



AGENDA ITEM:

SUMMARY

Report for:	Cabinet
Date of meeting:	20th April 2021
Part:	Part I with Part II appendix
If Part II, reason:	<p>The Part II appendix contains information relating to the financial or business affairs of the Council.</p> <p>(Local Government Act 1972, Schedule 12A, Part 1, Paragraph 3).</p>

Title of report:	Berkhamsted Leisure Centre Redevelopment
Contact:	<p>Cllr Andrew Williams, Leader of the Council and Portfolio Holder for Corporate and Contracted Services</p> <p>Author/Responsible Officers:</p> <ul style="list-style-type: none"> • Mark Brookes, Assistant Director (Corporate and Contracted Services)
Purpose of report:	To provide an update to Cabinet on feasibility work and project planning to develop a new Berkhamsted Sports Centre
Recommendations:	<ol style="list-style-type: none"> 1. That Cabinet note the feasibility work for the project and the options for facility mix as set out in Section 5 to allow the next stages of the project to be developed and considered in more detail during the next project stage. 2. That Cabinet note:- <ol style="list-style-type: none"> (a) the consultation undertaken with stakeholders and the further consultations

	<p>required, including public consultation, as set out in Section 4.</p> <p>(b) the indicative project timeline at Section 7.</p> <p>3. That Cabinet note the potential forecast project costs for each option (detailed in Part II Appendix) and agree to use £420,000 of the approved project budget to proceed with the next project stage (RIBA Stage 2 – Concept Design).</p> <p>4. That Cabinet agree to award the multi-disciplinary consultant project team contract to Faithful+Gould (via the CCS Project Management & Full Design Team Services Framework (RM3741)) with contractual break clauses at the end of each RIBA stage.</p> <p>5. That Cabinet endorse the proposal to provide a further update to Cabinet at the end of RIBA Stage 2 (Concept Design), at which point a more detailed level of understanding of the site will have been achieved and a design, cost and business plan developed accordingly.</p>
<p>Corporate Objectives:</p>	<p>Clean, Safe and Enjoyable Environment – Leisure provision is central to delivering a borough that people can enjoy.</p> <p>A new leisure facility will help to ensure that it continues to meet the needs of current and future residents.</p>
<p>Implications:</p>	<p><u>Financial</u></p> <p>An outline of the financial implications of the project are set out in the Part II report and will be developed into a formally costed proposal and business plan once further design and stakeholder consultation has completed.</p> <p>This report seeks approval to proceed to RIBA Stage 2 only and a drawdown of £420,000 for the consultancy and survey costs required at that stage. A further report seeking authority for the full project costs will be reported to Cabinet and Council at the end of RIBA Stage 2.</p> <p><u>Operational</u></p>

	<p>Subject to agreement on contractual terms, the sports centre will continue to be run by Everyone Active until the end of their contractual term, however a new build facility would require a reassessment of the existing terms.</p> <p>The aim (as far as is possible) will be to keep the existing facility open until the new facility is ready to be opened in order to minimise disruption to existing users.</p> <p><u>Value for Money</u></p> <p>The development will provide a new facility, which will be designed to last for the next 40 years and flexible enough to adjust to changes in user demands during that period.</p> <p>The main building contractor will be competitively tendered separately to the consultant project team and an appropriate and compliant route will be selected to ensure value for money is achieved.</p> <p>Further detail and recommendations are provided within this report and key decisions will be provided to Cabinet for approval in future.</p>
<p>Risk Implications:</p>	<p>Failure to invest in the facility could leave it in a condition, which will not meet the Councils and users expectations and could lead to reduced usage contrary to the Council's sports strategy.</p> <p>An initial review of project specific risks has been undertaken and a detailed risk register will be developed through the next stage.</p> <p>At this point the key risks to be monitored and mitigated are cost and affordability, market conditions (covid-19 and Brexit) and planning and building control consents.</p> <p>See also paragraph 4-13 of the Part II report.</p>
<p>Community Impact:</p>	<p>A Community Impact Assessment will be carried out as part of the RIBA Stage 2 project development, but the proposal will be developed to ensure that it has no adverse impacts on the community with an aim to</p>

