

	<h2>CHIEF OFFICER IN CONSULTATION WITH COMMITTEE CHAIRMAN DELEGATED POWERS REPORT</h2>
<p style="text-align: right;"><b>Title</b></p>	<p>Authorisation for single tender action on Finchley Lido Leisure Centre to undertake Phase 2 structural remedial works</p>
<p style="text-align: right;"><b>Report of</b></p>	<p>Executive Director for Adults and Health</p>
<p style="text-align: right;"><b>Wards</b></p>	<p>All</p>
<p style="text-align: right;"><b>Status</b></p>	<p>Public</p>
<p style="text-align: right;"><b>Enclosures</b></p>	<p>Appendix A – Phase 2 Costs, Appendix B – Programme, Link to approved Phase 1 DPR (Section 6.1), Appendix C – Hired Equipment List</p>
<p style="text-align: right;"><b>Officer Contact Details</b></p>	<p>Chris Smith, Assistant Director of Estates, <a href="mailto:Chris.Smith@barnet.gov.uk">Chris.Smith@barnet.gov.uk</a> Andrew Conroy, Property Director <a href="mailto:Andrew.Conroy@capita.com">Andrew.Conroy@capita.com</a></p>

## Summary

In September 2019, the Council entered into Contract with Guild Architectural Restoration (GAR) to provide enabling works, structural propping and investigations to the roof structure at Finchley Lido Leisure Centre (Phase 1 works). This was authorised by DPR dated 12 September 2019, a copy of which can be accessed via hyperlink in section 6.1.

Phase 1 works are complete and in order to proceed with Phase 2 remedial works, approval must be sought to complete these works and restore the Leisure Centre into full use.

Investigation results revealed damaged apex connections, numerous cracks and splits within the structural timber glulam beams and a vast majority of columns exhibiting corrosion or signs of corrosion.

This DPR seeks approval for the Council to enter into a Contract with GAR requiring them to undertake the remedial/Phase 2 works which are necessary to restore the Leisure Centre to full use thus minimising, amongst other things, loss of revenue claims. Presently the wet side of the facility cannot be used. It also contains mandatory hired equipment for both structural support and access. It is imperative that urgent action is taken to remediate defective areas to enable them to open to the public again and to remove the requirement for this equipment, reducing unnecessary budget spend. These remedial/Phase 2 works will be undertaken under Articles of Agreement (which will incorporate JCT Minor Works Building Contract with contractor's design 2016) with Guild Architectural Restoration Ltd which will be drafted by HB Public Law.

These works are planned to be in 2 separate stages:

1. Stage 1 – Glulam Beam & Apex Connection Remedials;
2. Stage 2 – Steelwork remedials

The programme is anticipated to be completed in April and is appended in Appendix B

The Council's 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.

## Decisions

- 1. To enter into new Articles of Agreement (which will incorporate JCT Minor Works Building Contract with contractor's design 2016) with Guild Architectural Restoration Ltd to undertake the Phase 2 Structural Remedial Works at Finchley Lido Leisure Centre. Funds allocated and approved via Asset Management Fund (41501)**

### 1. WHY THIS REPORT IS NEEDED

- 1.1 Guild Architectural Restoration Ltd (GAR) have now completed the Phase 1 investigation works at North Finchley Lido and have identified defects within the structural glulam beams, the glulam apex connections and significant corrosion within the steelwork and columns. As part of the Phase 1 works, GAR have provided a costed proposal in respect of the remedial works required to bring the facility back into full use. The costed proposal and programme are included in Appendix A and Appendix B, respectively.
- 1.2 The primary purpose of this report is to approve the entering into new Articles of Agreement (which will incorporate JCT Minor Works Building Contract with contractor's design 2016) with Guild Architectural Restoration Ltd to undertake the Phase 2 Structural Remedial Works at Finchley Lido Leisure Centre therefore ensuring a smooth transition from Phase 1 works to Phase 2 works, thus minimising cost, programme and ongoing disruption to the leisure facility.
- 1.3 Under Rule 6 of the Council's Contract Procedure Rules, a Single Tender Action is the awarding or entering into a Contract with a contractor without undertaking a competitive tendering exercise. This is permitted only in exceptional circumstances and needs to be approved in advance by the Commercial & ICT Services Director. Approval from the Commercial & ICT Services Director was sought and approved on 12 December 2019.
- 1.4 We have considered undertaking a tender exercise for the phase 2 works, however given that time is of the essence and as the scope of the remedial works have only recently been ascertained a tender process is unviable. Any delay in proceeding with the Phase 2 works will accumulate costs for temporary propping, scaffolding and security. We will also continue to incur revenue penalties during this period from the leisure operator. GAR have a unique understanding of the structure and the proposed remedial works as this Contractor dealt with the Phase 1 works.
- 1.5 We have also been in comprehensive dialogue with GAR regarding Value Engineering proposals which will seek to reduce the final costs and programme duration. The technical team is currently reviewing these proposals and will comment on viability at the soonest opportunity.
- 1.6 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.
- 1.7 The likely associated costs with extending the programme via a tender exercise for the remedial works would be financially unviable. The key factor for Phase 2 remedial works is time. Prolongation of remedial works will impose further cost implications against the Council. The current anticipated forecast is in the region of £700,000 (not including propping hire & scaffolding via programme extension), any opportunity to accelerate remedial works to avoid delays will substantially impact this figure. (Redact upon publication)
- 1.8 Capita's structural engineer has advised that further intrusive investigations will be required, including breaking out of the existing concrete plinth beneath the columns. It is apparent

that remedial works to numerous columns have been applied in previous repair attempts, without this information we are unable to foresee what damage may lie beneath the plinths until further investigations are undertaken.

