

Poole Road Pavilion Enhancements Capital Project

Head of Service/Contact:	Mark Shephard, Head of Property and Regeneration
Urgent Decision?(yes/no)	No
If yes, reason urgent decision required:	N/A
Annexes/Appendices (attached):	None
Other available papers (not attached):	None stated

Report summary

Following a tender exercise, additional funding is required to carry out the Poole Road Pavilion Scheme. The additional funding is sought from S106 funds.

Recommendation (s)

That the Committee approves:

- (1) Additional budget of £30,350 to enable the scheme to proceed.
- (2) The use of £30,350 of S106 monies to fund the additional budget.

1 Implications for the Council's Key Priorities, Service Plans and Sustainable Community Strategy

- 1.1 Ensuring assets are protected and enhanced supports the delivery of Council's key priorities.

2 Background

- 2.1 The Poole Road Pavilion is 20 years old and the heating & hot water plant is past the end of its life.
- 2.2 The budget of £50,000 was allocated within the Capital programme to replace the plant in the boiler room.
- 2.3 The works are specialist mechanical and electrical works of which a specialist consultant was appointed to produce specification and drawings.
- 2.4 The consultant fee tendered at a cost of £9,000 to produce documents drawings, carry out tender analysis and manage the project.

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- 2.5 The works consists of replacement of boilers, pumps, expansion vessels, electronic fill devise, control panel, labelling and drawings
- 2.6 The project was tendered in August 2018 to five contractors. Only 4 parties submitted a tender and there was a wide price range across the tenders; the lowest tender was £66,350.
- 2.7 There has been no contingency allowance within the specification, this is common place for Mechanical and Electrical consultants preparation of documents.
- 2.8 After careful analysis and discussion with our consultant, a range of options have been identified to reduce the costs of the scheme to meet the budgeted costs figure.
- 2.9 These options include omitting thermal insulation, removal of a control panel, removal of a modern magnetic water conditioner, omitting performance testing of plant, remove new modern inverter pumps and 6 months commissioning audit.
- 2.10 It is felt that the risk from reducing the scope of works to this extent and removing all energy efficiency measures, would undermine the current scheme. There would be no guarantee that these items would not continue to fail on a regular basis, increasing the pressure of the maintenance budget and more requests occurring for additional funding
- 2.11 Although reducing the scheme is an option, it is not recommended.

3 Proposals

- 3.1 It is proposed to proceed with the lowest tender price for the full scope of works and to include a contingency sum of £5,000 for any unforeseen works.
- 3.2 The revised estimated project cost is as follows:

Contract sum	£66,350
Contingency sum	£5,000
Consultants fee	£9,000
Total cost	£80,350
Approved budget	£50,000
Budget shortfall	£30,350

- 3.3 Members are asked to approve additional funding of £30,350 from S106 funds to meet the budget shortfall.

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4 Financial and Manpower Implications

- 4.1 It is proposed that the budget shortfall of £30,350 be funded from S106 funding within the Outdoor Sports Facilities category. There is currently a balance of £172,300 of S106 funds within this category.
- 4.2 Approving £30,350 for the Poole Road Pavilion scheme will reduce the balance of S106 Outdoor Sports Facilities funds to £141,950, therefore reducing the funds available for other projects in future.
- 4.3 Seven S106 agreements have been identified that can be utilised to fund the £30,350 required.
- 4.4 **Chief Finance Officer's comments:** *All financial implications are set out in the body of the report.*

5 Legal Implications (including implications for matters relating to equality)

- 5.1 Legal implications have been incorporated within the body of the report.
- 5.2 **Monitoring Officer's comments:** *There are no comments arising from the contents of this report.*

6 Sustainability Policy and Community Safety Implications

- 6.1 The upgrades to the heating/hot water plant ensure carbon reduction and sustainability improvements are carried out.

7 Partnerships

- 7.1 There are no current partnership arrangements within the planned maintenance budget.

8 Risk Assessment

- 8.1 The risks associated with the completion of the programme are judged to be manageable.

9 Conclusion and Recommendations

- 9.1 Requests committee to approve additional funds from S106 Outdoor Sports Facilities funds to increase the budget of project up to £80,350.

Ward(s) affected: Ewell Ward;