	increase participation across all groups.
Health And Safety Implications:	A new centre will result in significant additional investment in the site and improve the Health and Safety of the facility by bringing it up to modern standards.
Monitoring Officer/S.151 Officer Comments:	<p>Monitoring Officer:</p> <p>There are no legal issues to highlight at this stage as the report is recommending proceeding to RIBA Stage 2 where further design, costs and revenue planning, and site due diligence work be carried out.</p> <p>The consultant project team procurement has been carried out in a compliant and competitive manner using the Crown Commercial Services Framework.</p> <p>S.151 Officer:</p> <p>The £420K funding required to progress is within the limits already approved by Council for this project. Updated modelling will be produced and further financial recommendations provided on completion of the RIBA Stage 2 work.</p> <p>I have provided more detailed comments in Part 2 of this report.</p>
Consultees:	<p>As part of the Feasibility Study, a significant amount of NGBs, stakeholders and interested parties have been consulted, including:</p> <ul style="list-style-type: none"> • Leader of the Council/Portfolio Holder for Corporate & Contracted Services • Portfolio Holder for Community and Regulatory Services • Everyone Active • Sport England • Housing and Community Overview and Scrutiny Committee <p>A full schedule of consultees is included within this paper.</p>
Background papers:	Strategic Review Indoor Sports and Leisure Facilities – (October 2016)

	<p>Physical Condition Survey - Oakleaf Group (July 2017).</p> <p>Draft Feasibility Study – Knight, Kavanagh & Page Ltd (August 2018) with February 2019 update.</p> <p>Active Dacorum: A Physical Activity and Sport Strategy for Dacorum 2019-2024 (the Sports Strategy)</p> <p>Cabinet reports March 2019, January 2020. Housing and Community OSC January 2020</p> <p>Feasibility Study – Knight, Kavanagh & Page Ltd (May 2020)</p> <p>UK Active – Covid-19 Impact Report – May 2020</p>
<p>Glossary of acronyms and any other abbreviations used in this report:</p>	<p>Dacorum Borough Council (the Council) Everyone Active (EA) Berkhamsted Sports Centre (the Sports Centre) Office for National Statistics (ONS) Overview and Scrutiny Committee (OSC) Berkhamsted Town Council (BTC) Knight, Kavanagh & Page (KKP)</p>

1. Background & Context

1.1 In March 2019 Cabinet considered a report regarding options for the redevelopment of Berkhamsted Sports Centre.

1.2 The options considered were Minor Refurbishment, Major Refurbishment or New Build facility. Members agreed that further feasibility work should be carried out on the New Build option.

1.3 In January 2020 Cabinet were presented with the following recommendations:

1. That Cabinet endorse the Minimum Project Requirements as set out in paragraph 2 of the report.

2. That Cabinet note:-

a) the governance structure for the project at paragraph 3.

b) The consultation strategy for stakeholder and public consultation and the stakeholders identified in paragraph 5.

c) The indicative project timeline at paragraph 6.

The above recommendations were endorsed by Cabinet and by Housing and Community Overview and Scrutiny Committee.

1.4 Further work has been undertaken with regards to consultations, site surveys and feasibility work to provide a comprehensive Feasibility Study which is summarised within this paper.

1.5 Two options have been developed for the replacement of the Berkhamsted Sports Centre, detailed as the 'Essential Option' and the 'Desirable Option', although it important to note that these were developed for the feasibility stage to ensure that the Council's minimum requirements could be met and will be developed significantly through the next stages of project and design development.

1.6 Following the 'RIBA Plan of Work' (table below), the work undertaken completes Stages 0 (Strategic Definition) and 1 (Preparation and Briefing).

