

Report of the Deputy Chief Executive

BRAMCOTE LEISURE CENTRE CONDITION SURVEY1. Purpose of report

To note the recently received Bramcote Leisure Centre condition survey and to recommend the next steps.

2. Background and detail

Finance & Resources Committee on 12 July 2018 approved the commissioning of a condition survey of the Council's Bramcote Leisure Centre (which is available in the Members' Room). After an extensive tendering process the work was undertaken by an external consultant, Sanderson Weatherall, in February 2019. The report itself cost £27,875 against an approved budget of £40,000. The top level summary is given below, and a fuller summary is given in appendix 2. The full report is 336 pages long.

3. Summary of Consultant's overall conclusions

- "In its current form and condition the existing leisure centre is providing a valuable community service to a wide range of people and from a building fabric perspective is just about fit for purpose.
- There are a significant number of issues that require addressing to prevent the leisure centre falling below an acceptable standard both in terms of customer facilities and acceptable maintenance costs over the short to medium term.
- From a construction and building services perspective the existing leisure centre is tired and dated in many respects and will become increasingly costly to maintain and operate over the next circa 10 years compared to a modern facility."

4. Financial implications

According to the report:

- The estimated cost of maintenance repairs over the next ten years is £1.8million plus capital salaries. Approximately £1million of this is required over the next three years.
- The estimated cost of suggested improvements beyond the required repairs is £3.355million plus capital salaries.
- The estimated cost of providing a new leisure centre on the existing site (i.e. no land costs) is £13.750million.

Given the scale of the maintenance and improvement backlog identified, members will need to consider their response to this report alongside the need for a longer term leisure facilities strategy. For example, it may be prudent now to consider the nature and location of future leisure service provision by this council and whether this might require or benefit from the construction of new facilities.

Further financial implications and comments are given in appendix 1.

RECOMMENDATION

The Committee is asked to NOTE the condition survey report and to RECOMMEND to Finance and Resources Committee that £30,000 be allocated in the 2019/20 capital programme for the employment of external consultants to prepare a Leisure Facilities Strategy to be funded from capital contingencies.

Background papers: nil

Further Financial Comments

The Council has already made provision in the 2019/20 capital programme for the replacement of the CHP unit at Bramcote at a cost of £140,000 and also for concrete repairs. In addition, the list below shows the schemes on the approved 2019/20 Capital Programme Reserve List:

Scheme	Budget	Capital Salaries	Total
Main Pool Filter Media Replacement	13,000	-	13,000
Refurbishment Fitness Changing Rooms	30,000	3,000	33,000
Replacement of Teaching Pool filter	22,000	-	22,000
Condition Survey Remedial Work	50,000	-	50,000
Replacement of Flat Roofs	140,000	14,000	154,000
Replacement of Teaching Pool windows	20,000	-	20,000
Replacement of Main Pool windows	80,000	-	80,000
Replacement Intruder Alarm	25,000	-	25,000
Replacement of Dance Studio windows	10,000	-	10,000
Replacement of Pool Surrounds	50,000	-	50,000
Replacement of High Voltage Transformer	40,000	-	40,000
Reserve List	£480,000	£17,000	£497,000

These proposals will be carefully considered and prioritised taking into account both the level of funding made available and the recommendations in the Sanderson Weatherall report. It should be noted that the delivery of a substantial investment programme may require the employment of additional staff resources and/or external consultants to deliver.

The completion of the Bramcote Leisure Centre Condition Survey is also a reminder that it cannot be considered in isolation from the development of a Leisure Facilities Strategy. This Strategy will need to determine the long term future of Bramcote (and the other leisure centres) by asking questions such as:

- Does the Council wish to provide leisure services?
- If so, which services, and how and where will it provide them?
- If through its own buildings then should these be new buildings, and at which locations, or should there be significant investment in the existing buildings?

If it is decided, for example, to build new leisure centres, then the amount of capital investment required at the existing centres would be reduced. That said, it would take 3-5 years from now to complete new facilities and so some of the planned maintenance identified in the condition survey will be required regardless.

