

Adults, Health and Active Lifestyles Scrutiny Board Aireborough Leisure Centre Renovation Project

Summary note of the working group meeting held on 3rd November 2020

1. Introduction

- 1.1 In April 2016, a bid was made to the Sport England Improvement Fund to secure £500k of funding to improve the changing rooms and reception at Aireborough Leisure Centre. In June 2016, Active Leeds were advised that the funding bid was successful and work commenced with Sport England, Asset management, Corporate Property Maintenance (CPM) and NPS to develop a scheme for the site. The meetings commenced in May 2016 to scope the works, with the communities' team joining in June 2016 and procurement in August 2016.
- 1.2 The Sport England funding bid was to improve the changing areas and reception. Following the communities' team joining the project in June 2016, the scope of the project subsequently grew to take the opportunity to integrate services and provide an enhanced community offer. This led to the inclusion of a library (community hub) and cafe.
- 1.3 In November 2016, Executive Board approved the project as:
- The proposed works for the refurbishment to include:
- Swimming changing rooms - enhance access and include cubicles and improved shower / toilet facilities within a 'village' style change area
 - Pool hall – retiling the pool deck and improving the walled areas
 - Reception – making it modern and welcoming
 - Exterior – reorienting the entrance to link to the car park and improving the façade of the building.
 - Relocating the library into the leisure centre to create a community hub with a new café facility. The café outlet is managed by the LCC catering section.
- 1.4 While further essential maintenance works were also added, taking advantage of the pool area being closed to the public, the scope of works did not change following publication of the tender and the contract award.
- 1.5 The Aireborough Leisure Centre swimming pool closed to the public on 29th May 2017 for refurbishment of the swimming pool and changing rooms, and creation of a new library and entrance area. Work started on site in October 2017 and was due to complete on 15th May 2018. However, having encountered a number of issues during the renovation, completion was delayed by 69 weeks. The swimming pool re-opened to the public on 28th September 2019.
- 1.6 During its meeting on 26 November 2019, the Scrutiny Board considered a request for scrutiny by the Guiseley and Rawdon Ward Members (Councillor Graham Latty, Councillor Pat Latty and Councillor Paul Wadsworth) relating to the renovation of Aireborough Leisure Centre. The issues and concerns highlighted to the Scrutiny Board included:

- The overall delay in the completion of the renovation.
 - Associated procurement and project management arrangements.
 - Community access to sport and leisure facilities during the (extended) renovation works.
 - Additional costs of the project.
- 1.7 In agreeing to take forward this request, arrangements were being made for the Scrutiny Board to hold a meeting in the locality near the leisure centre during April/May 2020 to consider the key issues and lessons arising from the renovation project. However, such arrangements were disrupted by the Covid-19 pandemic emergency.
- 1.8 Meetings of the Adults, Health and Active Lifestyles Scrutiny Board began to formally resume in June 2020, albeit remotely, and the Board agreed to complete this outstanding piece of work via a remote working group meeting, with an invitation extended to all Board Members. This meeting was held on Tuesday 3rd November 2020.
- 1.9 Having previously agreed to invite representation from the Strategy and Resources Scrutiny Board to provide input around procurement and project management issues, Board Members welcomed the attendance of Councillor Mary Harland, Chair of the Strategy and Resources Scrutiny Board, to the working group meeting.
- 1.10 Invitations were also extended to the Guiseley and Rawdon Ward Members as the originators of the scrutiny request. While an apology was relayed on behalf of Councillor Pat Latty, both Councillor Graham Latty (already a member of the Adults, Health and Active Lifestyles Scrutiny Board) and Councillor Paul Wadsworth attended and contributed to the working group meeting.
- 1.11 To inform the working group's discussion, the Director of City Development had provided a report which gave an overview of the work carried out to refurbish Aireborough Leisure Centre and included clarification on the following:
- Initial Assessment and Procurement stages
 - Project Management issues
 - Budget oversight
 - Communication with the public
- 1.12 The following individuals were also present at the working group meeting to help address questions and contribute to the discussion:
- Councillor Mohammed Rafique, Executive Member for Environment and Active Lifestyles
 - Councillor James Lewis, Executive Member for Resources
 - Martin Farrington, Director of City Development
 - Steven Baker, Business Manager, City Development
 - Martin Gresswell, Senior Project Manager, City Development
 - Chris Coulson, Executive Manager Asset Management, City Development
 - Helen Evans, Service Improvement Manager, City Development
- 1.13 This note summarises the main issues arising from the evidence presented at the working group meeting for the consideration of the full Scrutiny Board.

