



<b>Report for:</b>	Cabinet
<b>Title of report:</b>	<b>Appointment of a Principal Contractor for the refurbishment of two Multi-Use Game Areas (MUGA) and construction of a canopy structure at Hemel Hempstead School</b>
<b>Date:</b>	23 <sup>rd</sup> July 2024
<b>Report on behalf of:</b>	Councillor Sheron Wilkie , Portfolio Holder for Place
<b>Part:</b>	I
<b>If Part II, reason:</b>	<i>n/a</i>
<b>Appendices:</b>	<b>Appendix A</b> – Proposed Site Plan <b>Appendix B</b> – Canopy Proposal <b>Appendix C</b> – Decision Notice <b>Appendix D</b> – Hemel Sports Pitches CIA
<b>Background papers:</b>	<i>n/a</i>
<b>Glossary of acronyms and any other abbreviations used in this report:</b>	<b>MUGA</b> – Multi-Use Games Area <b>DUA</b> – Dual Use Agreement <b>HHS</b> – Hemel Hempstead School <b>SLT</b> – Strategic Leadership Team <b>SSL</b> – Surfacing Standards Limited <b>CDM</b> – Construction Design & Management <b>IAG</b> – Infrastructure Advisory Group

#### Responsible Officer

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<p><b>Corporate Priorities</b></p>	<p>A clean, safe and enjoyable environment  Building strong and vibrant communities  Ensuring economic growth and prosperity  Ensuring efficient, effective and modern service delivery</p>
<p><b>Wards affected</b></p>	<p>Hemel Hempstead Town</p>
<p><b>Purpose of the report:</b></p>	<p>To be read in conjunction with Part II.</p> <p>1. To seek approval to appoint a Principal Contractor to refurbish two existing Multi-Use Game Areas (MUGA) and to construct a canopy area on The Hemel Hempstead School site.</p> <p>To provide delegated authority to the Council's Assistant Director (Legal &amp; Democratic Services), in conjunction with the Strategic Director (Place), to execute and complete all legal agreements ancillary to the JCT Intermediate Contract with Contractor Design 2016 (ICD) and/or reasonably required to complete the Project.,</p>
<p><b>Recommendation (s) to the decision maker (s):</b></p>	<p>That Cabinet:</p> <p>1. Agrees to award the main contract to refurbish the two existing Multi-Use Game Areas (MUGA) and construct a canopy area on the Hemel Hempstead School site to Velocity Sports.</p> <p>2. Recommends to Council to agree an increase to the current proposed budget of £530k to £623k - an increase of £93k.</p> <p>3. Delegates authority to the Assistant Director (Legal &amp; Democratic Services) to execute and complete all legal agreements ancillary to the JCT Intermediate Contract with Contractor Design 2016 (ICD) and/or reasonably required to complete the Project, including (but not limited to):</p> <p>a. all professional appointments;</p> <p>b. collateral warranties; and</p> <p>c. Agreements under;</p> <p>S.38, &amp; S.278, of the Highways Act 1980;  S.247, Part III of the Town and Country Planning Act 1990;  S.104 of the Water Industry Act 1991, and  S.50 of the New Roads and Street Works Act 1991.</p> <p>d. Dual Use Agreement (DUA) – <i>Still in draft format</i></p>
<p><b>Period for post policy/project review:</b></p>	<p>A JCT Intermediate Contract with Contractors Design is the form of contract being used for this project. There will be a 12-month defect liability period after practical completion. A 2-year review period is therefore recommended for this project.</p>

# 1 Introduction/Background:

- 1.1 Twenty five years ago, Hemel Hempstead School (HHS) and Dacorum Borough Council (DBC) built a Multi-Use Games Area (MUGA), for five-a-side football, netball and tennis, at the southern end of the HHS site. The facility has reached the end of its lifecycle and is due for refurbishment. The School and the Council have committed to re-establishing this facility for school and community use (through the Hemel Sports Centre currently run by Everyone Active).

The objective is to improve the Multi Use Games Area for five-a-side football, netball and tennis. The improvements will benefit the School and the community by providing a facility which offeris as many sports as possible such as football, hockey, netball and tennis to meet their obligations under The Equality and Diversity Act 2010 and to bolster The School's outdoor education curriculum provision. The improvements would also benefit the local community by providing recreational leisure facilities for children, young people and adults, supporting the health and wellbeing of people in the local area.

