains as works identified in CAB 2047, with the addition of upgrading of the pressure vessels to the main heating system and an upgrade of the Voice Evacuation system throughout the centre. Both are deemed necessary to ensure continuity of service and keep the centre fit for purpose.
- 1.9 The scope of works as previously identified comprises repairs and replacement tiling to areas surrounding the main pool, and repairs to the main pool tank structure (dryside) as deemed necessary by concrete specialist survey. Centre wide building services works include replacement pumps to the boosted hot and cold water services, replacement pumps serving the heating distribution to the pool and general ventilation plant, replacement of main electrical switchgear and sub-main cabling throughout the Centre, maintenance/refurbishment of the pool water plant, and replacement of the Combined Heat & Power (CHP) unit.
- 1.10 The Centre Operator, DC Leisure are proposing to remodel and refurbish the Kinetica Gym and changing rooms during the same period as the Council's Essential Works programme. These refurbishment works have been taken into account for programming the WCC works but do not form part of the Council's work for administration or supervision purposes. DCL will be funding this project and appointing contractors and their own contract administration team to carry out the works as necessary, all in consultation with the Council. The scope, extent and estimated cost of the works (approximately £370,000) is in accordance with the terms of the Leisure Services Contract as set out in CAB 2047 (exempt Appendix E, section 2.4.5 refers)
- 1.11. DC Leisure have also recently stated that it is their intention (subject to Board approval), to replace the cardio vascular gym equipment and spinning bikes at a cost of £145,000. This will improve the fitness facilities and compliment the remodelling of the Kinetica Gym and changing rooms.

2 Essential Works Procurement

- 2.1 Owing to the diverse nature and value of the works proposed it is not considered best value to place all the works with one contractor who would then invariably sub-contract individual packages of work. The Council's project team has therefore packaged the works to enable a series of individual lots of works to be let to specialist contractors.
- 2.2 The results of the procurement process undertaken by the Council's project team are set out in Exempt Appendix D of this report. The selection of contractors for the proposed works and methodology for procurement has had regard to the following issues: -
- (a) the scope and extent of the works involved
 - (b) future maintenance arrangements in relation to the works being undertaken
 - (c) the contractors working knowledge of RPLC
 - (d) the expertise and ability of contractors to work overnight shift patterns of work
 - (e) the ability of contractors to utilise materials and methods of work to avoid periods of closedown to the centre facilities
 - (f) all things considered the Council's Project Team are of the opinion that the tenders received for the proposed works packages listed in Exempt Appendix C represent best value to the Council.
- 2.3 All contractors invited to tender or provide single quotations for the works packages have been selected by reference to Constructionline (the Council's Select List for Building and allied works), in accordance with the Council's Contracts Procedures Rule 12.
- 2.4 Where contractors have been taken from an approved Select List a single quotation for works may be accepted for up to £25,000, in accordance with the Council's Contracts Procedure Rule 9.2(B).
- 2.5 There are 2 individual works packages that exceed the £25,000 limit. These are indicated in Exempt Appendix C, together with the reasons for accepting a single quotation in this instance. For reasons given Officers are seeking authority from Members to waive the tendering requirements of the Council's Contracts Procedure Rule 9.2(B). It should be noted that where single quotations for works are obtained from contractors, they have no knowledge that alternative quotations are not being sought.

3. Programme of Works

- 3.1 The indicative delivery programme given in Appendix B shows that pending Cabinet approval on 16 March 2011 orders could be placed with contractors to enable the mobilisation, lead in and commencement of works packages.
- 3.2 As can be seen in the programme the majority of works would commence on site in May and be completed by mid-August. The DCL works are dependant on a new electrical supply as part of the Council's works being available for their refurbishment proposals. Their works are due to start in June and be completed towards the end of August.
- 3.3 If for any reason Cabinet was unable to approve the essential works on 16 March 2011 this would delay the commencement of both Council and DCL sponsored works as the

lead in period for works varies between a minimum of 2 weeks and up to 10 weeks for the new electrical intake and associated electrical rewiring works.

