

BABERGH DISTRICT COUNCIL

FROM: Head of Contract and **REPORT NUMBER: J187**
 Asset Management

TO: STRATEGY COMMITTEE **DATE OF MEETING: 11 February 2010**

2009/10 CAPITAL PROGRAMME

1. PURPOSE OF REPORT

This report seeks approval to implement schemes within the Council's Housing Revenue Account and the General Fund.

2. RECOMMENDATIONS

- 2.1 That expenditure from the Council's Housing Revenue Account to carry out the proposed schemes outlined in the table in paragraph 5.1 of the report be approved.
- 2.2 That an exemption be approved under the Contract Procedure Rules Schedule 1 - para 3(a) to refurbish the ultra-violet water cleansing equipment at the Kingfisher Leisure Centre.
- 2.3 That the proposed scheme to refurbish the Hadleigh Pool Changing Rooms (as part of the Free Swimming Programme) proceed at a revised cost of £406,600.

The Committee is able to resolve these matters.

3. FINANCIAL IMPLICATIONS

- 3.1 There are no financial implications. The proposed works can be funded from existing budgets.

4. RISK MANAGEMENT

- 4.1 This report is most closely linked with the Council's Significant Business Risk No.9 – Management of Projects and Programmes.

4.2 Other key risks are set out below:

| Risk Description | Likelihood | Seriousness or Impact | Mitigation Measures |
|--|---|--|--|
| Playgrounds: If the playgrounds are not resurfaced there is an increasing risks of trip hazards to the children using the sites | High | Critical | Resurface the playgrounds as soon as possible |
| Major Improvements to Void Properties: Loss of rental while properties remain vacant | Certain | Limited | Tenders currently being sought ready for award after Committee approval |
| Ultra-violet water treatment plant: Water quality will not achieved the required level | Low (because hand-dosing will be used as a temporary measure) | Critical (if water quality levels fall dramatically) | Fit replacement parts as quickly as possible |
| Hadleigh Pool Changing Room Refurbishment: If the work does not commence in late February then the grant from Sport England will be lost If the air-handling plant is not refurbished then the air quality in the pool hall will not meet the required standards | Very high | Critical | Ensure that contract is awarded immediately after Committee approval (subject to the call-in period) |

5. **KEY INFORMATION**

5.1 The Head of Community Development requests that the following schemes proceed from the Council's Housing Revenue Account. Approval is therefore required for:

| Budget (£) | Work Category | Estimated Cost (£) | Balance of Budget Remaining after approval of these schemes |
|---------------------------------|---|----------------------|---|
| HRA Budgets (09/10) £42,940 | Common Areas: Resurfacing of three playgrounds at Maldon Court & Essex Avenue | 31,685 | Nil |
| £120,000 (revised) | Major Improvements: Refurbishment at 6 Fenview, Washbrook | 25,000 | 24,000 |
| HRA Budgets (10/11) £180,000 | Refurbishment at 26 Stutton Close, Stutton Major Improvements: Refurbishment at 15 Martyns Rise, Long Melford | 24,000 35,000 | Nil 145,000 |

Housing Revenue Account

5.2 Resurfacing of Playgrounds - It is proposed to resurface the Maldon Court play area, and the junior and toddler play areas at Essex Avenue. The existing surfaces are over 20 years old (Maldon Court) and 35 years old (Essex Avenue). In addition new graphics will be displayed on the new tarmac surfaces. The total area to be resurfaced is 565 sq.m.

5.3 Refurbishment at 6 Fenview, Washbrook - The tenant in this property was recently relocated to a smaller house by our housing division. On inspection it was found that it had received very little work over a long period. The works now required to achieve the Decent Homes Standard are:

- New kitchen
- New first floor bathroom
- Works to ground floor shower room
- Major garden clearance works

- Decoration preparation works
- Upgrade of electrical system

5.4 Refurbishment at 26 Stutton Close, Stutton - The tenant in this property was also recently relocated to a smaller house by our housing division. On inspection it was again found that this property had received very little work over a long period. The works now required to achieve the Decent Homes Standard are:

- Enlarge kitchen area
- New bathroom
- Decoration works
- Upgrade of electrical system
- Installation of new rear door and side-lights

5.5 Refurbishment at 15 Martyns Rise, Long Melford - The tenant in this property has vacated without notice, and yet been untraceable. On inspection it was found that the property had received very little work over a long period. The works now required to achieve the Decent Homes Standard are:

- New kitchen
- New bathroom relocated to first floor, including new studwork partition
- Reinstatement works (caused by roof tank leak)
- Installation of new front and rear doors
- New heating system
- Decoration works
- Garden clearance
- Fencing works
- Upgrade of electrical system

General Fund

Kingfisher Leisure Centre

5.6 Kingfisher Leisure Centre (KLC) - The ultra-violet water treatment plant needs a major modification as spares are no longer available. The new elements however can only be sourced from the original manufacturer (Hanovia Ltd.) because much of the original equipment will remain in place. The cost of the work is £20,370.

5.7 Although this is not a non-committed scheme (as the rolling refurbishment programme for the KLC has previously been approved) an exemption is required for Hanovia to carry out the work under the Contract Procedure Rules Schedule 1, para 3(a) – ‘no more than one tender is required if the works to be executed consist of repairs to existing proprietary equipment’. Your approval is therefore sought to this exemption.

Hadleigh Pool

- 5.8 The capital programme includes for a major refurbishment of the changing rooms at Hadleigh Pool. The original estimated cost was £273,600, with £185,000 having been obtained from Sport England in the form of a grant from the Free Swimming Programme.
- 5.9 During the detailed design process investigations by our architects revealed defects in the roof and the floor slab to the changing rooms that had not previously been identified. This work will have to be added to the contract.
- 5.10 In addition two weeks ago the main air-handling equipment failed. Investigations have shown that this equipment needs an immediate major overhaul.
- 5.11 The end result is that the total estimated project cost (including additional fees) has now risen to £406,600.
- 5.12 The project must start at the end of February 2010 to ensure the Sport England grant is secured.
- 5.13 Having reviewed the remaining General Fund capital programme for 2009/10, and the programme for 2010/11, the additional funding required for this project can be found by re-programming or delaying other works. This is considered the best way forward because this project does lever in £185,000 of external money.
- 5.14 The additional funding will come from:
- Corporate Buildings 2009/10 - £46,000
 - Hadleigh Pool refurbishment programme 2010/11 - £25,000
 - Corporate Buildings 2010/11 - £37,700
 - Playground Equipment Renewal Programme - £25,000
- 5.15 These budget changes have already been reflected in Paper J182 (Item 9 of the agenda).

6. APPENDICES

None

7. BACKGROUND PAPERS REFERRED TO

None

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