

To: City Executive Board

Date: 10 July 2013

Report of: Head of Leisure, Parks and Communities

Title of Report: PAVILIONS PROGRAMME - PROJECT APPROVAL

Summary and Recommendations

Purpose of report: The report seeks project approval for the pavilion programme and requests delegated authority for the Executive Director of Community Services to award the various construction contracts when they arise.

Key decision? Yes

Executive lead member: Councillor Mark Lygo – Portfolio Holder for Sport and Parks

Policy Framework: Playing Pitch Strategy 2012-16

Recommendation(s):

- 1.** To grant Major Project Approval of £3.143million for the Pavilion Programme as set out in appendix one, subject to securing the relevant external funding
- 2.** Recommend to Council an increase to the project budget to £3.143million subject to securing external funding, and Capital & Asset Management group agreeing the virements noted in appendix one.
- 3.** To give delegated authority for the Executive Director, Community Services to undertake a procurement exercise for the construction contracts for the various pavilion projects detailed within the report and award the construction contracts to the successful tenderer(s) subject to them being within the overall budget.

Appendices to report –

- Appendix 1 – Pavilion programme summary document
- Appendix 2 – Risk Assessment
- Appendix 3 – Equalities Impact Assessment

1. Introduction

- 1.1 Oxford City Council is looking to modernise 12 of its sports pavilions across the city and to potentially build a new facility at Grandpont Recreation Ground. An overview of this is shown in appendix 1. The pavilions accommodate eight different sports, over 260 teams (or over 3,500 individuals) on a weekly basis.
- 1.2 The pavilions review (an internal document) and the Council's Playing Pitch and Outdoor Sport Strategy 2012-2026 have provided a solid evidence base for the present and future needs of our sports pitches and pavilions. This work involved non-technical condition surveys, needs analysis, working with the relevant National Governing Bodies of Sport including the Oxfordshire Football Association, Sport England and significant consultation with clubs, officials and leagues. A football forum has also been held.
- 1.3 The current condition of the pavilion stock attracts regular complaints from the users with most sports teams registering complaints at the start of the season. These comments have also been replicated at the football forums that the City Council has held.
- 1.4 A 2007 repairs backlog estimate was approximately £1.6 million to bring the pavilions to an average/good standard. This spend would help improve the facilities but not make any significant material changes so that the sites would still have the inherent problems that they have now in terms of security, inefficiency, site placement and vandalism.
- 1.5 The improvement works will help enable improved access, security, provide greater opportunity to ensure clubs are sustainable, meet modern day standards and help to meet user expectations. Although most of the works will be refurbishment, we will be taking the opportunity to improve carbon performance and improve the external appearance to make them more appealing to a wider audience.
- 1.6 The approved capital budget for the project is £2.708 million and is detailed in appendix one. However we will be looking to secure funding from external sources to increase this including the Football Foundation and Sport England to give a total project budget of £3.143 million.
- 1.7 A significant amount of pre-works have been undertaken including title / legal searches, benefits mapping, site massing, work with the Environment Agency and County Highways Department and several surveys. We have also undertaken consultation and

communication with sports clubs and key stakeholders who use the pavilions in the first phase of the project.

1.8 The project manager and design team were appointed on the 8th February 2013. The successful tenderer was MACE who submitted a strong bid.

1.9 The renewed Barton Pavilion that was completed before this programme has received a great deal of praise from the clubs, leagues and governing bodies. The facility has also been instrumental in making the associated clubs sustainable.

2. Proposal

2.1 There are three phases within the project which are shown in appendix one. The phase one sites that are targeted to be completed in 2013/14 are Cutteslowe top pavilion, Cowley Marsh Pavilion, Blackbird Leys and Grandpont pavilion.

2.2 In line with appendix one, it is proposed that the majority general refurbishment works are undertaken in-house by Direct Services. Refurbishments that are of a more technical nature or facilities that are new builds will be tendered externally completing a sub-Official Journal of the European Union (OJEU) Open Tender utilising the South East Business Portal.