2. Summary of main issues.

Acknowledging the significance of the swimming pool's closure on the wider community

- 2.1 With regard to the project management arrangements initially put in place for the renovation of Aireborough Leisure Centre, it was reported that such arrangements had been proportionate in terms of the value and scope of the project, particularly within the context of a Directorate that regularly delivers capital projects of significantly higher value and scope that would generally demand more detailed oversight by a formal project board.
- 2.2 As the original scope of the overall renovation project was smaller than the one that was delivered – i.e. it moved from being initially a changing room and reception refurbishment to something broader in scope – the project had initially reported to the Active Leeds Senior Management Team, as per other projects of its size. However, as soon as it grew in scope, arrangements were made for the newly formed Sport Capital Programme Board to have oversight alongside the wider programme of works being delivered across the Active Leeds estate.
- 2.3 The working group acknowledged that Aireborough Leisure Centre remains a major facility within the Leeds City Council portfolio, both for meeting the council's own specification of having a centre based in a town or district centre and as identified through the Sport England Facility Planning Model (FPM) for swimming pools measuring the demand for swimming pools in a given location.
- 2.4 In particular, the working group noted the partnership in place with Adult Social Care (now Aspire) that enabled people with learning disabilities to access the centre as well as having strong partnerships with the swimming and diving clubs. A total of 13 schools had also used the facility for swimming lessons at the time of closure, which included the North West Special Inclusive Learning Centre (Green Meadows School).
- 2.5 Reference was also made to the Council's Best City Priority towards '*Reducing health inequalities and improving the health of the poorest the fastest*' and the consequential impact that the closure of the swimming pool will have had on those individuals unable to travel to, or contribute towards, alternative leisure facilities due to their own financial constraints.
- 2.6 In view of this, the working group felt that the impact of the pool's closure on the wider community needed to have been a significant factor too, alongside the project value and scope, when appropriate project management arrangements were being determined. Other issues linked to the management of the project were also raised and are referenced separately within this summary note (see paragraph 2.22).

Key factors that led to the delays and increased costs.

- 2.7 It was reported to the working group that the extended programme and works, with the associated unavoidable costs, were due in the main to the age of the Aireborough Leisure Centre building and the challenges that refurbishing this type of building can present.

- 2.8 The working group acknowledged that programming of works in a leisure centre setting is also complex. In particular the loss of income experienced as a consequence of partial or full building closure to undertake works must be considered. As such, it was noted that where such a building must be closed, it would always be prudent to undertake any other necessary works at the same time to minimise adverse revenue budget impacts. Linked to this, it was noted that the Council had taken the opportunity with this particular renovation project to address some backlog maintenance items whilst parts of the building were closed for the main contract works. These were approved by Executive Board in November 2016 and introduced into the scope of works for the contractor prior to the issue of tenders, and therefore did not contribute to the delays or additional costs after contract award. These works included upgrades to the security and fire systems, replacement windows and plant room modifications all funded by LCC Corporate Property Management.
- 2.9 However, the key factors that did contribute to the delays and additional costs after contract award were considered by the working group, with the main issues summarised below.