A review of the Council's Open Space, Sport and Leisure studies identified that there is a shortfall of all-weather sports pitches in the borough. A review of the Council's Leisure Strategy, being undertaken during the course of 2024/25, is expected to still show a deficit in provision and engagement with local sports clubs supports the demand for this provision. The investment in the sports pitches will help to reduce the deficit in provision and encourage greater participation in sport and physical activity by residents.

Feedback from the Council's Leisure Operator (Everyone Active) indicates that there is regular contact from local residents, leisure centres customers and local sports clubs inquiring to hire the sports pitches at Hemel Hempstead Leisure Centre. Bringing the facilities back into operation will meet the demand for the facility. Users and residents will be able to book the sport pitches via the Everyone Active website online booking system or by calling the direct dial telephone number.

The new sports pitches will have a comprehensive maintenance programme which has been approved by the playing surface manufacturers.

The usage and maintenance of the new sports pitches will form part of the regular contract monitoring arrangements between DBC and Everyone Active.

The Dual Use Agreement (DUA - Appendix E) details the roles and responsibilities and the frequency of meetings between the schools, DBC and the DBC appointed Leisure Operator. Within the DUA there are defined community use hours and target groups e.g. women and girls (detailed below). Information on the usage of the pitches and specified target groups contained in the DUA will be reported back to the Council on a regular basis.

Under the DUA obligations, if the playing surface or fencing is damaged during the allocated school hours, the site agent will inform the Council's appointed Leisure Operator as this could negatively impact on bookings during the community use hours.

## **DUA – Community Use Hours**

A calculation is that DBC will have approximately 65% use of the facility for community use – and the school 35% use of the facility.

### School Usage

Term time of 39 weeks x 5 days x 8.5hrs usage

School also has access to 4 Saturdays and 4 weekday evenings per year FOC at maximum of 4.5hrs per session. 36hrs total

Total - 1693.5

### Community Use

Term time of 39 weeks x 5 days x 4.5hrs usage = 877.5

School holidays 13 weeks x 5 x 13.5hrs usage = 877.5

Weekends 48 x 2 sat and sun = 96 x 13.5hrs usage = 1296

Total - 3051

### **Community Use Definition**

Use of the Sports Facilities by the local community including individuals and sports clubs and organisations.

### **Community Use Core Times**

- Monday to Friday 5.30pm to 10pm
- Saturday and Sunday 8.30am to 10pm during Term Time; and
- 8.30am to 10pm outside of Term Time,
- 8:30am to 10pm on any Bank holiday in England.

The works comprise the replacement of the 'lower MUGA' with a new artificial grass surface suitable for five-a-side football, replacement of the 'Upper MUGA' with a new artificial textile surface suitable for tennis, netball, hockey 5 and five-a-side football and replacement of the fencing and lighting which encloses, and secures, these two pitches.

The contract will also include the construction of a new canopy area to part of the main school building, providing a sheltered area for outdoor classes and break time. There was a desire at the time of the original agreement to ensure that the Sports Centre could continue to use the parking adjacent to the Sports Pitches, which is owned by the School. The canopy was part of the negotiation and agreed to ensure that the Council could secure the use of the Sports Pitches and parking for a further 25 years.

Please see Appendix A and B for the proposal

- 1.2 The project was initially being delivered by The School, who had procured their own consultant team to work up a design, but the project was handed over to the Council to deliver once planning permission had been obtained. In April 2023, SLT approved the recommendation to jointly deliver this project with The School and Alliance Leisure through the UK Leisure framework. The Council will be entering into contract with Alliance Leisure and not Velocity Sports. Alliance Leisure will adopt the role as client under the JCT contract and manage the works on behalf of the Council.
- 1.3 Commercial Board supported the recommendation to appoint Alliance Leisure Services as Development Partner and deliver this project through the UK Leisure Framework in July 2023.