2.3 The tender for the new pool at Blackbird Leys incorporated the option to build the Blackbird Leys sports pavilion to enable economies of scale to be achieved and avoid the risk of two contractors on one site. Willmott-Dixon are submitting a fixed cost for this work. Subject to their quote providing value for money when compared to the market, it is proposed that this is added as an additional element to the existing contract.

2.4 The other proposed new build projects include Grandpont recreation ground and also Quarry fields (Margaret road). The tenders for the construction of these projects are likely to be £500,000 to £600,000 each

2.5 If our in-house team are unable to undertake the necessary refurbishment works in line with the budget and programme then the works will be tendered externally.

2.6 The Council will look to continue to communicate and consult with key stakeholders and users at each of the pavilion sites.

3. Risk

- 3.1 The Council has delivered a successful new build pavilion at Barton and has a good awareness of the construction market for sports pavilions through its work with Sport England and National Governing Bodies of Sport (NGB's).
- 3.2 There is a risk that external funding is not achieved. However officers have been working with various funding bodies in regards to their funding criteria and a good case can be made to attract this.
- 3.3 Each pavilion project has an indicative budget against it. It is proposed that this is not exceeded unless there is scope to vire between the various projects whilst remaining within the total budget. In line with financial regulations this would be limited to no more than £250,000 between schemes and this would be adjusted at half and full year budget reviews. Capital & Asset Management Group shall approve each of the individual schemes prior to authorisation of work commencement.
- 3.4 In the case that external funding is not achieved and there is a shortfall in the budget then the following sequence of activities will be put into practice in sequential order.
- Review external funding and sponsorship plan
 - Value engineering
 - Virements between projects within the pavilion programme (no impact to bottom line)
 - Use the existing Barton Pavilion as a replacement within the scheme or use the capital receipt from the sale of the building
 - Reduce specification.
- 3.5 The approach to this programme is similar to that which occurred within the Play Area programme where there was a gap in overall capital funding and external funding was sought during the course of the program to make up the deficit and provide added value.

4. Climate Change

- 4.1 The project team is carefully considering and implementing relevant technologies throughout the programme including improved insulation, LED lighting, efficient plant and grey-water harvesting.
- 4.2 Photo-voltaic and solar panels have been considered but not incorporated due to the cost of installing these against the actual payback and also the risk that these types of facilities are more exposed to vandalism and theft.

5. Equalities

5.1 The programme will help improve access to facilities by those with disabilities, children and young people and women and girls. This will help increase participation in sport and physical activity.

5.2 There is a very real opportunity to transform sport within the city not only in regards to the facility element but also in regards to club development. In line with the investment in facilities the sports development team will also look to ensure that those clubs who will be benefitting from this will sign up to achieve the relevant standards in their sport such as the F.A.'s Charter Standard and will also ensure that each club has a fit for purpose sports development plan for their club. This will enable improved governance, sustainability and development.

6. Financial Summary

6.1 The table below shows the outline financial summary;

	2012-13	2013-14	2014-15	2015-16	Total
Capital Spend	£'000	£'000	£'000	£'000	£'000
Phase 1 Total	72	1,167	-	-	1,240
Phase 2 Total	-	-	460	-	460
Phase 3 Total	-	-	-	890	890
Total Construction Costs	72	1,167	460	890	2,590
Total Fees and Other Costs	82	195	126	150	553
Total Projected Spend	154	1,362	586	1,040	3,143

Budget	£'000	£'000	£'000	£'000	£'000
Capital Programme Total	154	1,446	805	103	2,509
Developer Contributions	-	23	-	135	158
External Funding- Football Foundation	-	100	100	100	300
External Funding- Sport England	-	27	150	-	177
Total Budget	154	1,596	1,255	338	3,143

6.2 In paragraph 3.3 it highlights the risk that external funding is not achieved. In these circumstances there is a clear sequential plan in place to bring projects within budget and not exceed the agreed capital budget. This approach is similar to that which occurred with the Play Area programme.

6.3 It should be noted that the indicative budgets by pavilion have been based in most cases on condition surveys from 2007, and could change. This along with the need to achieve external income targets will be managed as outlined in 3.4, to ensure the project remains on budget.

7. Legal implications

7.1 The Council would be looking to undertake a tender exercise and enter into construction contracts for various projects including Grandpont Recreation ground.

