

	<h2>CHIEF OFFICER IN CONSULTATION WITH COMMITTEE CHAIRMAN DELEGATED POWERS REPORT</h2>
Title	Authorisation for single tender action on Finchley Lido Leisure Centre to undertake Phase 1 structural propping and investigations to the roof structure
Report of	Executive Director for Adults and Health
Wards	All
Status	Public
Enclosures	N/A
Officer Contact Details	Chris Smith, Head of Estates, Chris.Smith@barnet.gov.uk Andrew Conroy, Property Director Andrew.conroy@capita.co.uk

Summary

As part of the Leisure Management Contract (2018 -2028), the Council retains the obligation to maintain the structure and roof of all its leisure assets. In December 2018, the Council in partnership with GLL commissioned Solution Consulting Engineers Ltd (SCE) to carry out an inspection of the existing roof to the main swimming pool at Finchley Lido Leisure Centre and reported on its structural condition.

The report was received in February 2019 and further to a review with both LB Barnet Health and Safety and Estates the conclusion to close the swimming pool hall was reached on 12 March 2019 (all other parts of the facility remain open based on assurances received).

Capita were appointed in March 2019 to undertake a detailed assessment of the existing structure, considering SCE's initial report findings and to propose a remedial strategy for the roof and associated structure of the swimming pool area.

This report seeks approval to accept the fixed quotation and specification based in

Appendix A, as a single tender action, from Guild Architectural Restoration Ltd (GAR) of £245,580 and a contingency sum of £50,000 (temporary support to pool walls) to enter into a contract to undertake phase 1 structural propping and intrusive investigations to the roof structure at Finchley Lido Leisure Centre.

The works are been planned in 2 separate phases:

1. Phase 1 – Enabling works, structural propping and investigations;
2. Phase 2 – Structural remedial works

The Councils Leisure Management Contract (2018-2028) outlines the agreement in place regarding Loss of Revenue. The specific provisions are identified within Schedule 23 and outline;

“Subject to the provisions of this Schedule 23 (Loss of Revenue), any Loss of Revenue shall be calculated in respect of each relevant activity by determining the anticipated daily Revenue for the relevant activity in question for the period in question (the "Anticipated Daily Revenue") and deducting from that sum the actual daily revenue received for the relevant activity in question for the period in question.”

The Council are attempting to expedite the works in a timely and efficient manner in order to minimise a loss of revenue claim and keep the period that the facility is closed to a minimum.

This report seeks approval for only Phase 1 works at present.

Decisions

- 1. To approve acceptance of the quotation located at Appendix A and award of contract to Guild Architectural Restoration Ltd to undertake phase 1 structural propping and investigations to the roof structure at Finchley Lido Leisure Centre.**

1. WHY THIS REPORT IS NEEDED

- 1.1 The Council in partnership with GLL commissioned Solution Consulting Engineers Ltd (SCE) in December 2018 to carry out an inspection of the existing roof to the main swimming pool at Finchley Lido Leisure Centre and reported on its structural condition outlining a range of potential defects.
- 1.2 The Council subsequently appointed Capita consultants to review the SCE report and provide recommendations. Due to the nature of the defect and limited survey data available it was deemed necessary to close the facility on health and safety grounds, given the risks to the general public. The report noted a number of areas of cracking within the roof beams and corrosion within the steel columns.

- 1.3 A programme of initial investigations was agreed with the Council to understand the levels of corrosion within the primary steelwork and condition of the roof beams. The survey included visual inspection, physical measurement, intrusive inspection and sampling, timber resistographic drilling, endoscopic investigation, and ultrasonic thickness testing. At the same time a full review of the as built design was undertaken which identified sub-standard connection arrangements within the structure.
- 1.4 Finchley Lido Leisure Centre (1996) is the Council's most successful site in financial terms, helped by its location on a leisure retail park. A typical lifespan of a leisure facility is projected between 25 -30 years. Finchley Lido is circa 23/24 years old and has been subject to a programme of lifecycle maintenance as part of the previous and existing leisure management contract, with specific regard to issues relating to the asset condition.
- 1.5 If key identified risks materialise, the likely associated costs and the current residual design life of the facility in any remedial option would likely be financially unviable. A further assessment will be required to ensure that any expenditure demonstrates value for money in consideration of longer term options.
- 1.6 The consultant team has advised that in order to fully design the remedial works, further intrusive investigations will be required, including temporary propping of the structure and opening of the roof apex connections. The methodology adopts a phased approach. Phase 1 – enabling works, propping and intrusive investigations. Phase 2 – structural remedial works.
- 1.7 To expediate the process we have engaged with Guild Architectural Restoration under a single tender action to arrange a quotation for Phase 1 and a budget for Phase 2 based upon the available information.
- 1.8 Guild Architectural Restoration have previously secured a contract with the Council at Hendon Cemetery and Crematorium as part of a competitive tender process. They have also demonstrated previous relevant experience in this area
- 1.9 Following appointment under a JCT Minor Works Contract, it is envisaged that the onsite works will commence in October 2019.
- 1.10 The tender report confirms the quotation received from Guild Architectural Restoration Ltd (GAR) is a fair and reasonable cost. The tender price at present includes the provision of access for surveys and crash desk throughout the swimming pool area which is approximately 8-10m above swimming pool level. The requirement to inspect and survey the entire length of each and every beam necessitates that the entire area must be accessed at one point during the contract period. The costs also include for temporary propping to the existing glulam beams whilst the apex connection is removed for further investigation. The scaffolding and propping are complicated by the irregular ground conditions (ie the swimming pool, multiple plinths, barriers etc) which has caused additional spans and abnormal design requirements. The scaffold has also been designed in such a way to reduce the loading away from the poolside and into the centre of the pool. To