The estimated cost of commissioning a leisure facilities strategy is £30,000 and it is recommended that this Committee approve a request to Finance and Resources Committee for such an amount in the 2019/20 capital programme. This cost can be met from 2019/20 capital contingencies of which £38,500 is presently available.

It is vital that the Council considers its long term position on the current leisure centres before allocating significant funds to their planned maintenance and improvement.

Executive summary of the main report

(It should be noted that issues highlighted as requiring immediate attention on safety grounds in the report (and in this summary) have now been attended to or were already in the process of being attended to at the time of the survey.)

Summary of Maintenance Expenditure required for Bramcote Leisure Centre

Taking into consideration the elements contained within the planned maintenance programme, the calculated expenditure over the next 10 years is as follows:

Element	Years 1-3	Years 4-7	Years 8-10	Totals
Roofs	550,150.00	17,000.00	17,000.00	584,150.00
Elevations	225,840.00	42,985.00	35,645.00	304,470.00
Hardstandings	11,500.00	6,000.00	6,000.00	23,500.00
Internal Elements	75,690.00	38,970.00	40,420.00	155,080.00
Mechanical and Electrical	95,833.75	587,740.34	500.00	684,074.09
Drainage	33,000.00	9,500.00	4,500.00	47,000.00
Totals	992,013.75	702,195.34	104,065.00	1,798,274.09

Grand Total £1,798,274.09 All costs are exclusive of VAT (and do not include staff/external consultant design and contract management costs).

The above figures are built up of specific repair, refurbishment and replacement costs but exclude routine maintenance works except where a health and safety risk would occur if the maintenance was not undertaken.

Comments on Main Defects (requiring attention over the next 10 years)

The following are the principal observations and comments arising from the inspection of the property.

Externally

- Roof coverings vary from area to area, however, overall they are considered to be in a poor state of repair with some roof areas requiring immediate replacement;
- There are several concrete issues with the pool hall frame, some of which require urgent repair to prevent weakening of the pool hall structure;
- The original external timber windows are largely life expired and require replacing;
- Most of the external previously painted surfaces require re-decoration including some isolated timber repairs;
- There is a significant condensation issue with the woodwool flat roof structure above the functional gym area which has weakened the roof structure and is causing water damage to the ceiling finish below;
- The Mechanical and electrical systems are generally in a poor state of repair and require a substantial scheme of repairs and replacement, including some urgent works to address health and safety issues;
- The underground drainage system is largely in a poor state of repair with numerous, blockages, root damage and displaced sections of pipework;

Internally

- A number of wall tiles in the pool hall are loose and may fall on to persons below which is a serious health and safety issue;
- The swimming pool areas in particular the original tiling is in need of substantial repair / refurbishment which will likely necessitate temporary closure and draining down of the pool;
- Sections of the spray applied ceiling finish in the pool hall and teaching pool hall are loose and require repairing to prevent small sections of the finish from falling;
- A section of concrete to the ceiling adjacent to the former dumb-waiter lift shaft within the confectionary store is damaged and requires repairing;
- Internal finishes are generally aged, tired and worn, however, in accordance with our instructions we have not included for renewal or repairs to internal finishes and decoration expect where they are related to building fabric failure or a health and safety risk, such as water damaged ceilings as a result of roof leaks / condensation.

Mechanical and Electrical (M&E) Services

Mechanical and Electrical services were found to require remedial works in order to make the building safe. Much of the buildings M&E services are beyond the typical effective working life and a phased strategy of renewal/replacement is recommended.

Key Issues:

- The unsatisfactory condition of the electrical installation – 14 potentially dangerous conditions were recorded;
- Legionella risks identified within documentation on site;
- Asbestos identified on existing calorifier;
- Some major plant items are life expired but still operating including the passenger lift.

The CHP system is to be replaced in the summer of 2019, therefore, costs associated with on-going repair / maintenance of the CHP system are not included within this report.

Anticipated Cost to Demolish and Reconstruct the Leisure Centre

The cost to demolish the existing leisure centre and reconstruct a new modern facility of equal size but to modern building standards would be in the order of approximately: **£13,750,000.00 (thirteen million, seven hundred and fifty thousand pounds)**

This assessment has been prepared on a 'day one' basis as at March 2019 and on the basis that the existing site will be utilised for the construction and no significant adverse ground conditions are found. We have not made any allowance for business continuity issues or for providing alternative facilities for customers at another location during the demolition and construction phase. We have not allowed for fitting out, so no costs are included for furniture, gymnasium equipment, the outdoor pitches, the water slide and any other non-fixed items that may exist within the existing leisure centre.

