

Cherwell District Council

Council

19 October 2015

<p>New Woodgreen Leisure Centre Management Contract and Facility Improvements</p>
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Report of Director of Community and Environment

This report is public

Purpose of report

To consider a supplementary capital estimate in order to undertake priority works prior to the new contract commencement

1.0 Recommendations

The meeting is recommended:

- 1.1 To approve a supplementary capital estimate of up to £130,000 for priority Woodgreen Leisure Centre building works prior to the new contract commencement.

2.0 Introduction

- 2.1 The Executive has agreed that the procurement process for a new 18 year leisure management contract be progressed jointly with South Northamptonshire Council (SNC) in three lots – Lot 1. a Woodgreen contract to operate and invest, Lot 2. a management only contract for SNC's three current facilities; and Lot 3. a Design, Build, Operate and Maintain contract for SNC's two facilities ie Towcester Centre for Leisure and a relocated new pool adjoining Brackley Leisure Centre (with Brackley Pool closing).
- 2.2 The Executive considered at its 7 September 2015 meeting a comprehensive report on the procurement process and the outcome of the initial tenders received for the purpose of shortlisting bidders for final tender submission. As well as resolving to progress Lots 1 and 3 only, it was from this report that the Executive agreed to recommend to Full Council the approval of a supplementary capital estimate of up to £130,000 in order to undertake the priority building works prior to new contract commencement.

3.0 Report Details

- 3.1 In order to achieve as much certainty and comfort as possible through the process and by the time of preferred bidder appointment, both Councils agreed to undertake a range of technical surveys to inform the bidding process. Attached as Appendix 1 is a list of the technical surveys undertaken to inform the procurement process.
- 3.2 The information is both comprehensive and necessary particularly for a long term operating contract. It ensures that known building related issues are captured in terms of on-going running costs included in bids and the key condition survey information informs the annual lifecycle maintenance mandatory variant option. It is also a means of the Council avoiding the need to invest further capital at a later date during the contract term.
- 3.3 A further outcome of this exercise is the fact that a number of immediate building requirements are in need of correcting. What is relevant here is the fact that the bidders are bidding to undertake new works only plus an operating contract and expect that those buildings or parts of which are unaffected by the new works are acceptable in standard and free of defects given that they will be assuming responsibility for them for 18 years. It will be important that the Council addresses these before the contract is let.
- 3.4 The priority works needing to be addressed prior to contract let are;
- Mechanical and electrical - £36,000
 - New Bowls Hall Carpet Underlay and Carpet Turn - £40,000
 - Woodgreen Hall internal roof treatment - £16,000
 - Other various building matters - £38,000
- 3.5 Therefore, a supplementary estimate is required which at present totals a maximum of £130,000. However, this is likely to reduce once the Council has a preferred bidder and design as some of the listed works would be in redeveloped areas and therefore not necessary. Also, through competitive dialogue, officers will be seeking to include where possible, some of these works in the capital part of the new contract. In the meantime, the Executive is requested to recommend to Full Council a supplementary estimate for up to this amount in order for officers to react in a timely manner over a short period to undertake all necessary works prior to contract commencement.

4.0 Conclusion and Reasons for Recommendations

- 4.1 The procurement process undertaken is one which will lead to the long term contract award to an operator of Woodgreen Leisure Centre plus improved facilities. The technical surveys undertaken to inform this process have led to a number of aspects being identified which require addressing prior to the letting of the new contract. This in turn provides certainty to the Council of the contractor's tendered sums over the life of the contract.

5.0 Consultation

None on this aspect

6.0 Alternative Options and Reasons for Rejection

- 6.1 The following alternative option have been identified and rejected for the reasons as set out below.

Option 1: Not to undertake the works outlined thereby creating a situation where the whole facility will have variable presentation standards, there will be a need to invest separately at a later date and the required building handover standard would not be achieved, causing contractual complications..

7.0 Implications

Financial and Resource Implications

- 7.1 A supplementary capital sum is required as these works, having only just been identified, do not feature in the 2015/16 capital programme.

Comments checked by:

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Legal Implications

- 7.2 There are no specific legal issues arising from this report as the proposed works sit outside of the intended new contract and will be procured in the normal competitive manner.

Comments checked by:

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8.0 Decision Information

Wards Affected

All Banbury and surrounding wards

Links to Corporate Plan and Policy Framework

Thriving Communities – Provide high quality and accessible leisure opportunities and procure new contract arrangements for Woodgreen Leisure Centre including new dry side facilities.

Lead Councillor

Councillor George Reynolds, Deputy Leader

Document Information

Appendix No	Title
1	Surveys and Technical Assessments Undertaken to Support the Project and Procurement Process
Background Papers	
None	
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Appendix 1

Surveys and Technical Assessments Undertaken to Support the Project and Procurement Process

Survey	WGLC
CCTV - drainage	Completed
Existing Utility Supply	Completed
Fabric Condition Survey	Completed
M and E Condition Survey	Completed
Structural Survey	Completed
Radon Assessment	Completed
Measured Survey - Floor plans	Completed
Measured Survey - Elevations	Completed
Measured Survey - Buried services	N/A
Access Audits	N/A
Valuation for Insurance Purposes	Completed
Topographical Survey	N/A
Asbestos Survey	N/A
Arboriculture Survey	N/A
Ecological Survey	N/A
Flood Risk Assessment	N/A
Archaeological Assessment	N/A
Traffic Impact Assessment	N/A