Asbestos removal works

- 2.10 The working group acknowledged that a significant contributing factor related to the asbestos removal works and the management of this particular risk.
- 2.11 It was reported that initial surveys had been undertaken during the design and development stages which had identified asbestos in various areas. Consequently, the council's internal service provider was tasked to undertake the necessary removal works. In view of this, the contract had been awarded to the contractor (Wm Birch) on the assumption that asbestos would have been cleared from the areas within the scope of the contract by that point.
- 2.12 However, prior to the contract starting on site, asbestos was found to be still present in key areas of the building which meant the contractor was unable to commence work until this had been removed and certified clear. In order to minimise the delay and clarify responsibilities moving forward, the contractor was subsequently given responsibility for managing further asbestos surveys and removals as part of their contract.
- 2.13 Linked to this, the working group was informed that further asbestos had been discovered in drainage channels beneath the pool promenade tiles, which had only been identified once the tiles had been lifted. This therefore had to be removed safely by specialist sub-contractors, appointed by the main contractor.
- 2.14 It was noted that full intrusive surveys could only be undertaken once the affected areas were closed to the public and therefore this further asbestos would not have been identified at the time of the initial survey as this was undertaken when the pool was still open. When combined with the original asbestos discovery, the working group noted that this had added 24 weeks to the programme.

Roof leaks

- 2.15 The working group was informed that following the appointment of the contractor, the roof over the changing areas and library / cafe area was found to be saturated and was leaking into the areas below. The working group therefore questioned whether such leaks should have been identified earlier in the condition surveys prior to contract award? In response, it was explained that the conditions survey is not an intrusive survey and therefore the leaks would not be picked up through that survey. They only became apparent when the contractor was planning penetrations through the roofs for new plant. As a result, the roof and associated curtain walling system required full replacement which extended the programme and delayed planned works in the areas below. In total, 22 weeks were lost for the manufacture and installation of the curtain wall and the completion of roofing and ventilation works.

Pool promenade

- 2.16 It was reported that in early 2019, the pool hall promenade tiling had to be redesigned due to the underlying and uneven structure of the promenade. The condition of the underlying structure only became apparent when the existing tiles were removed and could not have been identified prior to this. This led to a delay of 5 weeks.

Cracks in concrete floor

- 2.17 The working group was informed that in December 2018, a crack was identified in a first floor concrete floor slab which appeared to be a consequence of the removal of some dividing walls below, which were not thought to be load-bearing by the design team. Structural engineers investigated the crack and a design solution was put forward to rectify this. The concrete slab needed additional steel beams and supporting walls installing, which delayed planned works in the areas affected. As a result, there were 13 weeks of delay to carry out design and implementation of strengthening works.

Cracks in the pool tank

- 2.18 Emptying a pool tank can impact on its structural integrity as water acts as a stabiliser to the structure and therefore the working group acknowledged that it is not uncommon for minor leaks to be discovered as a consequence of emptying and refilling an older pool. In this instance, as the pool was filled, a number of leaks were identified. Investigations were carried out involving surveys and removal of tiles. The leaks were minor and there was evidence that early repairs had been carried out prior to commencement of the contract. However, the investigations and re-tiling delayed works by a further 5 weeks. The working group noted that monitoring arrangements have now been put in place by Active Leeds.

Further aesthetic works

- 2.19 Following handover of the facilities to Active Leeds, it was noted that further works were carried out to have a greater aesthetic impact on customers. The following additional work was completed by the internal service providers, as per contact

procedure rules, allowing Active Leeds to deliver a vastly improved facility once it reopened to the public on the 28th September 2019:

- Decoration to the dryside part of the facility
- Branding throughout
- A new spin room developed by converting the old bar area
- Gym refurbishment
- Rear car park resurfaced and reoriented to add an extra 40 spaces with electric vehicle point installed

Ensuring that lessons arising from this renovation project are taken forward

- 2.20 Following completion of the contract, it was reported that a ‘lessons learned’ review had been undertaken, with workshops held with officers from Projects and Programmes, Active Leeds, NPS Leeds, and the main contractor, Wm Birch. The main findings and key learning points stemming from this review were shared with the working group and are summarised below:

Initial Assessment and Procurement stages

- 2.21 It was acknowledged that undertaking the asbestos works outside of the main contract had created interface issues and meant that the management of that risk was not contained within the contractor’s responsibility. Accordingly, in this instance, it was acknowledged that it would have been better to manage the risk of the asbestos removal as part of the main contract rather than for these works to have been delivered separately. This would have meant that the programming and scheduling of the works would have been integrated into the contractor’s main programme with a single line of responsibility for carrying out the works.

Key learning point identified - Disaggregation of works should be avoided where works are being carried out by an external contractor to avoid interfaces that increases the risk to the Council.