enable the apex to be removed, a large ventilation duct spanning the length of the pool is required to be carefully taken down and set aside for reinstallation once the works are completed. In addition, the costs include for the survey of the existing timbers (this will be done by a specialist in conjunction with Capita Structural Engineers). All Phase 2 repair and remedial works to the glulam beam structure are excluded from the current costs as the extent of the works will only be known and verified once surveys are carried out.

The Phase 1 costs are exclusive of all repairs to the existing columns. A survey was carried out by GBG (Structural Investigators), which highlighted the poor condition of 19no columns. These columns require major repair works carried out on them during Phase 2 to ensure that the structural integrity of the structure is maintained. Capita Engineers have sketched up indicative solutions that will be passed to Guild Architectural Restoration Ltd for pricing and action. The remaining columns within the swimming pool area also require remedial works but not of a structural nature. The scope of works for these columns involve the removal of the corrosion and coat the columns in anti-corrosion paint. In addition to the columns, the survey also highlighted that the structural beams need re-coating with fire retardant paint. This additional item of scope will be passed to Guild Architectural Restoration for pricing and action.

Temporary works to temporarily prop the existing swimming pool walls are also excluded. This will be required prior to commencement on site and after the draining of the pools. An allowance has been suggested below.

2. REASONS FOR RECOMMENDATIONS

- 2.1 The Council has received a quotation under single tender action. The quotation has been reviewed against benchmark rates and construction indices to ensure the rates allowed are fair and reasonable.
- 2.2 The remedial works are required to bring the facility back into full use by the general public and allow the Council to meet its obligations in respect of sports and physical activity.
- 2.3 The works are required to reduce the current revenue claim levied against the Council by GLL, which will continue to accumulate until the facility is brought back into full use.
- 2.4 This report is recommending appointment of Guild Architectural Restoration Ltd under the JCT Minor Works Building Contract 2016 to undertake the Phase 1 works only.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 If this contract is not awarded as per the recommendation the council will be exposed to ongoing loss of revenue claims from GLL which is not currently budgeted for.
- 3.2 Not undertaking the works is not an option, as the facility is needed for the provision of sport and physical activity to residents of the borough.
- 3.3 Alternative options have been considered, however given the necessity for timely appointment given the large financial liability, single tender action is deemed the best option.
- 3.4 Doing nothing in this case is not an option given the health and safety implications. The Council have a statutory duty in respect of the building.

4. POST DECISION IMPLEMENTATION

- 4.1 Following approval to award this contract an award letter will be issued to the Contractor by the Procurement Team.
- 4.2 The works will be undertaken via a JCT Minor Works Building Contract and our respective legal representatives will finalise the contract and execute accordingly.
- 4.3 Once the contract has been executed a purchase order will be raised and engagement will start with the Contractor regarding pre-start activities, early orders and any outstanding decisions to enable works to get on site as soon as possible.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

- 5.1.1 The project did not form part of the Council's 5-year Corporate Plan and constitutes an emergency response given no previous issues had been reported at the facility.
- 5.1.2 The Council has just agreed a new five-year Corporate Plan, Barnet 2024, with new outcomes: a pleasant, well maintained borough that is protected and invested in, residents living happy, healthy, independent lives, and safe and strong communities where people get along well. The project will support the Council's approach to Barnet 2024, in particular by maintaining facilities that support healthy living, recreation and social cohesion.

5.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)

- 5.2.1 The value of the Phase 1 works contract is £245,580 plus VAT. This figure covers Phase 1 costs only. Guild Architectural Restoration Ltd has also been requested to price for the temporary support to the swimming pool walls. This was a late addition to the scope and therefore has not been priced by them. We estimate that the costs of propping both the competition and leisure pools at around £50,000. Therefore, the cost for approval is £295,580 plus VAT.

