

Committee:	Cabinet	Date:	Tuesday, 20th February 2024
Title:	Lord Butler Leisure Centre - Reinforced Autoclaved Aerated Concrete (RAAC) corrective works contribution		
Portfolio Holder:	Cllr. Neil Hargreaves, Portfolio Holder for Finance and the Economy		
Report Author:	Angela Knight, Director of Business Performance and People aknight@uttlesford.gov.uk Paula Evans, Contract, Performance and Risk Manager pevans@uttlesford.gov.uk	Key decision:	No

Summary

1. In February 2023 it was identified that a section of the ceiling at the Lord Butler Leisure Centre was constructed using Reinforced Autoclaved Aerated Concrete (RAAC). This is the only one of the 3 leisure centres in the PFI agreement affected by the RAAC.
2. The affected areas were cordoned off to the public and the partners of the PFI worked together to rectify the issues. Following a number of surveys and expert advice, a course of action was agreed for the corrective works.
3. The total financial impact of the RAAC and the closure of a section of the Leisure Centre for approx. a year was £164,587, and partners of the PFI have been requested to share the cost in equal proportions.
4. Uttlesford has no legal obligation to contribute to the cost of the works, any contribution would be made in the spirit of partnership working and as a one off gesture of goodwill.

Recommendations

4. It is requested that members approve funding a 25% share of the cost of the RAAC in the sum of £41,147.

Financial Implications

5. The council currently holds funds within the PFI budget to support the significant increases in the cost of utilities, for the current financial year there is a forecast underspend of £41,964. It is suggested this is used to support the cost of the Council's share to rectify the issues with the RAAC.

Background Papers

6. The following papers have been referred to by the author in the preparation of this report and are available for inspection from the author of the report:

None

Impact

- 7.

Communication/Consultation	Reviewed by Corporate Management Team (CMT) and Informal Cabinet Board (ICB)
Community Safety	None
Equalities	None
Health and Safety	The affected area has been cordoned off from use since identification of the presence of RAAC was first made.
Human Rights/Legal Implications	None
Sustainability	None
Ward-specific impacts	The Lord Butler Leisure Centre is situated within the Saffron Walden Shire Ward
Workforce/Workplace	None

Background Information

8. The PFI contract is overseen by Uttlesford Linteum Ltd who engage a special purpose vehicle organisation, Pario, to work with the PFI partners at an operational level. 1Life are responsible for the day-to-day management and maintenance of the Lord Butler site and they sub-contract the maintenance works to Emcor.
9. The Council was first notified of the potential presence of RAAC at the Lord Butler Leisure Centre in February 2023. At the time there was very limited media coverage regarding the condition and very little information, or guidance available on how it should be treated.
10. The authority immediately notified its PFI partners of the situation. An initial risk assessment was completed and subsequently a decision was made to cordon off

and secure the affected area. This meant that all three of the squash courts and their access hallway was inaccessible to the public along with the hallway on the upper floor that runs parallel to the courts and the spin studio.

11. 1Life provided alternative arrangements to all affected users; squash users have been able to use courts at the Great Dunmow Leisure Centre and spin classes have been held in the sports hall. An alternative access route was identified for Bell Day Nursery to ensure the safety of the children in its care.

Corrective Works

12. Specialist surveys were commissioned to determine the extent of RAAC within the Lord Butler Leisure Centre. Surveys were also carried out on both the Great Dunmow and the Romeera (Stansted) Leisure Centres, both proved to be clear of the condition.
13. Following a fully compliant procurement process, the appointment of an approved contractor, Borrás was made, and they commenced the specialist corrective works on 2nd January 2024. Works are due to be completed and signed off by all PFI parties in mid-February and all areas will then be accessible to the public.
14. Following the completion of the corrective works, formal inspections will be conducted on a three yearly basis in 2026, 2029 and 2032, as recommended in the specialist surveys. The surveys will be aligned with, and feed into, the pre-hand back survey that will need to be undertaken in 2028/29 as the leisure centres are due to be handed back as UDC assets when the PFI ends in 2032.

Cost and Funding of Corrective Works

17. Discussions have taken place between all the PFI parties, UDC, Linteum (Pario), 1Life and Emcor regarding the funding of the works and it has been proposed that the cost is split equally between all four parties in the spirit of partnership working.
18. The total financial impact of the RAAC is £164,587, this includes the cost of surveys, corrective works and sundry income losses and equates to an individual partner cost of £41,146.75.
19. Uttlesford has no legal obligation to contribute to the cost of the works, any contribution would be made in the spirit of partnership working and as a one off gesture of goodwill.

Risk Analysis

21.

Risk	Likelihood	Impact	Mitigating actions
If any of the partners do not agree to contribute it could	2 – all other parties have agreed to an equal	3 – If the authority does not contribute to funding the	The corrective works will ensure the Lord Butler LC is immediately made

be detrimental to the relationship between all partners with a larger financial burden falling to the remaining partners.	contribution to ensure partnership relationships are maintained with a contribution being offered as a gesture of goodwill.	cost of the works it may damage the positive relationship that the partners have developed.	safe for members of the public. The follow-up surveys will ensure any necessary further works are identified before they become high risk and costly to correct. They will also align with any hand-back conditions procedures that need to be completed.
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1 = Little or no risk or impact

2 = Some risk or impact – action may be necessary.

3 = Significant risk or impact – action required

4 = Near certainty of risk occurring, catastrophic effect or failure