4 Works Planning

4.1 The majority of essential works proposed by the Council are planned to be carried out without full or partial closure of the Centre. Where works are to be carried out in public areas, these will be carried out in conjunction with the leisure operator DC Leisure and will be structured to cause the least disruption to centre users. Proposed remedial works to the poolside tiling will be carried out overnight when the Centre is closed to the public.

4.2 Although there are no planned full or partial shutdowns required as part of the Council sponsored works, a provisional sum is included within the overall contingency sum shown in Exempt Appendix C to allow for any potential loss of income to DC Leisure, should the situation occur.

4.3 The proposed DC Leisure sponsored works to remodel and refurbish the Kinetica Gym changing rooms and fitness suite will require a complete shutdown of the changing area for the duration of the works (customers will use the dry-side changing facilities during the closedown period), whilst only minor interruptions to the gym area is envisaged. A plan of the DC Leisure proposals and summary description of works is shown in Appendix C of this report. The design, scope and extent of the works has wherever possible taken into account the regular customer feedback received by DC Leisure into the type and condition of the fitness facilities provided.

5 Next Steps

5.1 Following the decision of Cabinet in relation to this report, a detailed project plan will be completed and relevant parts of the Council's project management system put in place.

5.2 A project communications plan (linked to the scope, extent and likely disruption caused by the works) will be drawn up by Officers in conjunction with DC Leisure for user and public information purposes.

OTHER CONSIDERATIONS:

6.0 SUSTAINABLE COMMUNITY STRATEGY AND CHANGE PLAN (RELEVANCE TO):

6.1 River Park Leisure Centre makes an important contribution to delivering on the Health and Wellbeing outcome of the Sustainable Community Strategy.

6.2 Notwithstanding the Centre's current Energy Rating of C (69) and being significantly better than a typical rating of between D and E (100) for buildings of its type, the improvements proposed both through modernisation of plant and equipment at the end of its economic lifespan, will at least maintain the current energy rating.

7.0 RESOURCE IMPLICATIONS

- 7.1 These are set out in the report and within the Proposed Essential Works Cost Plan in Exempt Appendix D.
- 7.2 The Council's Capital Programme includes up to £40,000 for design and procurement consultancy fees in 2010/11, £460,000 in 2011/12 for essential works and associated fees, with a further unfunded and unapproved sum totalling £1.819m in 2013/14.
- 7.3 The total estimate for essential works is approximately £360,000 and having regard to the Council's consultants letter shown in Exempt Appendix E, it is considered that the balance of approximately £100,000 be retained in the Council's Capital Programme as a contingency for any other essential works that could occur prior to 2013/14.
- 7.4 The prudential indicators are as follows:

-	TOTAL	2010/11	2011/12	2012/13 to 2023/24
<u>CAPITAL COSTS</u>	£000	£000	£000	£000
<i>Current Capital Programme</i>	500	40	460	
TOTAL	500	40	460	
<i>Capital Expenditure Proposals:</i>	500	40	460	TBA
TOTAL	500	40	460	
<u>CAPITAL FUNDING</u>				
Usable Capital Receipts	450	40	410	TBA
Major Investment Reserve	50		50	
TOTAL	500	40	460	
<u>PRUDENTIAL CODE</u>	Full Year			
<u>Interest on Capital</u> *	5.3%	5.3%	5.3%	
Capital Expenditure Proposals (£'000)	27	1	14	
Effect on Council Tax - Band D (£)	0.56	0.02	0.30	
<u>REVENUE COSTS</u>				
Interest Income foregone (£'000)	27	1	14	
Total Revenue Cost (£'000)	27	1	14	

* Interest rate assumed represents the long term PWLB rate (Public Works Loans Board) as at 4th March 2011

8.0 RISK MANAGEMENT ISSUES:

- 8.1 If resources were available it would be highly desirable and prudent to carry out the full extent of the works identified in the previous report to Cabinet at the earliest possible date. However, those resources are not available to the Council. It has therefore been necessary to identify an affordable list of those items which have the potential to cause the greatest detrimental impact on the centre if they are not undertaken. The greatest concern is the health and safety of staff and visitors to the Centre. The secondary concern is the continuity of operation of the Centre and the consequence of unplanned failure. It is not necessarily the largest of most expensive items which have the potential to cause the greatest inconvenience or cost if they fail.
- 8.2 The list of essential works items to be undertaken as shown in Exempt Appendix D of this report is considered to be those of greatest significance and urgency. Cabinet should be aware however that other items that it is not proposed to deal with until later could cause problems in the interim period. Were they to do so, the consequences could be of inconvenience to customers and higher relative cost to put them right on an urgent rather than a planned basis.
- 8.3 Such risks always exist to some extent with a complex operational building. They increase as the buildings age and refurbishment or replacement is deferred. River Park is a well maintained building but wear and tear will eventually cause even well looked after plant and fabric to fail. The proposed scope and extent of works outlined in the report is considered sensible in the circumstances rather than ideal.