- 1.9 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 and successfully completed the Phase 1 propping and investigation works for this project.
- 1.10 The costed proposal at present includes timber repairs to glulam beams grid ref B, C, D, E, F, G, H. The costs also include for structural repairs to 6no. heavily corroded columns, minor repairs are recommended to the remaining columns within GARs area of works. The scope of works for 6no. columns includes comprehensive blast cleaning of corroded areas and reapplication of anti-corrosion paint. GAR confirmed the large ventilation duct spanning the length of the pool is salvageable and can be reinstalled to save costs. It is worth noting that 3 beams lie outside of the direct pool environment (Additionally 2no. beams lie partially within the pool environment) and have not been costed, but we are looking at options to deliver these within the advised budget.

## **2. REASONS FOR RECOMMENDATIONS**

- 2.1 The Council has received a quotation for the Phase 2 works from GAR. The quotation has been reviewed against benchmark rates and construction indices to ensure the rates allowed are fair and reasonable.
- 2.2 Approval from the Commercial & ICT Services Director was sought and approved on 12 December 2019 to proceed in line with Rule 6 (Single Tender Action) of the Council's Contract Procedure Rules.
- 2.3 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. The works are also 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, coupled with ongoing propping hire and scaffolding costs currently required to support the roof structure.
- 2.4 This report is recommending appointment of Guild Architectural Restoration Ltd under Articles of Agreement (which will incorporate JCT Minor Works Building Contract with contractor's design 2016) to undertake Phase 2 remedial works at Finchley Lido.

## **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. In conjunction with ongoing hire charges to support the roof structure 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 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 cost implications. The Council have a statutory duty in respect of the building.

#### **4. POST DECISION IMPLEMENTATION**

- 4.1 Following approval to proceed and enter into Articles of Agreement/Contract with GAR, the Articles of Agreement/Contract, will be finalised so that GAR can proceed to undertake the Phase 2 remedial works without delay.
- 4.2 The works will be undertaken via Articles of Agreement (which will incorporate JCT Minor Works Building Contract with contractor's design 2016).
- 4.3 Once the Articles of Agreement (which will incorporate JCT Minor Works Building Contract with contractor's design 2016) has been executed, a purchase order will be raised.

#### **5. IMPLICATIONS OF DECISION**

##### **5.1 Corporate Priorities and Performance**

- 5.1.1 The project constitutes an emergency response given no previous issues had been reported at the facility. However, increasing levels of sport and physical activity in the borough is a core part of the council's corporate plan, Barnet 2024, and is a specific objective for both the Adults and Safeguarding Committee and the Health and Wellbeing Board. Swimming is one of the most popular physical activities in the borough. Restoring the two pools at Finchley Lido to public use is essential to meet the council and committee plan requirements.
- 5.1.2 The Council has 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 fixed price for the Phase 2 works is £407,725.64 plus VAT. To protect the Council's interest avoiding further delays, should any unexpected issues arise, we recommend a contingency sum of £15,000. Therefore, the overall budget is £422,725.64.
- 5.2.2 This is funded from the Asset Management Fund (41501), 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. 18 weeks to complete. The Phase 2 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 Remedial works to Finchley Leisure Centre 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 fall below EU competitive tendering thresholds for construction works projects, 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 Rule 6.1 (Single Tender Action) of the Council's Contract Procedure Rules (CPRs), allows the Council to award a Contract to a Contractor without undertaking a competitive

tendering exercise. Legal understands that the Commercial Director has been consulted and has approved this approach.

5.4.3 Legal will prepare the Articles of Agreement/Contract and will arrange for them to be executed by both parties.

## 5.5 Risk Management

5.5.1 Risks relating to entering into a Contract with GAR for Phase 2 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 entering into a Contract with GAR for the Phase 2 works 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 entering into 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 The following link refers to the approved Phase 1 DPR:

<https://barnet.moderngov.co.uk/ieDecisionDetails.aspx?ID=7342>

## 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: **Chairman of the Adults Committee**

Has been consulted

Date : **19 December 2019**

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Chief Officer: **Executive Director for Adults and Health**

Decision maker having taken into account the views of the Chairman

Date: **19 December 2019**

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## APPENDIX A – Phase 2 Costs