## **2 Management and Maintenance**

- 2.1 The Council is responsible for the maintenance of the pitch under the terms of the DUA and this is reflected in the Leisure Management Contract.
- 2.2 The management and maintenance of the pitch will be undertaken by Everyone Active (and any subsequent leisure operator during the term of the DUA) through the Leisure Management Contract. This will include pitch bookings.
- 2.3 The Council will monitor this through established contract management arrangements.
- 2.4 The DUA, draft included at Appendix E, will set out the principles of the responsibilities of all parties and the operational maintenance and management arrangements will be undertaken through a joint group comprising representatives of the Council, the school and the leisure operator.

### 3 Project Status:

- 3.1 Following their appointment in July 2023, the Council and Hemel School have been working collaboratively with Alliance Leisure to review the existing project information and proposal approved by the Local Planning Authority.

A more efficient and cost-effective drainage strategy for the MUGAs has been developed by Alliance Leisure to the one submitted with the original planning application. The revised strategy has informal support from the Lead Local Flood Authority and is due for planning approval in July 2024.

The application above also includes a revised lighting system that is more energy efficient to the one previously developed for the planning application. Due to the advancement of LED technology, the number of luminaires and columns can be reduced whilst still complying with the sporting requirements for these facilities. The lighting columns have also been changed from fixed to drop-down for easier future maintenance.

### 3.2 Procurement method

In March 2024, Alliance Leisure invited specialist sports pitch contractors to tender for the works at Hemel Hempstead School through the UK Leisure Framework. The contractors were offered a period of four weeks to review the suite of information and submit a bid by the 5<sup>th</sup> April 2024.

Two compliant bids were received from Velocity Sports and Hunts Contractors. Surfacing Standards Ltd (SSL), appointed by Alliance Leisure to manage the delivery of the works, carried out a detailed tender evaluation of the returned tenders including;

- Mathematical Examination
- Evaluation of Price
- Evaluation of Compliance
- Evaluation of Quality

During the adjudication process, a value engineering exercise was completed which resulted in some cost savings to the Council. The details of these savings are outlined below:

#### **Drainage**

The value engineering focused on revising the drainage strategy for the two courts to the one approved as part of the planning application in 2019. The new strategy focuses on a soakaway and attenuation system located under the lower court, which is more efficient from both a cost and performance perspective.

The previous strategy would have also required a road closure which would have resulted in increased costs and a longer build programme. All the drainage works will now be completed on the development site itself.

#### **Lighting**

Value engineering associated with the lighting strategy was a result of the advancement in LED lighting, which has been developed significantly since the initial strategy was approved.

The new lighting system offers a saving to the previous strategy in terms of quality and consistency of light over the courts for the required performance standards. It also results in reduced light spillage to the surrounding area and the heritage building adjacent.

## Surfacing

The final cost saving was associated with the reduction of the tarmac base level under the lower pitch. The upper pitch features a 65mm twin course tarmac surface, which is the standard construction specification for tennis courts, and Alliance Leisure had allowed for the same on the lower pitch as it was initially thought the cost increase would be minimal.

However, the tender bids reflected a much greater cost for this specification on the lower pitch and therefore it was decided to revert back to a 40mm base which is the performance standard for any artificial surface for football or hockey. Alliance Leisure have advised there is no quality or performance reduction with this change and that it would support the court throughout its lifespan and through a second or even third refurbishment should that be required.

## Conclusion

Following the evaluation described above, the submission offering the best value based upon the recommended scope of works was from Velocity Sports.

Therefore, Alliance Leisure/SSL have recommended that the Council enters into a contract with Velocity Sports to carry out the refurbishment of the two MUGAs and to construct a new canopy structure at the Hemel Hempstead School.

### 3.3 Programme (estimate)

<b>Procurement</b>	
Appoint Successful Contractor	<i>5<sup>th</sup> August 2024</i>
<b>Construction</b>	
Contractor Mobilisation	<i>5<sup>th</sup> August 2024 – 30<sup>th</sup> August 2024</i>
Construction Period	<i>2<sup>nd</sup> September 2024 – 2<sup>nd</sup> November 2024</i>
<b>Post Construction</b>	
Defects Liability Period Commencement	<i>November 2024</i>
End of Defects Liability Period	<i>November 2025</i>

## 4 Options and alternatives considered

- 4.1 The project was initially being delivered by Hemel Hempstead School (and funded by The Council). Project costs have escalated during the design and planning process due to increases in construction and CPI costs and changes to the playing surface specification.

