

Agenda Item No: 9.5 **Report No:** 55/16
Report Title: Lewes Leisure Centre Plant Replacement
Report To: Cabinet **Date:** 21 March 2016
Cabinet Member: Cllr Tony Nicholson
Ward(s) Affected: Lewes Priory, Lewes Bridge, Lewes Castle
Report By: Gillian Marston, Director of Service Delivery
Contact Officer(s)-
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Purpose of Report:

To advise Cabinet of the requirement to replace the Air Handling Unit and the boilers at Lewes Leisure Centre and to seek approval to go to tender and let the contracts for replacement of the associated plant.

Officers Recommendation(s):

- 1 To seek authority to replace the Air Handling Units at Lewes Leisure Centre and to authorise the Director of Corporate Services to waive Contract Procedure Rule 6 for the reasons set out in paragraph 3.6, awarding the contract to Recotherm Ltd.
 - 2 To seek approval to go out to tender and award the contract for the replacement of the heating and hot water boilers at Lewes Leisure Centre.
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Reasons for Recommendations

- 1 In July 2014 Hamsons JPA carried out a conditions survey on Lewes Leisure centre building and the mechanical and electrical plant and reported that the Swimming Pool Air Handling Unit (AHU) was life expired, but functional. The surveyor noted that there was some deterioration internally with a high risk of component failure.
- 2 The same report in July 2014 also identified that the boilers and heating system are 24 years old and life expired. Wave Leisure have reported that a 17% increase in gas consumption since April 2015, which would indicate that the boilers are no longer operating efficiently.

Information

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Air Handling Units

- 3.1** Lewes Leisure Centre is a purpose-built structure built in 1985. The current Air Handling Unit manages the humidity of the air in the Swimming Pool Hall.
- 3.2** In November 2013, the extract fan supports and bearings failed causing damage to the motor casing and fan outlet mounting plate. Because of the age and general condition of the AHU, major repairs were not the most viable or cost effective option. Accordingly, a decision was made to replace the failed extract fan with a new extract fan and motor which would be suitable for permanent installation in a future new AHU. In January 2014, a new extract fan and motor was supplied and installed by a specialist manufacturer of Pool Hall AHUs.
- 3.3** HMC Engineering Services were contracted to provide a specification and costs to replace the existing Air Handling Unit. HMC recommend a Recotherm Ltd AHU. Because the access to the plant room is restricted the AHU can be delivered as a “flat-pack” and assembled on site, avoiding the need to remove/replace cladding and/or roof panels. The Recotherm unit will also minimise the need to remove/replace other items of adjacent plant and equipment.
- 3.4** The unit incorporates heat recovery techniques and variable (demand based) air volume control to reduce the air flow during out of hours to minimise running costs and carbon emissions. The Recotherm AHU can accommodate the replacement extract fan previously fitted.
- 3.5** Previous installations of Recotherm units at other locations have achieved a minimum of 15% savings over a typical refrigerate unit.
- 3.6** If approved, the works can be undertaken during the summer months and will negate the requirement for a shutdown of the Leisure Centre Pool and additional temporary mechanical ventilation.
- 3.7** The Contract Procedure Rules require the Council to obtain four tenders for works of this value. However, there are very few suppliers of this type of equipment. HMC have undertaken a thorough investigation of the types of products that are available and are of the opinion that the Recotherm product is the best to operate in the harsh environment of a pool hall. It is highly likely that Recotherm would be the only suppliers who could match the specification produced for any tender and so it is recommended that the Contract Procedure Rules are waived for the procurement of the AHUs.

