

## **Report to Corporate Director (Leisure)**

**Subject:** Arnold Leisure Centre – Open Tender for the replacement works of the boiler and combined heat and power units

**Date:** 14<sup>th</sup> March 2106

**Author:** Centre Manager (Arnold, Calverton & Redhill Leisure Centres)

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### **Wards Affected**

All

### **Purpose**

- To agree an open tender procedure for the replacement boilers and combined heat and power unit at Arnold Leisure Centre, in accordance with Contract Standing Orders 8 to 11.

### **Key Decision**

This is not a Key Decision

### **Background**

1. The current boilers that serve Arnold Leisure Centre and Bonington Theatre are at the end of their lifespan. They were installed in 1992 and have been in use for over 20 years. Consultant advice, provided by Pick Everard, has confirmed that boilers of this age are considered to be life expired and uneconomical due to frequent breakdowns and repairs. The combined heat and power unit has not worked for 6 years as beyond economic repair and has been isolated.

Pick Everard have undertaken a feasibility study and options appraisal on behalf of the council, which secured the capital finance to undertake the proposed works. The contract value and budget secured for financial year 2016/2017 is £200,000 and the tendering process will be that of an open tender to comply with Standing Orders.

### **Proposal**

2. To agree an open tender procedure for the replacement boilers and combined heat and power unit at Arnold Leisure Centre, in accordance with Contract Standing Orders 8 to 11.

### **Alternative Options**

- 3 To replace the boilers only, however in-comparison the payback difference would be 1 year less than the full scheme, due to the energy efficiency and electricity generated
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by the combined heat and power unit. This option will also help the council meet its corporate target of reducing its overall carbon footprint.

To continue with the existing boilers until they fail. Pick Everard advised that this would not be a preferred option for the council on the premise that the boilers provide a business critical function and at the end of their lifespan and if the boilers were to fail the centre would not be able to operate.

### **Financial Implications**

4 Contract value is £200,000. The capital budget has been secured for financial year 2016/2017

### **Appendices**

5 None

### **Background Papers**

6 None identified.

### **Recommendation**

#### **It is recommended that:**

- (a) an open tender procedure for the replacement boilers and combined heat and power unit at Arnold Leisure Centre, in accordance with Contract Standing Orders 8 to 11 be approved.

### **Reasons for Recommendations**

7 To satisfy Standing Orders requirements.