

**REGENERATION, COMMUNITY AND CULTURE
OVERVIEW AND SCRUTINY COMMITTEE
20 NOVEMBER 2008
AWARD OF MEDWAY PARK CONTRACT**

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Summary

This report seeks to advise Members of the current status of the Medway Park project and to recommend to Cabinet the award of the tender for the extension and new build contract.

1. Budget and Policy Framework

- 1.1 Full Council agreed at its meeting on 4 October 2007 that the sum of £11.1 million is included in the capital programme for the Medway Park, with expenditure limited to the £8.1 million available. This work is contained within the available budget and the award of the tender for this stage of the work is therefore a matter for Cabinet to agree.

2. Background

- 2.1 The proposal for Medway Park was publicly announced by the Leader at the official launch of Medway 2012 in January 2007. The creation of Medway Park will transform a 1970's leisure centre into a state-of-the-art centre of sporting excellence. Combining high-quality sports facilities with the very best in sports science and sports therapy support, it is intended that Medway Park will become a centre of national and international repute.
- 2.2 The creation of Medway's regional centre of sporting excellence is an £11 million project, including £5 million funding from Thames Gateway and £3 million from the University of Kent.

- 2.3 The plans are designed to deliver benefits both for 2012 and beyond. They will benefit the sporting elite and the community at large and meet the needs of the burgeoning Universities at Medway campus and the new Mid-Kent College development.

The project includes a complete refurbishment and extension of the Black Lion leisure centre, the building of a new 12 Court Multi-Purpose Sports Hall, and the building of an eight-lane athletics track with full ancillary facilities. All these developments will be to the standard required to host pre-Games training camps and will provide a legacy for the residents of Medway for many years. By Spring 2010, Medway Park will offer:

- a new purpose-built 12-court sports hall suitable for national competitions;
- a new gymnastics centre alongside the existing Jumpers Rebound Centre, so that Medway can offer world-class training and facilities in all gymnastic sports;
- a new eight-lane athletics track;
- specialist sports science and sports therapy suite.
- a dedicated martial arts centre;
- a 25m swimming pool;
- weights, strength and conditioning facilities;
- 100-station health and fitness facility;
- specialist gym for young people
- football pitch
- diving pool
- teaching pool
- a conference room with audio-visual playback equipment;
- fully-intergrated disabled access and changing rooms;
- separate changing rooms for internal and external sports.

- 2.4 Medway Park has already gained international recognition by being chosen to host the 2010 Modern Pentathlon World Cup, the first time Medway has hosted a world sporting event. It has also been approved as a pre-Games training camp venue for thirteen Olympic and eight Paralympic sports. This makes it the seventh largest Olympic training camp venue in the whole of the United Kingdom.

- 2.5 Medway Park has been approved for the following 13 Olympic sports:

Athletics; Badminton; Basketball; Boxing; Fencing; Gymnastics – artistic; Gymnastics - rhythmic; Indoor volleyball; Judo; Modern pentathlon; Tae Kwon do; Trampolining; Wrestling.

It has also been approved for the following eight Paralympic sports:

Athletics; Boccia; Goalball; Judo; Volleyball; Wheelchair basketball; Wheelchair fencing; Wheelchair rugby.

3. Progress to date

3.1 The works to the Medway Park must be completed by March 2010 in order to host the Modern World Pentathlon from 8– 11 April 2010. A project plan is attached at Appendix 1 to show how the work will be phased to achieve this (this appendix will be circulated separately to the report.)

3.2 The building works contracts will be let in three main phases:-

- The running track
- The new build and extension
- The internal refurbishments

Both the running track contract and the new build/extension contract are being let as two large individual contracts. The remainder of the work will be packaged into smaller contracts which will allow the Council to obtain better value for money.

3.3 The first part of the work to be completed was the judo hall. This comprises development of the old projectile hall at the Black Lion Leisure Centre and will provide an area for two full training mats, plus viewing area and changing rooms. The main works were completed in March 2008 ready for the laying of the sports specific floor by the new tenants, Rainham Judo Club. Lease agreements have been finalised and it is anticipated the judo hall will be open for use by the end of the year.

3.4 The running track contract was awarded following a meeting of the Cabinet on 14 October 2008, to G.Thornton (Contracts) Limited. It is due to be completed on 31 July 2009.

3.5 In addition, as can be seen from the project plan, smaller pieces of work are being undertaken as part of the internal refurbishments phase. These include a refurbishment of the flat roof and repairs and refurbishments to the swimming pool, due to be started in the New Year. Work to the bar area will also be completed in this financial year.

3.6 The construction work is being timetabled to ensure the minimum of disruption to customers during the building period. This will have an implication on revenue and therefore it is essential to minimise the non-availability of facilities and to offset the inconvenience as much as possible.

4. Strategic Context and procurement

4.1 The procurement exercise for this phase has been organised through the requirement for contractors wishing to respond to the tender

exercise to offer a solution on a Design and Build basis. They have been supplied with comprehensive plans and drawings and statements as to the specification needed for all aspects of each part of the building extension. By offering a compliant solution at an affordable price and timetable the new extension and revised facilities will meet the needs of the proposed new Sports Centre.

- 4.2 The Council conducted an EU compliant procurement for these works as it was estimated that the total cost would be in excess of the EU threshold for works contracts.

5. Risk Management

- 5.1 A risk log has been developed for this project, but the below risk matrix is specific to this procurement.

Risk	Probability (P) (score 1-4)	Impact (I) (score 1-4)	Overall Score Pxl	Action to avoid or mitigate risk
No contractor is willing to bid	1	4	4	Offer further contractors an opportunity to tender
No contractor can provide an acceptable solution within price	2	3	6	Reconsider design and facilities to reduce price. Seek extra funding.
No contractor can provide an acceptable timetable	2	4	8	Offer further contractors an opportunity to tender
Anticipated funds are not forthcoming from third parties	1	3	3	Seek extra funding
Anticipated funds are not available from the Council	1	3	3	Seek extra funding
Delays in the building programme impact adversely on the proposed timetable for use already given media coverage.	1	3	6	Mitigate where possible

6. Financial and legal implications

- 6.1 The total capital sum allocated to this development is £11.1 million. A full breakdown of this cost has been supplied by Huntley Cartwright, the Council's quantity surveyors and in brief the costs breakdown is set out in Appendix Two (this appendix will be circulated separately to the report.)

- 6.2 The Council has received £5 million funding for this scheme from CLG (Communities and Local Government).
- 6.3 The University of Kent has pledged £3 million, and as part of the terms agreed with them, they are to receive three dedicated rooms for their sports science courses. The Assistant Director for Housing & Corporate Services was given delegated authority by Cabinet, in consultation with the Portfolio Holder, to finalise and complete the agreement with the University of Kent at Medway regarding their funding (26 June 2007 – decision 119/2007.)
- 6.4 Sport England has indicated that they are very supportive of the project and a bid has been made to them for funding. The outcome of this bid will be known early in December and the total amount of funding bid for is £1 million.
- 6.5 The financial appraisal of tenders will be contained in exempt Appendix Three to this report, circulated separately as soon as possible after the closing date for tenders, which is 14 November 2008.

7. Recommendations

- 7.1 That the Regeneration, Community and Culture Overview and Scrutiny Committee recommend to Cabinet the award of the tender of the extension and new build contract to Tenderer A set out in Exempt Appendix Three to this report (to be circulated separately.)

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