Boilers and Heating System

- 3.8** HMC Engineering Services were also contracted to provide a specification and costs to replace the existing boilers.
- 3.9** HMC has recommended installing three Hamworthy modular boilers with a combined capacity of 750kw. The selection of 3 boiler modules each with a nominal output of 250kW, is based on assessment of the existing load, which is estimated to be in the order of 600kW.
- 3.10** The proposed new boiler configuration gives greater security of service when one boiler is out of service.
- 3.11** If in future, the Leisure Centre was extended and there was a need for additional boiler capacity, the proposed configuration could be increased by an additional 3 boiler modules, giving a total nominal capacity of 1.5mW (which is nearly twice the existing capacity of 800kW).
- 3.12** Hamworthy boilers have previously been installed at Downs Leisure Centre and Peacehaven Leisure Centre in recent years and both installations have been trouble-free.
- 3.13** Hamworthy Modular Boilers are ErP (Energy Related Products) Directive and Building Regulations 2013 part L Compliant with a gross seasonal efficiency of 95%.

Financial Appraisal

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- 4.1** Lewes Leisure Centre is subject to a Joint Use Agreement (JUA) with East Sussex County Council for the use of the sports hall and other facilities to be accessed by Priory School. As a result, some of the project and capital costs are the responsibility of ESCC under the terms of the JUA.

Air Handling Units

- 4.2** The cost of replacing the AHUs is estimated at £65,000. This figure includes consultancy design fees; removal of existing AHU; and to supply and install the new AHU, leaving it operational.
- 4.3** As the swimming pool is not in the dual use agreement with ESCC they do not contribute to these works and the liability resides with LDC.

Boiler and Heating System

- 4.4** The new boilers are estimated to cost £95,000. This figure includes three new boilers; necessary changes to pipework; associated plant; and consultancy design fees.

- 4.5 As the sports hall is covered by the Joint Use Agreement, up to 42% of 27% of the total project cost can be recharged to East Sussex County Council. With a total project costs of £95,000 the figure that can be recharged to ESCC equates to £10,773. ESCC have confirmed that this is their understanding also.
- 4.6 LDC will initially pay the estimated costs of £95,000 and then recover the estimated £10,773 from ESCC on completion. The overall estimated cost to LDC will be £84,227.
- 4.7 Funding for both the AHUs and the Boilers can be met from reserves.

Legal Implications

The Legal Services Department has made the following comments:

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- 5.1 As the value of this contract is less than the services threshold of £172,514 the Council's Contract Procedure Rules (CPRs) apply. Normally, the current CPRs would require the Council to advertise and obtain four tenders. However, Recotherm is a specialist supplier and it is unlikely that a further three suppliers would be able to meet the same specification and efficiency.
- 5.2 Cabinet are asked to approve a waiver for not following the Council's Contract Procedure Rules by going out to tender to appoint the service providers for this work but to award the contract to Recotherm Ltd. It is considered that this approach will be efficient and offer value for money. However, if the final quote is above the OJEU threshold, it will trigger a full tender exercise.

Risk Management Implications

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- 6.1 The following risks will arise if the recommendations are not implemented, the proposal to mitigate these risks are:
- 6.2 The loss of boilers would close the entire site, potentially losing all revenue for a lengthy duration whilst works are carried out which will impact on Wave Leisure Trust and also the school use of the facility. The method of replacement will either avoid a closure of the centre or allow for any closure to be managed and advertised, thus reducing the financial and reputational risks for Wave. If the boilers are not replaced and they failed, an emergency closure would be more likely.
- 6.3 The loss of the current AHUs may result in the closure of the swimming pool, leading to loss of revenue for a lengthy duration whilst works are

carried out. The methodology for replacing the AHUs during the summer months removes the need for a closure of the pool.

Equality Screening

7 Please see Appendix 1

Background Papers

8 None

Appendices

9 Appendix 1: Equality Impact Assessment

Appendix 1: Equality Analysis Report Template

Title:	Replacement of Plant at Lewes Leisure Centre
EA Lead :	Bee Lewis, Head of Property & Facilities
EA Team:	
Date Commenced:	24th February 2015
Target Completion Date:	24th February 2015
Reason for assessment:	Report to Cabinet

Context and Scope

1. What are the main purposes and aims of the service/project/decision?

To assess the equalities impact of the recommendations contained within the report to Cabinet concerning the replacement of plant equipment at Lewes Leisure Centre.