SLT agreed to transfer the project to the Development Team to review costs, seek member approval and implement or discontinue the project. The Development Team reviewed all available project information and considered the project could be more effectively delivered by the Council directly based on assessment of technical design, procurement, management, costs and H&S considerations.

The recommendation to jointly deliver this project with The School and Alliance Leisure through the UK Leisure framework was approved by SLT and Commercial Board in 2023.

- 4.2 Efforts to secure sources of funding for this project have been explored but were ultimately unsuccessful. A bid for CIL funding was submitted to the IAG board, who did not consider the project suitable. The Football Association (FA) were also approached, however,

because the facilities are designed for a variety of sports, not simply football, this project is not eligible for FA funding.

- 4.3 Do nothing – not replacing the sports pitch would result in a loss of facility for the local community and sports groups as well as the school, not address the existing deficit in this type of provision and result in an increased demand on other pitches in the area which cannot be met.

## 5. Consultation

A list of consultees for this decision are as follows:

- Portfolio Holder for Place
- Chief Finance Officer
- Assistant Director – Place, Communities & Enterprise
- Assistant Director – Legal and Democratic Services
- Assistant Director – Strategic Housing and Delivery
- Procurement Lead Officer, Commissioning, Procurement & Compliance
- Capital Programme Board
- Commercial Board
- SLT

## 6. Financial and value for money implications:

- 6.1 The Framework was procured in accordance with the EU Procurement Regulations by Denbighshire Leisure Limited, and after extensive tendering and evaluation process, Alliance Leisure were appointed as Development Partner.

The UK Leisure Framework allows for the direct appoint of Alliance Leisure as Development Partner for scoping, design, refurbishment, construction and the development of sports facilities across the UK public sector

It also supports the marketing of these types of facilities as well as the provision of equipment to enable a true turnkey approach to be delivered to clients. Some of the benefits of a turnkey approach include;

- **Simplicity:** Turnkey solutions provide a streamlined process for the client. Instead of having to manage multiple vendors or handle complex project coordination themselves, they can rely on a single provider to deliver a fully functional solution.
- **Single Point of Contact:** Having a single point of contact for the entire project simplifies communication and reduces the likelihood of misunderstandings or miscommunications between different parties involved in the project.
- **Time Saving:** By entrusting the project to a single provider, clients can save time that would have otherwise been spent on coordinating various aspects of the project themselves. This can result to quicker project completion.
- **Expertise and Specialisation:** Turnkey providers often specialise in specific types of projects or solutions, allowing them to bring a high level of expertise and experience to the table. Clients benefit from this specialised knowledge, which can lead to better outcomes and high-quality results.

### **Additional benefits of the UK Leisure Framework;**

- It is leisure-specific, so projects are delivered by leisure specialists with expertise in the design, construction and development of sports facilities.

- The breadth of supply chain allows teams to be assembled by direct appointment to ensure best fit with client requirements. There is a significant benefit in repeated delivery with Supply Chain, in that efficiencies and value are driven into the process and each individual project is viewed as one of a series within a wider relationship rather than a one-off project.
- The benefit of the Alliance Leisure delivery model and the UK Leisure Framework to the Council is that Alliance Leisure take responsibility to project manage and deliver the scheme to the agreed price on behalf of the client. The price is set with any cost overruns, other than instructed variations, and apportioned risks being managed or borne by Alliance Leisure.

## 6.2. Finance Comments

Approval to award the contract as set out in the part 2 report will require growth to the approved capital programme of £93k. This is growth will be requested as part of the provisional financial outturn report for 2023/24.

## 7. Legal Implications

- 7.1 The use of the two MUGAs is subject to a Dual-Use Agreement (DUA) with the School to allow the Council, via Everyone Active, to use and let the facilities during community use times. The agreement details the roles, responsibilities and the frequency of meetings between the Council, the School and the Leisure Operator with defined community use hours and target groups. It's estimated there will be a 65% (community) – 35% (School) use of the facilities.

A new 25-year DUA was agreed in principle with the School but is now in the process of being reviewed and re-drafted by the Council, with the assistance of Brown Jacobson, to reflect the revised delivery method and to include clauses that allow the Council to carry out their responsibilities for maintaining the facilities in accordance with the manufacturer's guidelines.