- 5.2.2 This is funded from the Asset Management Fund, agreed by the Assistant Director: Estates in August 2019 and will be monitored in consultation with the Greenspaces & Leisure team.
- 5.2.3 The nature of construction works means that changes may be required as works progress, with associated costs, resulting in reductions or increases in the contract value. The project team includes a cost consultant who will be able to provide assessment and appropriate scrutiny of cost where an event occurs. Any changes would be subject to appropriate project governance and adequate contingency funding whilst remaining in the approved project budget.
- 5.2.4 The Council relies on the Council's Contract Procedure Rules (CPRs), Rule 6 (Single Tender Action) and seeks to rely on rule 6.1 to award this Contract to Guild Architectural Restoration Limited.
- 5.2.5 The programme for the works is scheduled to commence upon on appointment of Guild Architectural Restoration Ltd and will take approx. 10 weeks to complete. The phase 1 works will be managed and monitored by CSG as part of the agreed brief in March 2019. This will include progress updates, risks and reports to be provided to the Greenspaces and Leisure Service.
- 5.2.6 Finchley Leisure Centre is owned by the Council and the tenant GLL, has been fully engaged throughout the process and supports the programme of works. All works will be carried out in accordance with statutory requirements and building regulations.

5.3 **Social Value**

- 5.3.1 The entering into of this Contract supports the Public Services (Social Value Act) 2012, by bringing back into use a facility which supports social, economic and environmental benefits.

5.4 **Legal and Constitutional References**

- 5.4.1 Whilst Contracts of this value do not need to be procured under The Public Contracts Regulations 2015, this report is in line with the authorisation process as required by the Council's Contract Procedure Rules (CPRs). The Council's Constitution, Article 10 – (Decision Making), Table B sets the authorisation delegated powers thresholds, and delegates power to an Approved Officer. Given that the financial commitment is between £181,302 - £500k, and within the current budget allocation the appropriate authorisation route is via Full Delegated Powers Report, signed by the appropriate chief officer with delegated authority.

- 5.4.2 In accordance with the Council's Contract Procedure Rules (CPRs) relating to rule 6 (Single Tender Action), the council seeks to rely on rule 6.1 to allow the Council to award a Contract to a Contractor without undertaking a competitive tendering exercise. The

head of commercial has been consulted and has approved entering into a contract with Guild Architectural Restoration Ltd, in the absence of the Commercial & ICT Services director; Note: Head of Commercial can sign off single tender actions under the Scheme of Delegation in the absence of the Commercial & ICT Director. The report clearance table at the end of this report has been amended to reflect this necessary change of approval.

5.4.3 Legal will prepare the Contract and will arrange for it to be executed by the parties.

5.5 Risk Management

5.5.1 Risks relating to the entering into of this Contract and the wider project are identified and monitored through the project risk register, maintained by the Project Team. Risks are monitored by the Project Team and the risk register updated as required. Any significant risks will be reported to the LBB Client, in accordance with the Council's risk management framework.

5.5.2 It is not considered that the entering into of this Contract is likely to raise significant levels of public concern.

5.5.3 If works are not carried out the Council will be exposed to significant revenue penalties/claims by the incumbent leisure provider GLL. The Council will not be able to satisfy its commitments in respect of sports and physical activity.

5.6 Equalities and Diversity

5.6.1 There are no equality implications arising directly from the decision set out in this report and the awarding of this Contract does not compromise the Council in meeting its statutory equalities duties.

5.7 Corporate Parenting

5.7.1 N/A

5.8 Consultation and Engagement

5.8.1 A formal consultation is not required in relation to entering into this Contract.

5.8.2 No parties other than the Council and the tenant are directly affected by the proposed decision.

5.8.3 Engagement has taken place with the service to define and confirm requirements and with the tenant in relation to the proposed works.

5.8 Insight

5.8.1 N/A

6. BACKGROUND PAPERS

6.1 N/A

7. DECISION TAKER'S STATEMENT

7.1 *I have the required powers to make the decision documented in this report. I am responsible for the report's content and am satisfied that all relevant advice has been sought in the preparation of this report and that it is compliant with the decision-making framework of the organisation which includes Constitution, Scheme of Delegation, Budget and Policy Framework and Legal issues including Equalities obligations. The decision is compliant with the principles of decision making in Article 10 of the constitution.*

Chairman:
Has been consulted

Signed



Date 12/09/19

Chief Officer:
Decision maker having taken into account the views of the Chairman

Signed



Date 12th September 2019
