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RUSHMOOR BOROUGH COUNCIL

CABINET

*at the Council Offices, Farnborough on
Tuesday, 11th December, 2018 at 7.00 pm*

To:

Cllr D.E. Clifford, Leader of the Council
Cllr K.H. Muschamp, Deputy Leader

Cllr Barbara Hurst, Planning and Economy Portfolio Holder
Cllr G.B. Lyon, Corporate and Democratic Services Portfolio Holder
Cllr M.L. Sheehan, Operational Services Portfolio Holder
Cllr P.G. Taylor, Customer Experience and Improvement Portfolio Holder
Cllr M.J. Tennant, Major Projects and Property Portfolio Holder

Enquiries regarding this agenda should be referred to Chris Todd, Democracy and Partnerships, on 01252 398825 or e-mail: chris.todd@rushmoor.gov.uk

A G E N D A

8. **ADDITIONAL ITEM - COUNCIL OFFICES - REPLACEMENT HEATING BOILER –**
(Pages 1 - 4)
(Cllr Gareth Lyon, Corporate and Democratic Services Portfolio Holder)

To consider Report No. ITFMP1802 (copy attached), which seeks permission to carry out urgent works to replace one of the two gas condensing boilers serving the Council Offices.

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CABINET

**COUNCILLOR GARETH LYON
CORPORATE AND DEMOCRATIC SERVICES
PORTFOLIO HOLDER**

11TH DECEMBER, 2018

REPORT NO. ITFMP1802

KEY DECISION? NO

COUNCIL OFFICES – REPLACEMENT HEATING BOILER

SUMMARY AND RECOMMENDATIONS:

This report sets out the need to undertake urgent work to replace one of the two gas condensing boilers serving the Council Offices, which has been condemned by engineers following development of a major non-repairable fault.

The Cabinet is recommended to approve a variation to the 2018/19 Capital Programme of up to £35,000.

1. INTRODUCTION

- 1.1 This report sets out an urgent request for funding to replace one (of the two) gas condensing heating boilers serving the Council Offices, which has been condemned by engineers following development of a major non-repairable fault.
- 1.2 To approve a variation to the 2018/19 Capital Programme of up to £35,000, for the replacement boiler and associated remedial works.

2. BACKGROUND

- 2.1 The Council Offices is served by two gas boilers, which supply heating to the building. The boilers are several years old and have been regularly maintained through a service framework contract.
- 2.2 On the 30th November, and subsequent inspection and investigation by engineers on the 2nd December, the engineers found that one of the boilers had developed a fault resulting in the mixing of gas and water adjacent to the heat exchange seam. This is a potentially dangerous condition and as such this boiler was immediately condemned and isolated.
- 2.3 The second working boiler was also inspected at this time and has been approved for continued use. In the opinion of the inspecting engineer, there is no need to replace this boiler at this stage, given the maintenance contract.

- 2.4 The Council Offices is now reliant upon a single heating boiler, however the remaining boiler is not designed to operate at this level and the extra workload could lead to expedited deterioration and failure. Notably, the use of this boiler in this way would leave the offices with no spare heating capacity or contingency in the event of its failure.
- 2.5 The engineer's advice is that the faulty boiler is beyond repair. The expert advice of the engineers is that the faulty boiler should be replaced with a modern unit and operated in conjunction with the second existing boiler.
- 2.6 The existing flue and ventilation arrangements are not suitable for, or compatible with, modern day standards and will similarly need to be upgraded to accommodate any modern unit. This will inevitably involve scaffolding and roof work and will significantly increase the costs of this work.
- 2.7 The existing maintenance supplier has provide a quotation for replacing the boiler and upgrading the flue system, estimated at £34,782.00.
- 2.8 The Council's officers are seeking further expert advice on the type of boiler that will integrate with the existing infrastructure, e.g. radiator systems, prior to undertaking the procurement exercise.
- 2.9 Under health and safety legislation, the Council is obliged to ensure the welfare of its staff, customers and fee paying tenants who use its premises. This includes the provision of adequate heating to minimum standards. Notably, the Council also accommodates various tenants and out of hours services (e.g. police, CCTV etc.) who must similarly comply with health and safety obligations and which may require heating provision on a continuous basis.

3. DETAILS OF THE PROPOSAL

Alternative Options

- 3.1 Officers have explored the option of a reconditioned boiler, which given the need to comply with building regulations, health and safety, in any event, would not provide the benefits of a more efficient and economical unit.
- 3.2 The installation and use of temporary mobile boiler units has also been explored. However, the rental costs of these are prohibitively expensive and would likely require external installation in the grounds.
- 3.3 The current office accommodation strategy is designed to maintain the building for at least another 5 to 7 years linked to realisation of the regeneration strategy and thinking around development of any future civic hub.

Consultation

- 3.4 In addition to the Portfolio Holder, the Head of IT, Facilities & Project Services has consulted with property service, finance and the Corporate Leadership Team. Expert advice has also been sought on the equipment to be procured.

4. IMPLICATIONS

Financial and Legal Implications

- 4.1 A capital budget variation of up to £35,000 will be required to replace the Council Offices heating boiler and associated works as outlined above. Borrowing revenue cost of approximately 1% will be incurred within 18/19. Additional Minimal Revenue Provision (MRP) will be charged over the life of the assets, incurred the year following the capital expenditure.
- 4.2 Once the further expert advice has been received, the Procurement Officer will seek quotations in relation to the works outlined above.
- 4.3 Due to the age and degradation of the boiler equipment over time, it is not possible to claim under the Council's insurance.

Risks

- 4.4 As outlined above.

Equalities Impact Implications

- 4.5 None.

5. CONCLUSIONS

- 5.1 The Council Offices is currently a public sector hub for the Borough and it is urgent that the building is fit for purpose. In the early part of the New Year, the Farnborough Citizens Advice will be re-locating to ground floor. It would be a significant risk not to have two fully functioning heating boilers the report above is that the Council should support the replacement option.
- 5.2 It is recognised that in the longer term a new civic hub may be developed, however, for the foreseeable future the Council Offices will be needed with reliable facilities. Therefore, the Cabinet is being asked to approve the proposed capital programme variation.

BACKGROUND DOCUMENTS:

None.

CONTACT DETAILS:

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