

Addendum Report to Leisure Task & Finish Panel

Date of meeting: 18 May 2009

Portfolio: Leisure & Young People

Subject: Feasibility study on the construction of a new sports hall at the site of the Waltham Abbey Swimming Pool

Officer contact for further information: J Gilbert / Laura MacNeill

Committee Secretary: Adrian Hendry



Revised recommendation(s):

(1) To note the receipt and content of the feasibility study of the construction of a new sports hall at the site of the Waltham Abbey Swimming Pool;

(2) To recommend to Overview & Scrutiny Committee and Cabinet that the proposals be further developed to enable:

(a) a planning pre-application submission to be made; and

(b) subject to the satisfactory of the pre-application a full planning application to be made.

(3) That the proposal be progressed to the pre-planning application stage at an estimated cost of £41,000 and that contract standing orders be set aside to enable the appointment of Stace to undertake this work;

(4) That capital provision in the sum of £1.721 million be sought for the construction of the new sports hall; and

(5) That the indicative time frame for the project be noted and that consideration be given to the time period between the cessation of the Joint use Agreement with the Governors of King Harold School in January 2010 and the earliest likely date of opening of any new facility in the Summer of 2011.

1. Since the issue of the agenda for the Panel, additional information has been forthcoming which will enable the Panel to better consider how they wish to proceed with this project. Specifically the additional information relates to:

(a) the costs of taking the proposal to the planning pre-application stage and the consequences of that;

(b) the suggestion that contract standing orders be set aside to enable Stace to undertake this part of the project;

(c) the indicative time lime for the proposal and its alignment with the Council's decision making processes; and

(d) additional detail on the estimated capital and revenue costs.

2. As indicated in the original report, it has been suggested that the proposal be worked up to the pre-planning application stage. This suggestion was made in order to reduce the exposure of the Council to the financial consequences of the proposal being refused, with little likelihood of eventual success, and the reversion of capital expenditure to revenue and the consequential effects upon the revenue (DDF) budget.

3. Stace, the Council's consultants, have discussed with the Council's Planning Directorate the information they would require to enable them to provide clear advice on the likelihood of a successful formal planning application. The total estimated cost of attaining this stage is £41,000. Expenditure at that level would ordinarily require, to comply with contract standing orders, the obtaining of at least three quotations from relevant companies. However, given Stace's work to date in advising the Council, it would seem sensible to allow them to take the project forward to the pre-planning application stage and setting aside contract standing orders accordingly. In the event that planning consent is deemed probable, and the Council resolves to proceed with the proposal, all further consultancy and project advice would be subject to a full tendering exercise in accordance with contract standing orders.

4. The original report set out some potential timings for the progress of the proposal. Given the current economic circumstances and the likelihood of the need for future reductions in revenue expenditure, that time table has been further reviewed to ensure that decisions required can be considered in the full context of the then financial circumstances. On that basis, the following sets out a revised probable timeline for the proposal:

Date	Action	Comments
18 May 2009	Task & Finish Panel consideration	
2 June 2009	Panel's recommendations to Overview & Scrutiny Committee	
13 July 2009	Consideration by Cabinet	Consent sought to take proposal to pre-planning application stage and to make capital provision available for the entire scheme
22 Sep 2009	Resources considered by Council	Approval sought for inclusion of £1.7 million in capital programme. Early consideration given to the financial consequences of the scheme progressing relative to the budget situation at that time.
23 Sep 2009	If Council approve, planning pre-application process to commence	Estimate 2 months to work scheme to pre-planning application stage
November 2009	Submit planning pre-application	
January 2010	Planning pre-application outcome known (Cessation of Joint Use Agreement for WASC with King Harold School)	
1 February 2010	Cabinet to consider outcome of planning pre-application and to make decision on overall scheme	
16/18 February 2010	Council to consider financial implications and approve scheme	Overall scheme considered as part of annual budget (2010/11) consideration
February 2010	Prepare & issue tenders for consultancy/project management	Use of Essex Procurement Hub if framework agreement exists
March/April/May 2010	Main scheme tender preparation and tender period and review	
June 2010	Appoint contractor	
August 2010	Commence main contract	
May 2011	Complete main contract	

5. It should be noted that the above table, particularly from February 2010 onwards, makes no specific allowances for meeting democratic deadlines and meetings and therefore the end date could easily be later than May 2011. This revised timetable lengthens the period between the cessation of the joint use agreement at the Waltham Abbey Sports

Centre and the availability of a replacement facility at the Waltham Abbey Pool to around 16 months. In reality, this could easily extend to 18 months. However, the advice set out in the original report that the Council should take no action to extend the joint use agreement remains, in view of the costs of keeping WASC operational.

Resources

6. The original report set out the underpinning resource requirements. The table below brings these figures up to date:

Item	Est. capital cost £
Develop proposal to planning stage (RIBA stage D)	130,000
Develop and oversee proposal to completion	130,000
Main construction costs	1,133,000
Other costs – sports equipment	46,250
sub station	100,000
EFDC officer costs (estimated)	25,000
Total construction related costs	1,564,250
Contingency @ 10%	156,425
Total project cost	1,720,675

7. It can be seen from the above table that the total capital cost is estimated at £1.721 million. The use of this capital carries with it a revenue consequence added to which are the direct revenue costs of operating the new facility. This results in an overall annual revenue cost as set out below:

Item	Est. revenue cost £
Use of £1.721 million of capital at 2%	34,420
Additional SLM management fee	15,350
Estimated NNDR	10,500
Estimated annual building costs	4,000
Total additional revenue	£64,270

8. The report to Cabinet in December 2008 identified revenue savings of £270,000 per annum, from 2010/11 onwards, arising from the decision to cease the joint use agreement with King Harold School in January 2010. The revenue expenditure identified above will therefore reduce those CSB savings to £205,730 per annum.