Other key exclusions from this assessment are:

- The water slide is excluded;
- External areas including football pitch and car park is excluded;
- Asbestos removal / remediation;
- Chattels / installations;

- Contaminated land remediation.

The anticipated duration of the demolition, site clearance and construction of the new leisure centre at the site is 64 weeks, in addition sufficient time for the development of an employer's requirements document and for planning approval should be factored in.

This is based on the build cost estimate above, design and build procurement and single stage tendering for a public organisation.

No allowance has been made for financing the construction or any borrowing costs that may be incurred in financing such a project.

Comparison of Anticipated Running Costs of Existing Facility Versus Demolition and Construction of A New Modern Facility

Maintain existing leisure centre

Advantages

- Minimal impact on business continuity
- Minimal impact on customer experience

Disadvantages

- High running costs
- Environmentally poor in the long term
- Repairs and upgrade works are likely to cost more as the centre continues to age

Demolish and reconstruct new modern leisure

Advantages

- New centre will provide vastly improved facilities
- Likely to attract more customers and increase turnover
- Incorporate better facilities for disabled people
- Long term environmentally sustainable by way of reduced utility consumption

Disadvantages

- High capital cost / funding required
- Huge disruption to business continuity
- Construction risks
- High initial environmental impact of construction

Conclusions and Recommendations

In its current form and condition the existing leisure centre is providing a valuable community service to a wide range of people and from a building fabric perspective is just about fit for purpose.

There are a significant number of issues that require addressing to prevent the leisure centre falling below an acceptable standard both in terms of customer facilities and acceptable maintenance costs over the short to medium term.

From a construction and building services perspective the existing leisure centre is tired and dated in many respects and will become increasingly costly to maintain and operate over the next circa 10 years compared to a modern facility.

The utilities costs to run the building and the on-going maintenance costs associated with carrying out essential repairs and replacement of failing building fabric and M&E installations will be considerably higher than a modern leisure centre.

This report provides information and costs in respect of the anticipated repair and maintenance costs of the existing centre based on our inspection findings, however, the ultimate decision as to whether the community would benefit more from retaining the existing centre or building a new centre rests with the Council.

A new leisure centre at this site will involve major capital expenditure, long term disruption to customers (unless a temporary alternative centre can be provided) and the risks associated with procuring a contractor to complete a large and relatively complex project.

Upgrading the Existing Leisure Centre

If the Council do decide to retain the existing centre we recommend that a programme of repair, refurbishment and modernisation is considered over the short to medium term (next 5 years) which in summary should include the following key items:

Replacement of the roof coverings to all areas using a built-up insulated system	£550,000
Replace the existing external doors and windows with a modern insulated glazing system	£300,000
Over-clad the existing external walls using a suitable insulated cladding system	£450,000
Undertake a programme of repair and replacement of key M&E installations in accordance with consultant M&E engineer's recommendations	£650,000
Swimming pool refurbishment · Reduce maintenance and running costs significantly	£250,000
Scheme of general internal refurbishment works (new fixtures and finishes, decorations, remodelling reception, lighting upgrade)	£1,115,000
Repair of underground drainage system	£30,000
Concrete repairs to structure · Prevent structural failure of the pool hall frame if left to continue to deteriorate	£10,000
Total Anticipated Budget Cost	£3,355,000

At the moment the centre appears to be maintained on a largely reactive basis rather a planned basis meaning that when a building defect or issue is identified a remedy is quickly implemented which in most instances is likely to comprise a poor-quality repair completed at a relatively high cost. A reactive repair may in some instances not adequately address the root cause of the issue.

If maintenance is planned and completed at suitable intervals the works can be completed competitively by tendering packages of works to a pool of contractors and grouping works together to make savings on project preliminary costs. Works can be planned and completed at specific times of the year, for example it would be beneficial to complete external decorations and roof works at warmer times of the year.