2. What effect does it have on how other organisations operate and what commitments of resources are involved?

The recommendations, if approved, will enable ongoing provision of a sports and leisure service at Lewes Leisure Centre (LLC). LLC is a wet and dry facility which opened in 1991. The facility is in generally good condition and is dual-use with Priory School. The school and tertiary college have exclusive use of the main hall and gymnasium during term-time weekdays. Facilities include a



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free-form leisure pool and training pool; a gym; soft play area and outdoor athletics track.

3. How does it relate to the demographics and needs of the local community?

Lewes shows household income levels in excess of the national index for all ranges above £30,000 per annum and is particularly high in terms of residents earning over £60,000 per annum. Lewes is primarily composed of ABC1 social groups and is below the index for social groups D and E. The population is significantly older than the national average, particularly those above 60.

4. How does it relate to the local and national political context?

The catchment area loosely follows the profile of Lewes District, from East Dean to Saltdean along the coastal strip and to the villages north of Lewes. There are considerable variances between groups with one or more characteristics which are protected under the Equalities Act, 2010.

Wave Leisure facilities receive an average of 995,000 visits per year. That translates to each and every person in the district visiting the facilities on average just under 10 times per year

10,185 people are cardholders of Wave Leisure, meaning that approximately 10% of the district holds a Wave Leisure card.

97% of the adult population feel as though regular activity is important. This is a rise of 1% since the last survey in 2010. However only 44% of people think they are taking enough exercise, with 14% stating that they definitely aren't undertaking enough activity. This is on par with the national average, although the statistics show that less than half of those feel as though they are actually undertaking enough activity.



5. Is there any obvious impact on particular equality groups?

	Race (includes ethnic or national origins, colour, & nationality)			Disability (includes mental & physical)			Gender (includes gender reassignment)			Pregnancy (includes maternity & paternity)			Sexual Orientation (includes heterosexual, homosexual & bisexual)			Religion & Belief (includes all faiths, beliefs & agnostic)			Age (includes all age groups)		
Impact	Positive	Negative	None	Positive	Negative	None	Positive	Negative	None	Positive	Negative	None	Positive	Negative	None	Positive	Negative	None	Positive	Negative	None
Tick if relevant			Y	Y			Y			Y					Y			Y	Y		

6. How does it help to us meet our general duties under the Equality Act 2010?

Leisure, health and wellbeing applies to everyone, whether they have protected characteristics or not. Provision of, and participation in, the leisure service has a positive impact on physical and mental wellbeing.

7. What is the scope of this analysis?

Adopting the recommendations would lead to positive impacts for a number of people with protected characteristics, in particular disability, pregnancy and age.

Information gathering and research

8. What existing information and data was obtained and considered in the assessment?

Equality Impact Assessment of the Leisure Service carried out in May 2015

9.

What gaps in information were identified and what action was undertaken/is planned to address them?

None identified

10. What communities and groups have been involved and what consultation has taken place as part of this assessment?

Consultation is not required as service provision will not change.

Analysis and assessment

11. What were the main findings, trends and themes from the research and consultation undertaken? n/a

12. What positive outcomes were identified? n/a

13. What negative outcomes were identified? n/a

Action planning

14. The following specific actions have been identified: *(see paragraph 25 of the guidance)* n/a

Summary Statement


On 24th February 2016 an Equality Analysis was undertaken by Bee Lewis, Head of Property & Facilities on the proposals for buying in the lease at Newhaven Square to give the Council control of the vacant properties.

Due regard was given to the general equalities duties and to the likely impact of the project on people with protected characteristics, as set out in the Equality Act 2010.

The assessment identified:

No major changes are required. The EA demonstrates the project is robust, there is little potential for discrimination or adverse outcomes, and opportunities to promote equality have been taken.

Approval

Director	Gillian Marston
Signed	
Dated	24 th February 2016