

APPLEMORE HEALTH AND LEISURE CENTRE CHANGING ROOMS – SUPPLEMENTARY FUNDING REQUEST

1. INTRODUCTION

- 1.1 The Council currently has a programme of Capital Works designed to make all of its buildings compliant with the requirements of the DDA Act.
- 1.2 The programme includes works to the changing accommodation at the Health & Leisure Centres including the swimming pool changing rooms at Applemore which was originally scheduled to take place in 2009/10.
- 1.3 At its meeting of the 4th June Cabinet approved a Supplementary Capital estimate of £80,000 in order to allow the scheme at Applemore to be brought forward into 2008/09 and to coordinate the works with other essential maintenance including:
 - Tanking and retiling the swimming changing rooms to prevent leakage to the lower floors and consequential closure of facilities.
 - The replacement of the Sauna & Steam (currently out of action) cabins which are due to take place in February.
 - Works to the Centre's waste plumbing which is currently causing unpleasant changing conditions.
 - Maintenance works to the swimming pool balance tank which would necessitate a pool closure (although connected, this budget has not been included within the figures in this report).
- 1.4 The coordination of these works was proposed in order to minimise the disruption to the public and loss of income during closures.
- 1.5 Following approval of the funding a major consultation exercise was undertaken involving all the relevant groups who use the changing facilities and a scheme developed on that basis.

2. CURRENT POSITION

- 2.1 The works at Applemore were due to commence in November with a scheduled project duration of 22 weeks and projected completion in April 2009.
- 2.2 The total available budget for the scheme is £187,000 which included a works element (£118,000) and replacement fixtures (£69,000). Tenders which included both elements were received in October the lowest of which was £286,000. This left an overall shortfall of £99,000.
- 2.3 The shortfall was attributable to 2 main factors;
 - Material Prices – These have risen much more sharply in the last 12 months than was anticipated with price increases ranging from 30% up to 100% in some cases.

- The Phasing of the Works – In order to keep part of the facilities available to the public and minimise loss of service and income the works were to be phased in such a way as to allow elements of the changing rooms to remain open. This increased the contract period from the originally anticipated 14 weeks to 22 weeks.

3. ASSET MANAGEMENT GROUP

- 3.1 The proposal was considered by the Asset Management Group in October and they considered two available options which are summarised in Appendix One.
- 3.2 The option not to proceed at all was considered but the Group felt that the Council has a legal duty under the Disability Discrimination Act (DDA) to ensure that the Council's buildings are fully accessible for those with disabilities. The need to alter the wet changing rooms in the Health and Leisure Centres had also been identified by the public as a priority as part of the comprehensive involvement exercise undertaken as part of the development of the Disability Equality scheme in 2006. The scheme includes a commitment to upgrade the wet changing rooms at the Health & Leisure Centres, and an audit of the wet changing facilities has confirmed that they do not meet the requirements of the Act.
- 3.3 On balance it was felt that option one offered the best overall solution in respect of the Council fulfilling its statutory obligation and meeting the expressed needs of the customers. This would however involve additional capital funding and the group agreed;
- That the design and specification for the scheme should be reviewed with a view to reducing costs.
 - That the original tendering companies should be approached again to submit tenders based on the revised scheme.
 - That the AMG meeting in November should receive an update regarding progress.
 - That all other possible sources of available funding should be explored.
 - That a request for additional funding should be submitted to Cabinet at the earliest appropriate opportunity
- 3.4 The scheme has now been reconfigured and retendered and the revised tenders were opened on Tuesday 25th November.
- 3.5 The revised costs have now been evaluated and the financial implications are detailed below.

4. FINANCIAL IMPLICATIONS

- 4.1 There are a number of budgets currently in the Capital Programme that make up the overall funding for this scheme. Including the £80,000 as requested and approved by Cabinet (Report G 04/06/08) and subsequently Council (21/07/08), the funding is currently as follows;

Changing Room DDA Works	80,000
Central Waste Plumbing	11,000
Floor Tanking and Re-tiling	<u>27,000</u>
Sub Total Building Works	<u>118,000</u>
Cubicles	50,000
Sauna and Steam Rooms	<u>19,000</u>
Subtotal Replacement Fixtures	<u>69,000</u>
Total Funding Available	<u>£187,000</u>

