

Report of	Meeting	Date
Director of Communities Introduced by Cabinet Member (Health and Wellbeing)	Cabinet	Wednesday, 23 March 2022

Decarbonisation works

Is this report confidential?	No
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Is this decision key?	Yes
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Savings or expenditure amounting to greater than £100,000	Significant impact on 2 or more council wards
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Purpose of the Report

1. This report will request authority to spend £5,468,854.00 which includes £500,000 partnership funding allocated in the Council's capital programme and a grant received of £4,968,854.0000 from the BEIS Public Sector Decarbonisation Scheme to support the Decarbonisation works at the Council's Leisure Centres, the Civic Centre and the Depot. Previously approved at Full Council on 22nd September 2021.
2. The report will request approval to use the UK Leisure Framework direct award framework to complete the works.

Recommendations to Cabinet

3. That Cabinet authorises a spend of £5,468,854.00 which includes a grant of £4,968,854.00 from the BEIS Public Sector Decarbonisation Scheme (PSDS) and £500,000 allocated in the Council's Capital programme
4. That Cabinet approves the use of the UK Leisure Framework to complete the Decarbonisation work
5. That authority be delegated to the Cabinet Member for Health and Wellbeing to award the contract pursuant to recommendation 4.

6. That a report will come forward to full Council in April 2022 on proposals for a wider investment scheme into the Council's Leisure Centres.

Reasons for recommendations

7. In accordance with the Council's procurement rules a Cabinet decision is required to authorise a spend of over £100k
8. The timescales associated with delivering the Decarbonisation work are such that a decision was taken to use a Specialist Framework as recommended to the Council. This represented a further reason for the recommendations above. Further details on the chosen Framework are shown in the report below

Other options considered and rejected

9. The option of not committing to applying for the decarbonisation grant was considered but it was agreed the time and effort in submitting the bid was worthwhile, and the potential benefits towards the Council's goal of net zero by 2030 was an opportunity that could not be missed.
10. The grant award conditions require all work to be completed within 12 months, i.e. by the end of March 2023. The normal tender process would not facilitate the delivery of the project within a 12 month period, hence the recommendation to approve the use of the UK Leisure Framework.

Corporate priorities

11. The report relates to the following corporate priorities: (please bold all those applicable):

An exemplary council	Thriving communities
A fair local economy that works for everyone	Good homes, green spaces, healthy places

Background to the report

12. Through the work of the Council's climate change task group, the opportunity emerged of attracting significant new investment into six key Council buildings including the four Leisure Centres, the Civic Centre and the Council's Depot, identified as the Big 6.
13. Through a significant bidding process the Council has been successful in attracting a grant of £5,468,854 to South Ribble which includes £500,000 match funding from the Council.
14. The Decarbonisation works planned will significantly reduce the Carbon footprint of the Big six key buildings within South Ribble Borough and will contribute significantly to the Councils net zero carbon emissions target by 2030.

15. As part of the conditions of the PSDS grant there is a need to delivery the improvement works and spend the money within the next 12 months. This is a particularly tight timescale and failure to deliver on the timescales would results in a non-compliance of the grant award conditions and potential result in non-payment of the grant funding.

The Proposal

16. The table below shows the planned programme of Decarbonisation works Proposed includes the following highlighted in the table below.

Building	Proposed Works	Timescale To be completed by
1. Bamber Bridge Leisure Centre	Solar PV	28 February 2023
	LED Lighting	28 February 2023
	Motor replacement	28 February 2023
	Motor Controls	28 February 2023
	Ventilation	28 February 2023
	Air Source Heat Pump	28 February 2023
2. South Ribble Tennis Centre	Renewable Energy	28 February 2023
	LED Lighting	28 February 2023
	Air Source Heat Pump	28 February 2023
3. Penwortham Leisure Centre	Renewable Energy	28 February 2023
	LED Lighting	28 February 2023
	Motor replacement	28 February 2023
	Air Source Heat Pump	28 February 2023
4. Moss Side Depot	Ventilation	28 February 2023
	Renewable Energy	28 February 2023
	Install Electric Heating	28 February 2023
5.Civic Centre	Ventilation	28 February 2023
	Air Source Heat Pump	28 February 2023
6. Leyland Leisure Centre	LED Lighting	28 February 2023
	Motor Controls	28 February 2023
	Renewable Energy	28 February 2023
	Air Source Heat Pump	28 February 2023

17. The Proposed Decarbonisation works have also been taken to full Council for approval in terms of applying and accepting the grant and approval of the programme identified above.
18. As highlighted in the recommendations the proposal is that Cabinet authorise the spending of the PSDS grant including the Council contribution on the Decarbonisation works via the UK Leisure direct award framework.
19. The Decarbonisation work will require careful programming to minimise any disruption or closure to any of the buildings involved. This is particularly relevant to the Council's Leisure Centres which are used on a daily basis by the general public.
20. However, while the definitive work program is yet to be finalised a discussion with contractors who have carried out similar works suggest the closures will be limited to days as opposed to months and every effort will be made to avoid any closures of the Leisure Centres, but where a minimal closure of the building is required connected to the installation of the new Air Source heat pumps only one Centre will be closed at any one time.
21. The UK leisure Framework was developed by Denbighshire County Council with the aim of providing a system of procuring leisure centre improvement works (and other buildings) through an effective, efficient and monitored means of implementation.
22. The framework is periodically tendered and Alliance Leisure have won the contract in January 2022 for the second time. Denbighshire review and approve the use of the framework for each application. While Alliance Leisure manage contracts for the individual schemes employing a number of pre-approved contractors with a good track record of delivering similar works to complete projects under the framework.
23. The use of the framework helps to ensure a timely, efficient delivery of the PSDS funding through use of contractors with a good track record of delivering similar projects.
24. Leisure Energy, who have assisted the council in securing the grant funding, and have delivered similar scheme in Hyndburn, Ashfield and Buxton among others are approved as a contractor under the framework and it has been proposed that they will manage the design and delivery of the PSDS decarbonisation works.

Risk

25. As part of the Decarbonisation programme there will a full risk management strategy implemented. The principle risks revolve around the acquisition of plant and a timely implementation of the decarbonisation works.

Comments of the Statutory Finance Officer

26. These budgets are included within the capital programme as approved at Council in February 2022

Comments of the Monitoring Officer

27. The report seeks authority to use a framework for the appointment of a contractor to deliver decarbonisation works previously agreed by Council. Based on this previous approval a significant grant has been received as detailed in the report.

28. There is a clear time imperative which supports the use of the direct award framework, which is a process that is compliant both with legislation and the council's contract procedure rules. The report explains why this particular framework should be used.

Background documents

There are no background papers to this report

Appendices

There are no appendices to this report

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