BACKGROUND DOCUMENTS:

A list of consultees reports and advice to inform both the feasibility plan and proposed essential works plan is held in the office of the Corporate Director (Operations).

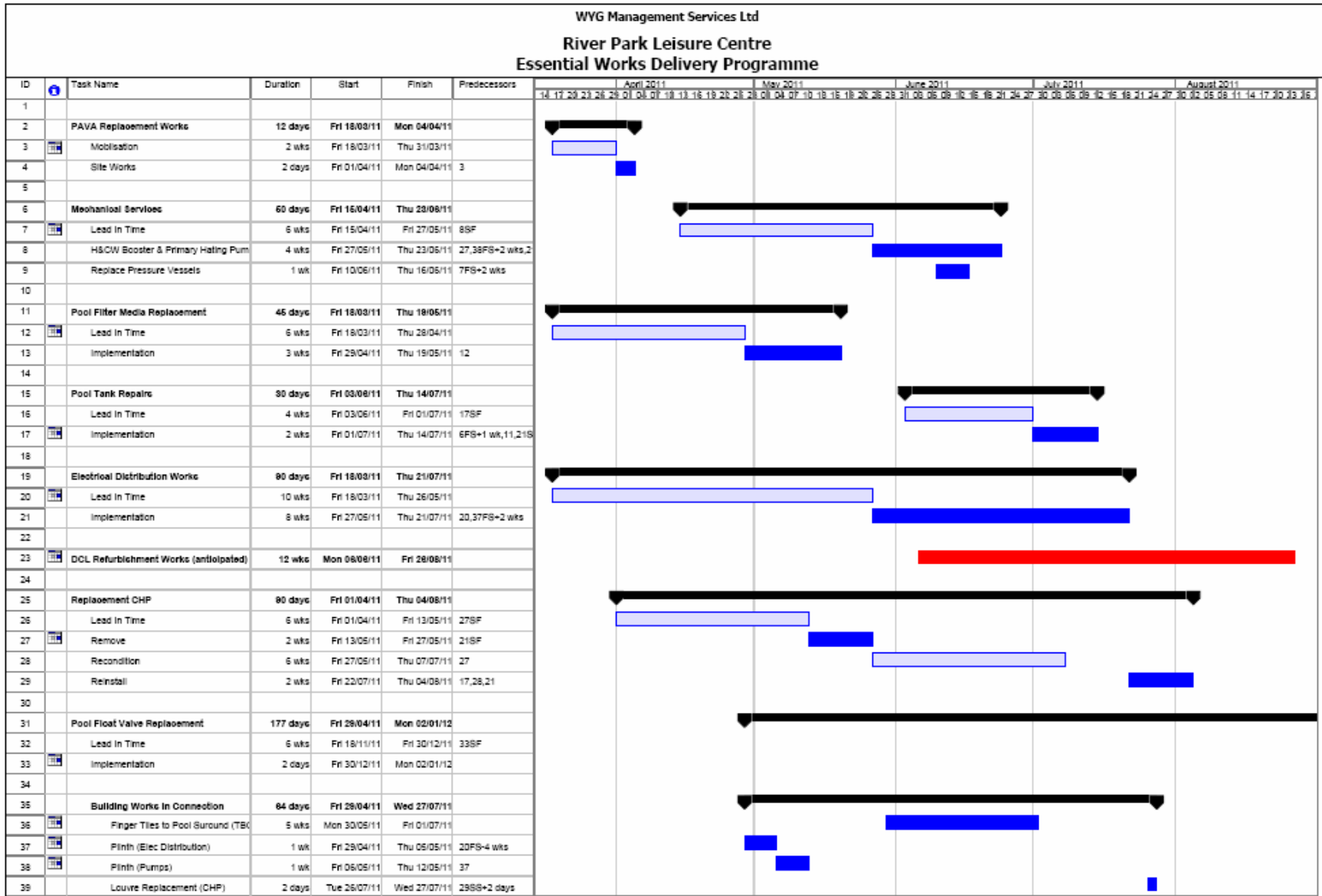
APPENDICES:

