

CITY OF PLYMOUTH

Subject: Plymouth Life Centre and Leisure Related Projects
Programme Update

Committee: Customers and Communities Overview and Scrutiny Panel

Date: 15 November 2010

Cabinet Member: Councillor Bowyer, Cabinet Member for Finance, Property,
People and Governance and Councillor Brookshaw,
Cabinet Member for Community Services (Safer and
Stronger Communities and Leisure, Culture and Sport)

CMT Member: Director for Community Services

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Part: I

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Executive Summary

This report is produced to give an update as to the current status of the Plymouth Life Centre & Leisure Related Projects Programme.

Background

In December 2007 a paper was approved by Cabinet recommending funding for and the creation of a project board to deliver the Plymouth Life Centre. The recommended facility mix was to contain the following: -

8 lane Indoor bowls	Leisure water	Catering
Sports Hall	50M Pool	Multi- purpose space
Fitness Suite	Diving Pool	Dryside Diving provision
Ice Rink ¹	Facilities for Health Clinics	Climbing Facilities
Health Suite ²	Crèche/ soft play	

This was developed as a result of the needs analysis and the extensive consultation that was undertaken. The final facility mix is included in the attached Cabinet papers.

The Plymouth Life Centre was planned to be an impressive regional facility, attracting not only elite performers of all disciplines but the public at large; a place that will inspire, excite and engage people of all ages and encourage them to lead healthy lifestyles.

More specifically it sought to:

- increase active participation across the city. The project will seek to build on the Local Area Agreement Stretch Target of a projected increase in activity (3 x 30 minutes a week) from the current 18.6% in April 2007 to 22.6% in April 2010; and to maintain a 1% year on year increase in activity levels thereafter
- attract over 1 million attendances a year
- improve the uptake in activity levels by priority customers; Children and Young People, Older People, and those living in the most deprived wards
- provide facilities which are designed to be fully inclusive and accessible ensuring that all the needs of our citizens are met
- create high levels of customer satisfaction, with the quality of facilities and services provided
- provide a regional centre which meets the sports needs of our elite performers, ensuring that Plymouth remains one of the top sports hub in the South West
- provide a destination which partnerships can utilise to increase the skills, coaching and volunteer workforce across the city
- to build low carbon and energy efficient facilities, which coupled with its ability to attract more users and more income, will ensure than running costs are no higher than the current facilities located within the Park
- provide an attractive destination that will be an enjoyable place for people to visit

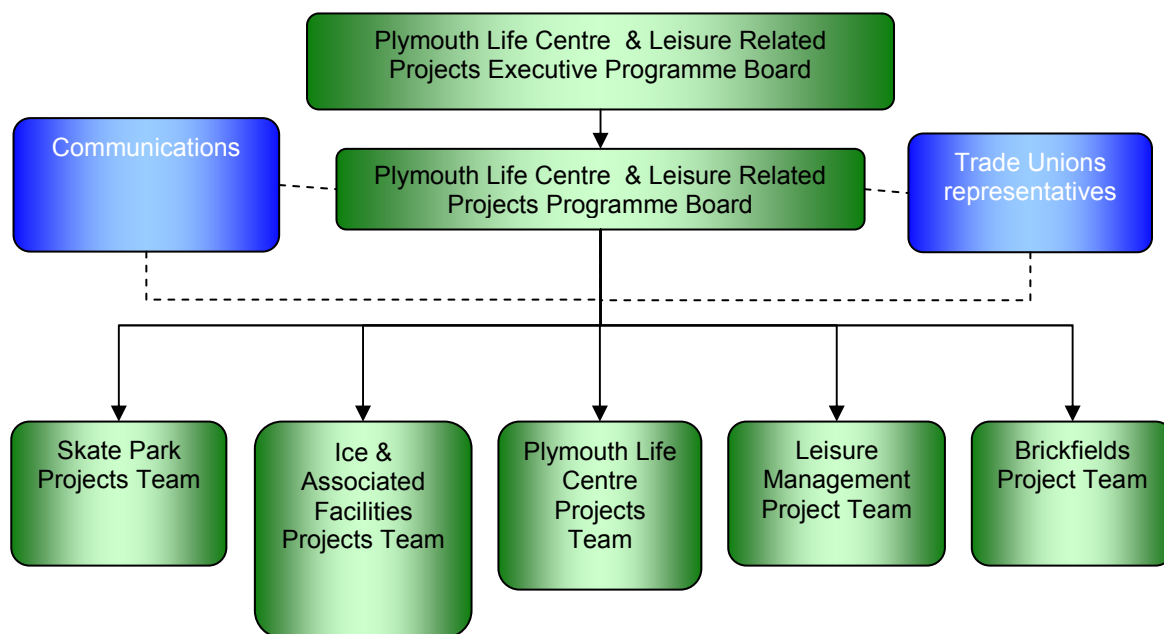
¹ The Ice element in the Cabinet approval was to be delivered separately to the Plymouth Life Centre, i.e. option B1

² This was removed from the scheme following withdrawal of the PCT

Programme Governance

There have been no changes to the project governance in the period however a review is to be undertaken by the Programme Director to ensure that the structure remains appropriate as the programme continues to evolve.

