

## Bath & North East Somerset Council

DECISION MAKER:	Cllr David Dixon, Cabinet Member for Neighbourhoods Cllr Paul Crossley, Leader of the Council Cllr David Bellotti, Cabinet Member for Resources	
DECISION DATE:	On or after 7th February 2015	EXECUTIVE FORWARD PLAN REFERENCE:
		<b>E 2740</b>
TITLE:	<b>Drawdown of Leisure Dilapidation funds for structural works at Bath Sports Centre</b>	
WARD:	<b>Abbey</b>	
<b>AN OPEN PUBLIC ITEM</b>		
<b>List of attachments to this report: None</b>		

### 1 THE ISSUE

- 1.1 On expiry of the original Leisure Contract with Aquaterra on 30<sup>th</sup> June 2013, The Council agreed a 2 year extension until 30<sup>th</sup> June 2015.
- 1.2 As part of the extension, Aquaterra agreed to pay the Council a total of (£900,000) to discharge them of any dilapidation claims under the Contract terms. Payments were agreed as follows: £550,000 on 1 July 2013, £100,000 on 31 December 2013, £250,000 on 30 June 2015.
- 1.3 During the Condition Survey the works carried out as part of the dilapidation investigations revealed that Bath Sports Centre required significant structural concrete works to be carried out to rectify numerous defects. Structural defects are the responsibility of the landlord and therefore the Council are required to act on these recommendations.
- 1.4 A formal decision is now required to approve the capital budget in order to complete the concrete works ahead of the appointment of a new Leisure Operator on 1<sup>st</sup> July 2015.
- 1.5 The intention is for the works to be carried out from March to June 2015.

### 2 RECOMMENDATION

- 2.1 To approve the capital budget of £650k to carry out significant structural concrete works at Bath Sports Centre.

### **3 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)**

- 3.1 There is currently a provisional item in the capital programme for Leisure Centre Capital Repairs (Feb 2014 Council Budget Report). This recommendation would fully approve the budget line for spend up to £650k.
- 3.2 Aquaterra agreed to pay the Council a total of (£900,000) to discharge them of any dilapidation claims under the Contract terms and to extend the original 10 year contract by a further 2 years. Payments were agreed as follows: £550,000 on 1 July 2013, £100,000 on 31 December 2013, £250,000 on 30 June 2015. £650k has been received to date and these receipts are the source of funding for the budget.

### **4 STATUTORY CONSIDERATIONS AND BASIS FOR PROPOSAL**

- 4.1 Bath and North East Somerset Council are legally required to maintain the structure of its Leisure Centres. Condition Surveys and further exploratory investigations highlighted areas for remedial works and therefore the works are required to be carried out.

### **5 THE REPORT**

- 5.1 During the Condition Survey works, carried out as part of the dilapidation investigations, it was found that Bath Sports Centre required significant structural concrete works to be carried out to rectify numerous defects. Structural defects are the responsibility of the landlord and therefore the Council are required to act on these recommendations.
- 5.2 Watts Group PLC were contracted by Property Services to carry out the Leisure condition surveys and produce recommendations. The surveys highlighted the concrete issues at Bath Sports Centre.
- 5.3 Property Services then contracted Integral, an Engineering Design company, to carry out more intrusive surveys to determine the condition and to produce a recommendation report.
- 5.4 Following the recommendations from Integral, NEPRO was used to tender for the works. Watts Group PLC was the only company to propose to Project Manage the works.
- 5.5 Watts Group PLC have worked with Integral to produce a specification and tender for the required works, 3 contractors will have proposed by 30<sup>th</sup> January 2015. Watts Group PLC will then cost and recommend from the 3 and support the Council in making an appointment.
- 5.6 The works will take place between March and June 2015.

## 6 RATIONALE

- 6.1 Bath and North East Somerset Council are responsible for all structural elements of the Leisure buildings within its portfolio and therefore cannot pass responsibility for the structural concrete works to any Leisure operator.

## 7 OTHER OPTIONS CONSIDERED

- 7.1 As the structure of Bath Sports Centre is the responsibility of Bath and North East Somerset Council, the remedial works identified must be addressed as reported in the engineers recommendations. No other options are available other than to proceed with the works.

## 8 CONSULTATION

- 8.1 Consultation has taken place with various stakeholders and internal colleagues including S151 officer, monitoring officer, Property Services, Environmental Services Divisional Director, Place Strategic Director, Parking Services,.

## 9 RISK MANAGEMENT

- 9.1 A risk assessment related to the issue and recommendations has been undertaken, in compliance with the Council's decision making risk management guidance.

<b>Contact person</b>	<i>Christian Stephens, Contracts Manager, Environmental Services, Place Tel: 01225 396430</i>
<b>Background papers</b>	<i>None</i>
<b>Please contact the report author if you need to access this report in an alternative format</b>	