1.7 The next stage is Stage 2 (Concept Design). Whilst some survey work has been undertaken during the Feasibility Study, additional site information is required to further develop the proposals, which is undertaken during Stages 2 & 3.

- To create a sports centre which considers its impact on the environment and implements measures to mitigate that impact.
- To create a sports centre which is financially sustainable in terms of its running costs against projected income and a centre which can be developed within the Council’s affordability criteria.

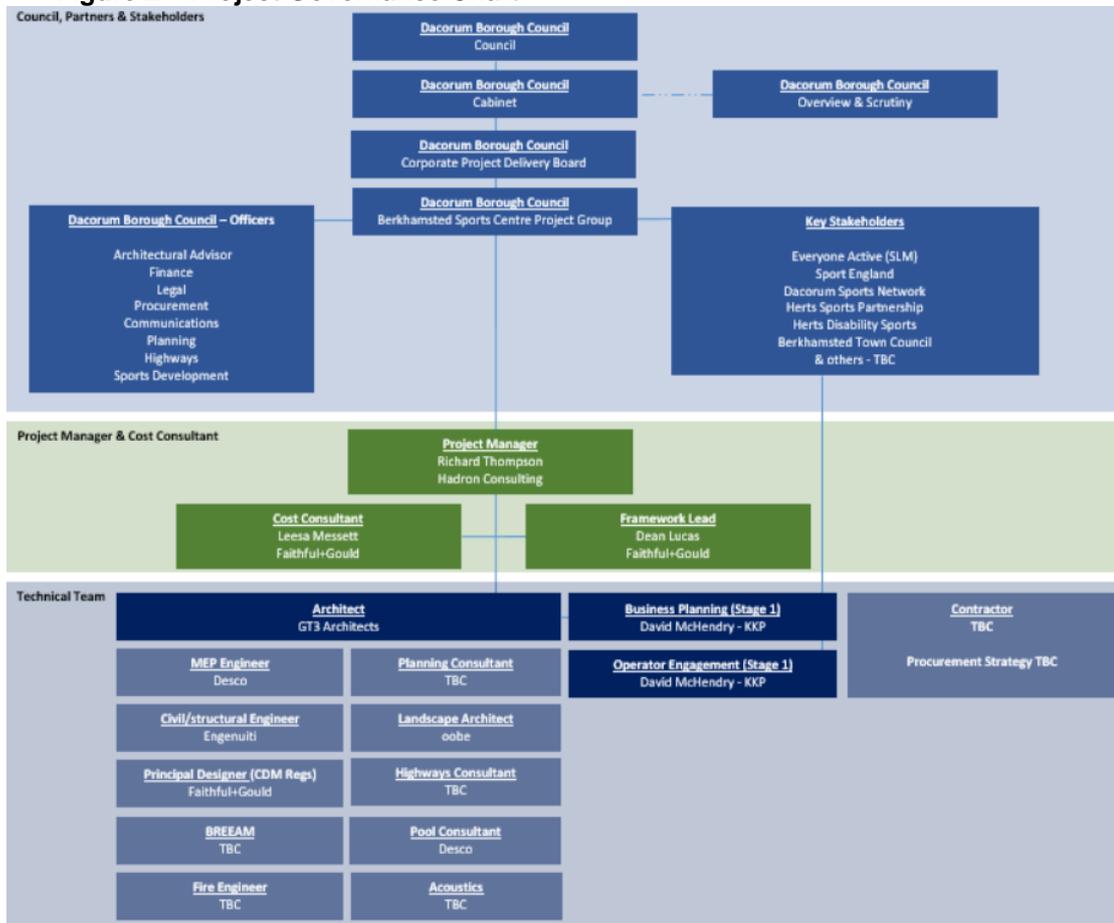
2.4 The scheme will be continually reviewed by the Project Board against the MPRs as the project develops.