- 4.2 The lowest combination of tenders which has now been received that meets the current specification for the project is £288,000, which includes works (£215,000) and replacement fixtures (£73,000) This now leaves a shortfall of £101,000 against the budget.
- 4.3 NFDC, having committed to providing free swimming for the over 60's and under 16's from April 2009, will receive a one-off Capital grant of £39,500 to be spent in 2008/09 and which could be used to offset part of the additional costs of these works.
- 4.4 This would mean a supplementary estimate of £61,500 would be required to fund the shortfall.
- 4.5 The earliest the works could now start would be late January with completion projected for late June. This means the funding would cross financial years, with 30% estimated to be spent in 2008/09 and 70% in 2009/10.
- 4.6 Under these proposals the funding would be phased as follows:-

2008/09

Free Swimming Capital Grant	39,500
Existing Capital Funding	42,000

2009/10

Capital Slippage (from 08/09)	145,000
Supplementary Estimate	<u>61,500</u>

Total **£288,000**

5. TIMESCALES

- 5.1 It is critical that if the project is to proceed it is started as soon as possible. This is because;
- The leakages from the changing rooms are causing operational problems, additional maintenance costs and loss of income.
 - The DCMS Capital funding of £39,500 is only available for spending in 2008/09 and no other appropriate scheme is currently available.
 - The existing steam cabin is unusable and if the scheme is delayed will have to be replaced now and then moved at a later date at additional cost.
- 5.2 It is because of these factors that a decision on the overall funding of the scheme and whether to proceed is seen as an urgent item for Cabinet to consider in December.

6. RISK ASSESSMENT

- 6.1 The risks associated with not proceeding with the scheme are that the Council would fail to meet its statutory obligations and its duty of care to its customers.
- 6.2 The Council's image is also likely to be affected given the major consultation exercise already undertaken and the level of customer expectation.
- 6.3 Should the Council decide to proceed the main risks to the scheme are further increased costs and delays in the construction phase.

7. ENVIRONMENTAL IMPLICATIONS

None.

8. CRIME AND DISORDER IMPLICATIONS

None.

9. EQUALITY IMPLICATIONS

- 9.1 These works will provide changing rooms where people with disabilities can change and dress with their friends and family and removes the need to occupy separate facilities elsewhere. This facility will assist the Council in achieving its aim of integrated and fully accessible services.

10. CONSULTATION

- 10.1 There has been extensive consultation with all groups who are likely to use the facilities.

11. PORTFOLIO HOLDER'S COMMENTS

- 11.1 It is disappointing that the tenders came in so high but this is work that has to be done to keep Applemore Leisure Centre in good order. I do not want a situation where water damage causes us more problems and further loss of income. As we have consulted widely on this upgrade I think it is very important that we do it as quickly as possible for the good of all our customers.

12. RECOMMENDATION

- 12.1 It is recommended that Cabinet approve a supplementary Capital Estimate of £61,500 in 2009/10 in order to complete the refurbishment works to the wet changing rooms at Applemore Health and Leisure Centre.

For Further Information Contact:

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Background Papers:

<p>Option 1</p> <p>Proceed with the scheme as designed and seek supplementary Capital estimate</p>	<p>Advantages</p> <p>Free Swimming Capital funding of 39k available in 2008.</p> <p>Revenue implications have already been accounted for in 2008 / 09.</p> <p>Implementation plan in place for commencement in 2008 / 09.</p> <p>Customer expectation is for a scheme in 2008 / 09.</p> <p>Current Maintenance issues will be resolved.</p> <p>“Other elements” of funding are available in 2008 / 09.</p> <p>Scheme will be available close to the start of the “free swimming” initiative.</p>	<p>Disadvantages</p> <p>Building costs may have peaked and could be lower in future.</p> <p>Further call on capital funding in the current year.</p>
<p>Option 2</p> <p>Delay scheme until 2009 / 10.</p>	<p>Advantages</p> <p>Possible that scheme might be better VFM if prices change.</p>	<p>Disadvantages</p> <p>Free Swimming Capital funding of 39k available in 2008.</p> <p>Revenue implications have already been accounted for in 2008 / 09.</p> <p>Implementation plan in place for commencement in 2008 / 09.</p> <p>Customer expectation is for a scheme in 2008 / 09.</p> <p>Current maintenance issues will continue.</p> <p>“Other elements” of funding are available in 2008 / 09.</p> <p>Scheme will be available close to the start of the “free swimming” initiative.</p> <p>Large item of capital slippage.</p>