Project Management

- 2.22 The working group was informed that project team meetings attended by the client (Active Leeds and Communities teams), procurement (prior to tender process), NPS and Sport England were organised monthly to manage the process from May 2016 to the handover of the building. Once the tender was let to Wm Birch, there were also monthly site meetings with the client, contractor and NPS to manage the building process.
- 2.23 As previously acknowledged, the scope of the project did not grow following the tender process as the additional works required were due to issues with the fabric of the building that were discovered once the contractor was on site.
- 2.24 As the project neared the end of the Stage 3 design (which was signed off on 5th January 2017), the Sport Capital Programme Board had just been formed to have oversight of the wider “vision for leisure centres”. As such, a decision was made to take reports to that forum, with quarterly reports being tabled. In addition, a

project manager was also appointed from the City Development Asset Management team in July 2017.

- 2.25 In view of the issues encountered during this particular renovation project, it was acknowledged that the 'lessons learned' review had highlighted the value of formal project governance and project management procedures in accordance with the Councils Project and Programme management system. In particular, it was noted that the establishment of the Project Board earlier in the development of the design proposals would have provided better oversight at the formation stage of the project, its scope and design.

Key learning point identified - Formal governance arrangements should be applied at an appropriate point with regard to the cost and risk profile of the proposals and during the scoping stage of the project.

Budget oversight

- 2.26 The working group noted that the budget for this renovation project was constructed in a number of stages, with funding for particular elements being approved prior to the issue of tenders. The pre-tender estimate was based on NPS commissioning the following surveys: condition, measured building, structural, drainage and electrical, which were carried out in 2016. However, because the site was operational at that time, such surveys were not intrusive as this would have resulted in the building being closed for a longer period, causing further customer dissatisfaction and costing the council a loss of income of over £2500 per day. Furthermore, the working group acknowledged that the specialist nature of leisure centres and pools in particular does also raise questions about the extent to which specialist leisure experts support the work of NPS.
- 2.27 Recognising that there were essential maintenance issues discovered in the building that had to be addressed, the 'lessons learned' review had concluded that for a refurbishment of this type, it would be prudent for more intrusive surveys to be conducted prior to tender. Where this is not possible in an operational building of this age and condition, an appropriate level of risk and contingency should be included in the budget.

Key learning point identified - In the context of works to an operational building, intrusive surveys should be carried out to identify appropriate budget provision prior to tender. Where it is not possible to do so, an appropriate level of risk and contingency should be allowed to mitigate risks, with the potential for provisional sums in the risk allowance held against potential risks that could arise.

Communication with the public

- 2.28 It was noted that Elected Members were kept updated as the project team became aware of any changes to the project and that the Executive Member was also kept informed of developments on a regular basis.
- 2.29 It was also reported that during August 2016 – March 2018, copies of the plans were displayed in the leisure centre; all members were emailed details of the refurbishment; 3 public meetings were held; and the disability youth panel, Aspire, and access officer were all consulted. Schools were also contacted individually to

make alternate arrangements and were kept up to date on progress as the project went on. As further delays became apparent, the schools were informed and engaged directly with the Active Leeds School Swimming Lead officer.

- 2.30 The working group also noted that a web page had been dedicated to the refurbishment throughout the project and was updated as details emerged. The initial site was displayed in September 2016, with updates in April 2017, October 2017, September 2018, December 2018 and a number of occasions in 2019. As unanticipated issues arose due to the condition of the building, the completion date had consequently changed a number of times. In view of this, the working group acknowledged the difficulty in advertising a firm opening date as changes to this would also lead to further frustration from the public.

Key learning point identified - Whilst there is pressure to publicise a firm completion and opening date, such publicity should be consistent and take into account the risks associated with the project at the point of communication.

3. Conclusion

- 3.1 The working group endorsed and welcomed the above key learning points arising from the 'Lessons Learned' review, acknowledging that these primarily highlight the importance of scoping the proposals at the early stage, having sufficient provision to manage potential risks in a seamless way and having the governance arrangements in place from the outset. Whilst it is the case that the inherent defects identified in the building would still have needed to be addressed, the project would have been better placed to resolve them.