

REPORT TO: Executive Board Sub Committee
DATE: 4 March 2010
REPORTING OFFICER: Strategic Director, Health & Community
SUBJECT: Kingsway Leisure Centre Capital Works
WARD(S) Borough-wide

1.0 PURPOSE OF THE REPORT

1.1 To put arrangements in place that will assist Sport England in the assessment of a stage two bid for grant funding under the Governments free swimming programme.

2.0 RECOMMENDATION:

That Members of the Executive Board agree that:

1. **The Council award a framework agreement, that sub contracts DC Leisure Management Ltd, to procure and project manage the refurbishment of the swimming pool changing rooms at Kingsway Leisure Centre, subject to the receipt of grant aid.**
2. **The Operational Director, Culture and Leisure Services be authorised to award the contract for Kingsway Leisure Centre capital works to Waverley District Council in the sum of £325k, in light of the exceptional circumstances to meet Sport England deadlines and with a view to securing reduced costs and enhanced value for money and in accordance with Procurement Standing Orders 1.6 Standing Orders 3.1-3.7 and 3.9 be waived on this occasion to enable the Council to benefit from external funding sources and to upgrade the facilities at the Kingsway Leisure Centre at no cost to the Council.**

3.0 SUPPORTING INFORMATION

3.1 The Council is part of the Governments free swimming programme for those 16 and under and those 60 and over. As such the Council can bid into a capital budget of £25M administered by Sport England. In conjunction with DC Leisure a successful £385K stage one bid to refurbish the swimming pool changing rooms at Kingsway Leisure Centre has been submitted and accepted.

3.2 In order to secure this grant a stage two submission was required no

later than 1st February 2010. All elements of the bid need to be in place and we must demonstrate that we can complete the project by 31st March 2011. In the North West only 8 of the 28 stage one bids were selected to move to stage two. Sport England need to see that we have put measures in place that provide value for money and enable the work to be completed on time.

4.0 **BUSINESS CASE FOR WAVERING TENDERING SO's**

4.1 Value for money and competition.

4.1.1 In line with recent refurbishment works at the Council's leisure centres it is proposed that DC Leisure act on behalf of the council to procure the works and project manage the contract. To do this and to comply with the conditions set out by Sport England the council will need to issue DC Leisure with a Framework Agreement for the procurement of these works.

4.1.2 Initial discussions with DC Leisure have identified two possible options: -

- a) Traditional tender route
- b) Use of pre tendered rates from an existing contract
- c) Value and competition.

Option (a) may cause difficulty in meeting the completion date and would account for up to £50K of the project costs.

Option (b) would use the tendered rates from a contract DC Leisure is undertaking for Waverley District Council on a £4M contract for similar works. This contract was accepted in 2009. It has been subject to the full OJEU process. The successful contractor ISG Ltd has been selected from an initial field of 40 companies.

4.1.3 The contract could therefore be awarded based on a design and build contract using the rates agreed in the Waverley contract. This offers value for money at pre tendered rates.

4.2 TRANSPARENCY

4.2.1 The contract for Waverley DC was awarded in 2009. It was subject to full OJEU process, which attracted an initial field of 40 companies.

4.2.2 The proposals are open to scrutiny via the Freedom of Information Act, and internal and external audit.

PROPERTY AND SECURITY

4.3

Integrity clauses will be built into the contract document.

4.3.1

- 4.3.2 The contract will fully comply with HBC's Standing Orders.
- 4.3.2 **ACCOUNTABILITY**
- 4.4 This remains with the Operational Director, Culture and Leisure Services, in conjunction with the relevant portfolio holder.
- 4.4.1
- 4.4.2 All matters will be scrutinised by internal/external audit and the relevant Policy and Performance Board.
- 4.5 Position of the contract under the Public Contract Regulations 2006.
- 4.5.1 The contract is fully compliant.
- 5.0 **POLICY IMPLICATIONS**
- 5.1 The recommendations are consistent with council procedures.
- 6.0 **FINANCIAL IMPLICATIONS**
- 6.1 This project is being funded externally the council does not face any liability.
- 7.0 **IMPLICATIONS FOR THE COUNCIL'S PRIORITIES**
- 7.1 **Children & Young People in Halton**
- The scheme will develop continued participation in physical activity.
- 7.2 **Employment, Learning & Skills in Halton**
- Increased participation in line with the Council's Sports Strategy.
- 7.3 **A Healthy Halton**
- Sport and physical activity is generally acknowledged to improve health and well-being and to contribute to the preventative agenda.
- 7.4 **A Safer Halton**
- Participation in sport can combat anti-social behaviour.
- 7.5 **Halton's Urban Renewal**
- None identified.
- 8.0 **RISK ANALYSIS**
- 8.1 There are no direct risks to the council. However we may risk losing

the grant if Sport England does not have confidence in our ability to deliver on time.

9.0 **EQUALITY AND DIVERSITY ISSUES**

9.1 The project aims to improve the changing facilities at Kingsway Leisure Centre by providing individual changing cubicles for all.

10.0 **LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972**

None under the meaning of the act.