7.2 Planning permission needs to be obtained for relevant projects to progress.

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List of background papers:

Version number: 1.5

Appendix 1 Pavilion Programme

Pavilion	Condition	Modelling	Procurement Opportunity	Total Expected Cost	External Funding options	Anticipated External Income	Outline programme dates
		PHASE 1	2013/14				
Cotteslowe Park Upper	Average	Refurbishment of existing	In house	£318,000			Feb 2013 to Aug 2013
Cowley Marsh	Good	Refurbishment of existing	In house	£45,000	S106 Contribution	-£23,083	June 2013 to Aug 2013
Grandpont (Hinksey AFC)	Need for a new pavilion established	New build	External	£576,500	Football Foundation Sport England (Pitch Improvements)	-£100,000 -£26,500	Aug 2013 to Mar 2014
Blackbird Leys	Condemned	Adjoin to leisure centre	Willmott Dixon (Pool contract)	£300,000			March 2014 completion (start dependent on start of the new pool)
		PHASE 2	2014/15				
Cotteslowe Park Lower	Poor	Refurbishment of existing	In house	£200,000	Football Foundation Sport England	-£50,000 -£150,000	2014
Sandy Lane	Very Poor	Refurbishment of existing	In house	£170,000	Football Foundation	-£50,000	2014
Five Mile Drive	Condemned	Demolish and replace with toilet and referees changing facility	In house	£70,000			2014

							(potential town green issue)
Alexandra Courts	Average	Investigate opportunities for investment in line with tennis and kiosk procurement	In house	£10,000	External tennis investor / Tennis Foundation		2014 (Cost to demolish or seed funding to attract external funding)
Bury Knowle	Condemned	Investigate opportunities for investment in line with tennis and kiosk procurement	In house	£10,000	External tennis investor / Tennis Foundation		2014 (Cost to demolish or seed funding to attract external funding)
PHASE 3 2015/16							
Quarry	Very Poor	Demolish and rebuild	External	£500,000	Developer contribution	-£100,000	2015
					S106 Contribution	-£31,873	2015
Horspath	Average	Refurbishment of existing	External	£150,000	Football Foundation	-£100,000	2015 (Budget for Pavilion only with further £200k for athletics track in separate scheme)
Court Place Farm Pavilion	Average	Refurbishment of existing	In house	£135,000	S106 Contribution	-£3,480	2015
Blackbird Leys Bowls Pavilion	Average	Demolish football changing and make good	External	£105,000			2015
Forecast Cost excluding Fees and Contingency				£2,589,500		-£634,936	
Project Management Fees				£288,550			
Surveys and Other Costs				£74,000			
Contingency				£191,000			
Total Forecast Cost				£3,143,050			

Projected External Income	-£634,936
Net Budget Requirement after External Income	£2,508,114

Available Budget

Sports Pavilions	New Capital Bid Approved 2012-13	£920,000
Leisure - Pavilions	(Back-log Repairs and Maintenance)	£1,460,500
Pavilions Grey Water Harvesting	New Capital Bid Approved 2013-14	£28,000
Toilet Improvements	Virement to Cutteslowe Lower Pavilion Budget	£70,000
Community Centres	Virement to Pavilions Budget	£30,000
		£2,508,500

Appendix 2 Risk Register

Risk ID	Risk					Corporate Objective	Gross Risk		Residual Risk		Current Risk		Owner	Date Risk Reviewed	Proximity of Risk (Projects/Contracts Only)
	Category-000-Service Area Code	Risk Title	Opportunity/ Risk Threat	Description	Risk Cause		Consequence and mitigation	Date raised	1 to 6	I	P	I			
001-Pav	Budget	Threat	Tender bids exceed the budget for specific pavilion projects	Budget does not cover tendered costs	Value engineering of projects, reduced specification, reduced budget for other projects within the program. In line with paragraph 3.4.			4	3	4	2	4	3	HL	
002-Pav	Finance	Threat	Pavilion stock budget insufficient to meet requirement	We do not achieve the external funding that is highlighted.	Value engineering of projects, reduced specification or worst case reduced programme. In line with paragraph 3.4.			5	3	5	2	5	3	HL	

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