On completion of the works, the operation of the pitches will be delivered in line with the Dual Use Agreement (DUA). The Council, their appointed Leisure Operator and School will meet as part of the Review and Management Committee on a regular basis to manage and review the performance of the facility e.g. the level of community use core hours and identified Priority Groups. The ongoing maintenance will be undertaken by the Leisure Operator through the Leisure Contract and income from the community use hours and hires will be retained by the Leisure Operator.

The intention is to have a signed Dual-Use Agreement prior to appointing Velocity Sports on the 5<sup>th</sup> August 2024, subject to approval from the School.

## 7.2. Legal Comments

There are no specific legal implications to this report.

## 8. Risk implications:

- 8.1 As per condition 1 of the planning permission, the development must begin on, or before, the 10<sup>th</sup> December 2024. Should the development not start by this date, a new planning application will be required.
- 8.2. Alliance Leisure will be responsible for managing and mitigating risks through the life cycle of the project. As part of their service, they will also produce, and regularly update, a project risk register which will be reviewed at every project meeting.

## 9. Equalities, Community Impact and Human Rights:



9.1. Community Impact Assessment has been completed – see appendix C.

The refurbishment of these facilities will enable access to all-weather sports pitches to all sections of the community. There are no detrimental impacts associated with this proposal.

9.2. There are no Human Rights implications arising from this report.

## **10. Sustainability implications (including climate change, health and wellbeing, community safety)**

10.1 Alliance Leisure has robust Environmental practices in place and have achieved the Investors Environment Silver Award.

10.2 Alliance Leisure is committed to ensuring that environmental performance is considered as a key component of all its projects and that the consideration of impacts, both carbon and financially, are paramount.

10.3 Alliance Leisure works with principal contracting and architectural partners who are accredited to ISO 14001:2004 for Environmental Systems and strives to deliver sustainable developments which have reduced carbon emission rates and offer energy savings throughout the lifecycle of the development.

## **11. Council infrastructure (including Health and Safety, HR/OD, assets and other resources)**

11.1 Surfacing Standards Ltd (SSL) has been appointed as Lead Designer, Principal Designer and CDM Coordinator by Alliance Leisure to provide a completed project management service.

11.2 Under CDM 2015 regulations, SSL are responsible for planning, managing and monitoring the pre-construction phase and coordinating matters relating to health and safety during the pre-construction phase to ensure that, so far as is reasonably practicable, the project is carried out without risks to health or safety. The Principal Contractor will adopt this responsibility during the construction phase.

11.3 In addition, the Principal Contractor will provide weekly reports regarding Health and Safety. Copies of the report will be issued to the Principal Designer, Alliance Leisure and the Council.

The Principal Contractor will also ensure that suitable risk assessments are prepared by sub-contractors under their control. All such sub-contractors will be required to demonstrate compliance with the Construction (Design and Management) Regulation 2015.

11.4 The proposed canopy structure will be used as a workplace; therefore, the design shall take account of the relevant requirements of the Workplace (Health, Safety and Welfare) Regulations 1992.

11.5 The works will be completed in accordance with the Housing Development Team's Safety Goals and Objectives, as set out in the "Management of Construction Risks – Control of Contractors" document.

## **12 Statutory Comments**

### **Monitoring Officer:**

The proposed award follows a regulated and competitive procurement process to ensure that the Council obtains value for money for the project. Post construction, the Dual Use Agreement (DUA) will be the main agreement to ensure that each parties' roles and responsibilities are agreed and implemented. The Legal Team will oversee the completion of the DUA to ensure that it documents the agreed terms.

**S151:**

The proposed circa £623k investment to improve and upgrade the existing sports pitches will bring vacant assets back into use for the benefit of the local school and community.

### **13. Conclusions:**

- 13.1 Following a thorough procurement exercise via the UK Leisure Framework, Alliance Leisure and Surfacing Standards has confirmed that the submission offering the best value based upon the recommended scope of works was from Velocity Sports.
- 13.2 This report seeks to recommend the award of the build contract to Velocity Sports to complete the refurbishment of two Multi-Use Game Areas (MUGA) and construction of a new canopy structure at the Hemel Hempstead School.