Appendix A	List of Consultancy Reports and specialist advice given to inform the initial Feasibility Study & Proposed Essential Works Programme.
Appendix B	Indicative Programme of Works showing the likely timing of both Council and DC Leisure sponsored works.
Appendix C	Summary of Proposed Works & Plan showing remodelling of Kinetika Changing Room and Fitness Suite
Exempt Appendix D	Proposed Essential Works & Cost Plan
Exempt Appendix E	Advisory Letter from the Council's Mechanical and Electrical Services Consultant setting out Risk Management Issues

APPENDIX A

**List Of Consultees Reports And Advice To Inform the Feasibility and
Associated Works Study.**

1	Feasibility & Study Report including centre building structure and finishes	Studio 4 Architects
1.2	Structural Appraisal of Defined Areas	WSP Building Ltd
1.3	Protective and decorative paint system	International – Protective Coatings
1.4	Concrete repair specialists	Fosroc & Sandbergs/WSP Building Ltd
1.5	Re-roofing specialists	Williams Roofing Contractors Ltd
1.6	Pool tank grout and associated issues survey	Commercial & Specialised Diving Ltd
1.7	Defects – Rising damp & remedial works	Property Matters
2	Feasibility Study including mechanical, electrical and environmental services	Henderson Green
2.1	Condition Survey (M&E Services)	Henderson Green (2009)
2.2	Variant Refrigerant System – Environmental Options Study	Mitsubishi Ltd/Henderson Green
2.3	Solar Energy – Environmental Options Study	Baxi Commercial Heating (Andrews)/Henderson Green
2.4	Swimming Pool Plant & Equipment Report (including Ultra Violet Sterilisation Environmental Options Report)	Biwater
2.5	Feasibility Study of refurbishment of ventilation plant in situ versus total replacement	Colman-Moducel/Henderson Green
2.6	Feasibility Study of refurbishment/replacement of Combined Heat & Power Unit (CHP)	Low Carbon Solutions Ltd/Henderson Green
3	Feasibility Study cost plan analysis and project procurement advice	Gleeds/Studio 4/Henderson Green
4	Informal contracting consultation and advice from appropriately experienced contractor – working practices, methodology and programming issues	ROK/Feasibility team
5	On going dialogue, including centre walk rounds and information exchange.	DC Leisure
6	Project Management, Technical & Programming Issues	Officers from Property Services Division
7	Associated Sports and Physical Activity matters	Officers from Sport and Physical Activity team



Summary of Proposed works to Riverpark Leisure Centre Kinetika Changing Rooms and Fitness Suite**Enabling Works**

This is to include a complete strip of the Male/Female changing, Health suite and treatment room areas.

The strip out is to include:

1. All electrics and plumbing
2. Steam and Sauna cabins
3. Staircase to poolside
4. Suspended ceilings
5. All load and non load bearing walls as shown on plans
6. Doors and frames
7. Floor tiling and vinyl's including screed under
8. Wall tiling and plasters

Builders Work following strip out

New works to include the complete remodelling of the changing room areas and fitness suite to form new layout as shown on the plans

Builders work is to include the following:

1. New block work walls including render and set
2. New drainage
3. Re screeding of floors to new falls
4. Dedicated hot and cold water services independent of the centre's main supplies
5. Dedicated ventilation supply and extract
6. Wall and floor tiling throughout
7. New plumbing and sanitary ware throughout including new LST radiators for heating
8. New solid grade laminate cubicles, IPS panels, benching and lockers
9. New saunas, one per changing room
10. New suspended ceilings
11. New lighting and power throughout including emergency lights
12. New joinery including doors and frames
13. All necessary decorations
14. Final commissioning of all systems

APPENDIX C