3. Project Governance

3.1 The project governance structure is set out below. The major budgetary approvals will be approved by full Council and the strategic project decisions made by Cabinet, with delegations down to the Corporate Delivery Project Board to ensure that the more operational decisions can be made efficiently.

3.2 Scrutiny will be provided to Cabinet decisions through the Finance and Resources OSC in relation to finance/budgetary matters with scrutiny in relation to sports development and community impact provided by the Housing and Community OSC.

Figure 2 – Project Governance Chart



4. Consultation strategy

4.1 As part of the Feasibility Study, the first stage of the consultation strategy was undertaken. The majority of stakeholders were engaged on a one to one basis to better understand their current and future requirements/needs and seek their input into the facility mix for the development.

4.2 The following organisations/groups were engaged with:

- ❖ Everyone Active
- ❖ Berkhamsted Town Council
- ❖ Herts Disability Sports Foundation
- ❖ Herts Sports Partnership
- ❖ Dacorum School Sports Manager
- ❖ Thomas Coram School
- ❖ Dacorum Sub-Aqua Club
- ❖ Watford FC Community Trust
- ❖ Dacorum Sports Network
- ❖ Herts Valley Clinical Commissioning Group (CCG)
- ❖ Herts Community NHS Trust
- ❖ Hertfordshire Community NHS Trust
- ❖ Hertfordshire Libraries
- ❖ Happy Days Pre-School
- ❖ England Indoor Bowls Association
- ❖ Hannah Marie Dance Academy
- ❖ Berkhamsted Swim Club
- ❖ England Volleyball
- ❖ Sport England
- ❖ Tring Town Council
- ❖ England Netball
- ❖ Swim England
- ❖ Herts Cricket
- ❖ Ashlyn's School
- ❖ APEX
- ❖ Toad Hall Nursery
- ❖ Badminton England
- ❖ England Basketball
- ❖ British Gymnastics
- ❖ Ministry of Air
- ❖ Herts CC
- ❖ Banks Physio
- ❖ Mind & Body
- ❖ Apex Dance
- ❖ Scraggs Roller Skating
- ❖ Hawks Lacrosse
- ❖ Hemel Swim Club
- ❖ Marcel Fairs

- 4.3 The consultation responses have been carefully considered and the facility mix, scheme layout and design developed to respond to the consultation exercise.
- 4.4 In particular, there were strong representations and objections regarding the use of Lagley Meadow/East Meadow for a 3G football facility and therefore this option has been discounted although opportunities to improve this area will be explored further at the next stage.
- 4.5 During the next stage of the project, further consultation will take place to advise the consultees of progress and 'direction of travel'. Feedback will be again be captured and considered.
- 4.6 Once existing consultees have been consulted further, the intention is to hold a wider public consultation, which may include a consultation day with drop in sessions if possible or on-line consultations and feedback.
- 4.7 Further consultation will be continued as the design evolves through the project stages and will include specialist input at appropriate stages by using processes such as Design Review Panels and Community Review Panels.
- 4.8 As part of any planning application the public, stakeholders and NGBs will be consulted and able to feedback. By undertaking the above consultations it is hoped that any major considerations or issues are identified and mitigated.

5. Scheme options & facilities mix

- 5.1 Following consultations, two facility mix options have been developed, the 'Essential Option' and the 'Desirable Option', as detailed below, however, it is important to note that the options below will continued to be developed and reviewed through the next consultation and design stage.