Ref	Description	Unit	Qty	Rate	Total
	<u>Second Phase</u>				
	All remedial works are to take place within the proposed second phase. The final scope of works will be specified upon results of the timber and steel surveys. It is the however the intension of the Client to proceed with the incumbent contractor for second phase of the works. Due to client tendering protocol and the unknown nature of the works it has been decided to omit the remedial works from the tender.				
	In the event that the incumbent contractor is appointed to carry out the remedial works, we ask that the contractor price the works set out below as a guide so to give indicative rates and to simplify the negotiation period.				
	<u>Temporary Works</u>				
A	Allow for extended duration of temporary supports structures	wk	14	2171	£ 30,394.00
B	Allow for extended duration of access equipment	wk	14	5850	£ 81,900.00
	scaffolding inspections	wk	12	175.5	£ 2,106.00
	<u>Timber Repairs</u>				
C	Prepare, clean and re-paint the existing glulam beams as per Structural engineers Specification and drawing NFR-CAP-00-00-DR-S-0004	nr	7	1920	£ 13,440.00
C	Supply and install extension of Beam Support at Grid 5 as per drawing NFR-CAP-00-00-DR-S-0004 Rev P02	nr	30		
D	Allow for new Apex connection as per drawing NFR-CAP-00-00-DR-S-00003 Rev p02	nr	7	3000	£ 21,000.00
E	Allow to repair existing cracks within glulam beams				
F	Crack depth - 1mm	m	50		
G	Crack depth - 2mm	m	50		
H	Crack depth - 3mm	m	50		
I	Crack depth - 4mm	m	50		
J	Crack depth - 5mm	m	50	0	£ -
K	Extra over filling cracks for glass fibre rods with the following ratio:				
L	2 rods per meter	m	10	0	£ -
M	4 rods per meter	m	10	0	£ -
N	6 rods per meter	m	10	0	£ -
	<u>Steel Repairs</u>				
A	Replace all existing bolts, nuts, washers with new stainless steel grade 1.4565	nr	368	23.8	£ 8,758.40
B	Allow to pack all gaps with stainless steel SHIMS tights, or acceptable equivalent and plastic sheet	nr	46		
C	Allow to remove all existing paintwork from steelwork members, ready to receive new		1		£ 49,000.00
D	Allow to coat all steel with a paint corrosion Protect System as per Structural Engineers Specification		1		£ 20,115.00
E	Allow to install new steel collar to base of column	nr	6	3000	£ 18,000.00



Appendix B – Programme

ID	Task Name	Duration	Start	Finish	PHASE 2 TARGET PROGRAMME 01																				
					December 2019				January 2020					February 2020					March 2020					April 2020	
					Week 1	Week 2	Week 3	Week 4	Week 5	Week 6	Week 7	Week 8	Week 9	Week 10	Week 11	Week 12	Week 13	Week 14	Week 15	Week 16	Week 17	Week 18	Week 19	Week 20	
1	NORTH FINCHLEY LIDO ROOF REPAIRS - PHASE 2	78 days	16/12/19	17/04/20	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
2	ROOF LEVEL WORKS	39 days	16/12/19	20/03/20	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
3	resin injections to glulam beams	30 days	02/12/19	28/01/20	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
4	install additional scaffolding working lift	3 days	16/12/19	20/12/19	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
5	remove additional ventilation duct work	2 days	16/12/19	20/12/19	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
6	install spax connections	30 days	06/01/20	14/02/20	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
7	blasting paint & rust primer to steel	20 days	13/01/20	07/02/20	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
8	Roof replacements	20 days	27/01/20	21/02/20	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
9	off site and remove propping and spreaders	10 days	10/02/20	21/02/20	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
10	repainting to steels	20 days	10/02/20	06/03/20	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
11	refinish to glulam beams	20 days	10/02/20	06/03/20	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
12	renovate ducting	10 days	09/03/20	20/03/20	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
13	sign off works	1 day	20/03/20	20/03/20	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
14	POOL LEVEL WORKS	45 days	20/01/20	20/03/20	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
15	blasting paint & rust primer to steel	15 days	20/01/20	07/02/20	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
16	low level column repairs & making good	20 days	03/01/20	13/03/20	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
17	repainting to steels	20 days	24/02/20	20/03/20	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
18	sign off works	1 day	20/03/20	20/03/20	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
19	CLEAN & CLEAR SITE	20 days	23/03/20	17/04/20	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
20	remove all scaffolding	20 days	23/03/20	17/04/20	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
21	clean works area	15 days	30/03/20	17/04/20	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
22	handover	1 day	17/04/20	17/04/20	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

## Appendix C – Hired Equipment List

Item	Description
<b>SCAFFOLDING/ACCESS</b>	
1	Tied Independent fully boarded scaffolding to access walls and columns.
2	Tied independent scaffolding to support centre of beamwork situated in the swimming pools.
3	Birdcage/Crash Deck Supply and fix beamed scaffold to provide access to survey glulam beams.
<b>PROPPING</b>	
4	Install Support propping to glulam roof beams (2 x System 160 mabey props per beam as per mabey design)
5	Mabey Support propping hire
6	Hire & Install Alimat spreader plates beneath Mabey propping to floor of swimming pool to spread loads, as per Mabey design.