Essential Option	Desirable Option
Office/Admin Space	Office/Admin Space
Café/Kitchen	Café/Kitchen
Soft Play Area (within Café)	Soft Play Area (within Café)
Viewing Spectator Seating	Viewing Spectator Seating
Staff Room	Staff Room
M&F WCs	M&F WCs
Cleaners Store	Cleaners Store
Community Meeting/Class Room	Community Meeting/Class Room
4x Treatment Rooms	4x Treatment Rooms
	<i>Spa Zone/Health Suite</i>
Pool Filtration/Main Plant	Pool Filtration/Main Plant

6 Lane Pool Hall	6 Lane Pool Hall
Training Pool	Training Pool
	<i>Splash Pad</i>
First Aid	First Aid
Air Handling Plant	Air Handling Plant
Pool Store	Pool Store
Wet Change Village/Accessible Change	Wet Change Village/Accessible Change
3x Studios (Activity/Holistic/Spin)	3x Studios (Activity/Holistic/Spin)
Fitness Suite (90 Stations)	<i>Fitness Suite (120 Stations)</i>
2x Fitness Change	2x Fitness Change
Nursery	Nursery
4 Court Sports Hall	<i>6 Court Sports Hall</i>
Dry Change (Sports Hall)	Dry Change (Sports Hall)
Sports Hall Store	Sports Hall Store
Family Change	Family Change
150x Car Parking Spaces	150x Car Parking Spaces
Mini Soccer (1 x 7v7 / 2 x 5v5)	Mini Soccer (1 x 7v7 / 2 x 5v5)
New Access Road	New Access Road
Relocation of MUGA	Relocation of MUGA
Outdoor Play Area	Outdoor Play Area
Storage	Storage

Note: differences between options in red italics (associated storage and changing spaces are also larger to suit the increased facilities).

Table 1 – Options and facilities mix

- 5.2 A high level construction cost and revenue business plan has been developed for each option for feasibility purposes and is set out in the Part II report annexed.
- 6. Appointment of Consultant Project Design Team**
- 6.1 A review of the Consultant Project Design Team procurement options was undertaken during the Feasibility Stage.
- 6.2 The aim was to select a high quality multi-disciplinary cohesive team with previous experience of successfully delivering similar projects and ensure a competitive process was used to ensure value for money.
- 6.3 The use of a suitable EU compliant Framework agreement was decided as the best route to market as it allowed a fully compliant process to be followed but also introduced competition to the process.
- 6.4 Core appointments of Project manager, Cost consultant, Architect, M&E engineer, Civil/Structural engineer, Landscape engineer and Principal Designer allows the Council to have more flexibility over the smaller appointments of specialists. This makes the initial procurement

exercise more straightforward and makes the opportunity more attractive to bidders.

- 6.5 A tender process for the consultant project design team was therefore run via the CCS Project Management & Full Design Team Services Framework (RM3741)).
- 6.6 The CCS Framework is considered the 'go to' framework for local authorities and there is very good access to suitably experience professional teams via the framework. The framework fees are also amongst the lowest fees of the available frameworks.
- 6.7 The Council received 8 submissions from market leading consultancy practices who were evaluated against the assessment criteria based on 75% quality and 25% price. The top three bidders were invited to clarification interviews, which gave the assessment team an opportunity to meet the key personnel from the bidders. Further detail of the assessment criteria and the evaluation scores are set out in the Part II report annexed.
- 6.8 The recommendation based on the evaluation scores is to award the project management and full design team services contract to Faithful+Gould who will act as the Framework Lead to the core consultancy team which includes:
 - ❖ GT3 Architects
 - ❖ Hadron Consulting – Project manager
 - ❖ Engenuiti – Civil/structural engineers
 - ❖ oobe – Landscape architect
 - ❖ Desco – MEP Engineers (including pool filtration)
 - ❖ Faithful+Gould – Cost Consultants & Principal Designer
- 6.9 The tender submissions received were all of an exceptionally high standard, however, the areas where the Faithful+Gould team particularly impressed the assessment team were around their understanding of the site and creative interpretation of the opportunities that the site presents. The collective team had excellent experience of working on similar projects together and their case studies of similar sites, including Dover District Leisure Centre and Hart Leisure Centre which they had delivered together had many similarities to the Berkhamsted site.

- 6.10 The Council also has experience of working with Faithful+Gould (cost consultants) and Hadron Consulting (project management) through the feasibility stage and therefore already has good working relationships with core members of the project team which should ensure continuity through the next stage of project development.
- 6.11 The contract award will be for all RIBA stages 2-7, however there will be a break clause at the end of Stage 2 and subsequent stages, and therefore this report only seeks budgetary approval to the end of RIBA Stage 2 where a detailed design, construction cost plan and revenue business plan will be produced. At this stage there will be full scrutiny and Cabinet/Council review of the developed plan which is the point where members will be asked if they wish to formally commit to the project and agree the funding structure.
- 6.12 In addition to the core consultancy team, there will be site surveys, which need to be completed through Stage 2 and non-core consultancy appointments. Details of the projected survey costs are set out in the Part II report annexed.

7. Project timetable

- 7.1 Working with the Council's consultants an indicative project/delivery plan has been developed to highlight the key steps required to deliver the project together with an indicative development timetable:

Milestone	Date	Comments
DBC Cabinet	20 April 2021	
RIBA Stage 2 commencement	1 May 2021	
RIBA Stage 2 completion	17 September 2021	
DBC Cabinet / Council	TBC	To approve Stage 2 outputs
RIBA Stage 3 commencement	1 November 2021	
RIBA Stage 3 completion	2 March 2022	
Target Planning Application submission	12 April 2022	
Target Planning Decision & Discharge Pre-commencement conditions completion	20 July 2022	
Stage 4A / Tender completion	6 December 2022	
Authority to proceed and Contractor	12 January 2023	

appointed completion		
Start on Site	10 February 2023	
Practical Completion New Leisure Centre	29 October 2024	
Opening New Leisure Centre / Commencement of demolition existing centre	26 November 2024	
Project completion	27 May 2025	

Note: the above indicative timetable assumes no significant procurement, planning or construction delays. The overall delivery programme will be reviewed at each RIBA stage to consider any necessary phasing and delivery considerations.

8. Covid-19

- 8.1 During the Stage 1 feasibility Covid-19 has had a significant impact on the country as a whole including the leisure market with sport centres being required to close for long periods of 2020/21.
- 8.2 This project has been paused during this period in order to consider the longer term implications of Covid on the Council as a whole but specifically the leisure market.
- 8.3 In May 2020 UK Active produced a Covid-19 Impact Report and whilst it is now a little out of date and produced prior to the announcement of vaccines it does provide some useful analysis of potential post lockdown behaviours.
- 8.4 The reports highlights at page 5 a survey carried out on gym members by leisure-net that indicated that 88% of respondents said they would use their facility the same or more once it reopens. The modelling carried out also predicts a return to pre-covid usage numbers within 25 weeks of reopening without any restrictions in place.
- 8.5 There have clearly been changes in customer behaviours during lockdown, home/online workouts, greater use of outdoor space etc which will impact the recovery period, however there will also likely be a greater emphasis on physical and mental well-being post lockdown which may increase usage.
- 8.6 The facilities to be provided in terms of workout space, swimming, sports hall, 3G 5-a-side football, are also difficult to replicate outside of a sports centre environment. A new build facility will also be designed so that it is flexible enough to respond to future pandemics if required.

- 8.7 The new centre will not be open until mid-late 2024, which will give the leisure market another 3 years to recover, and it is therefore believed that Covid-19 should not be a reason to discontinue the project, although its impact will continue to be reviewed as the project develops.

9. Summary and Recommendation

- 9.1 The current site presents an opportunity to significantly improve the Sports Centre for the next 40 years, maximise the use of the site and increase public participation in sport and leisure.
- 9.2 The feasibility study carried out to date indicates that the site is suitable for redevelopment with no major impediments to progressing to the next stage of design, cost assessment, business planning and consultation.
- 9.3 Cabinet members are requested to approve the recommendations in the heading to this report to progress the project.