The structure is as per the following diagram.



Constant, controlled, evolutions of the governance structure enable the programme of work to progress in a more coherent manner with shared learning, clear direction and in a coordinated environment.

Programme Workstream Overview

Life Centre Summary

- Contract awarded 1st February 2010
- Very good progress on site
- Detail included in Appendix A (Project Manager's Report number 33)
- Budget remains at £46.5m
- Funding received from Sport England for £1.99m
- Awaiting outcome of other Capital funding bids
 - England Netball (£200k)
- Legal agreement with University for £2.5m in place

Progress Generally

The last few weeks have seen the construction of the structural steelwork for the entrance, foyer and associated areas. This is the part of the new building that directly faces the entrance of the existing Mayflower Centre. The floor slab for the dry dive area has also been cast last week, along with the internal staircase walls from ground to first floor in the same area. The casting of the main pool walls has continued with the end date now within sight – this will only leave the edge channels to be completed. Internal block work has again made good progress and the leisure pool area has been vacated in readiness for foundation works to begin.

This week will see the steelwork frame installed in the climbing and aerial experience area, the excavation of the leisure pool and further progress with the internal walls.

Considerate Constructors

We are proud to confirm that, since the last Scrutiny session, Balfour Beatty, the main contractor working on Plymouth's Life Centre has been described as 'exceptional' in a report published as part of the 'Considerate Constructors Scheme'.

The company, which is building the project on behalf of Plymouth City Council, scored a total of 37.5 points out of 40 in a recent assessment of the construction site in Central Park, as part of the Scheme's Site Code of Considerate Practice.

Balfour Beatty received top marks in the categories of 'considerate', 'environment' and 'respectful' where it scored a maximum 5 points (exceptional and unique measures) in each area. It scored 4.5 (very high standards) in the five other categories of 'cleanliness', 'being a good neighbour', 'safe', 'responsible' and 'accountable'.

Working with the local community, businesses, local schools, colleges and users of Central Park was highlighted by assessors and the way in which it organizes regular seminars, newsletters and updates community notice boards to keep people informed of progress on the Plymouth Life Centre. The work Balfour Beatty has done with Plymouth City Council's arts team on the 'Top Dogs' project was also picked out.

On the environment, the energy reduction scheme to encourage local workers to travel to and from the construction site was recognized, along with providing bikes and lock-ups, working closely with the Environment Agency on going above and beyond best practice, as well as monitoring and reducing energy use on-site.

Leisure Management Contract

- The Leisure Management Contract is subject to the Competitive Dialogue procurement process, the basis of which is set out in the following diagram:



- 7 submissions were received to the Leisure Management Pre-Qualification Questionnaire, 6 of these bidders were invited Submit Outline Solutions (ISOS). ISOS submissions were received from 3 bidders on 30th July 2010, those bidders not submitting bids cited workload and focus on retention of existing contracts in favour of bidding new work as their reasons for withdrawing.
- We are presently in the Invitation to Submit Detailed Solutions (ISDS) stage of the project where bidders are producing method statements and other detailed documentation to demonstrate how they will deal with all aspects of the contract. These will be developed over the coming weeks and will be submitted, in their final form, when we Call for Final Tenders (CFT).
- Contract award expected early 2011 as per the following procurement timetable:

Milestone	New Timeline (agreed 13.10.2010)
Close Dialogue	06/12/2010
Issue Call for Final Tenders (CFT)	06/12/2010
Final Tenders Submission	21/01/2011
Evaluation of Final Tenders and selection of preferred bidder	24/01/2011- 04/03/2011
Announcement of preferred bidder	17/03/2011
Cabinet Approval	29/03/2011
Contract Commencement (including Alcatel)- TH reviewing this in line with Cabinet/Scrutiny approval	11/04/2011
Service Commencement	01/06/2011 (preferably 26 th or 27 th May)

- Given the above timescales we would envisage returning to Scrutiny with an update in November 2010 and prior to Contract award in February 2011.
- HR issues continue to be discussed and the Trade Unions being consulted throughout this process.

Ice & Associated Facilities

Pavilions

- Theatre Royal Plymouth Ltd. (TRP) has been issued with notice of the Council's intention to withdraw subsidy to coincide with the closure of the Leisure water and Ice in line with the original funding strategy.
- The operation of the Pavilions arena post closure of Ice and Leisure water will require to be tendered.
- A paper has been produced in this regard and an announcement will be made during November 2010.

Leisure Ice

- There are funds set aside in the Programme budget allocated towards re-provision of Ice within the city.
- A number of sites for the re-provision of the facility have been identified in the city and discussions continue to define the most appropriate model for its delivery.
- A paper has been produced in this regard and an announcement will be made during November 2010.

Skate Park re-provision

- The contract for the re-provision of the skatepark has been awarded and commencement on site is expected in January 2011 following a period of design development and planning approval.

Brickfields

- Discussions with regards the transfer of ownership of Brickfields are ongoing.
- It is proposed that the management of the facility will be delivered by the successful Leisure Management Operator
- Work is underway to identify service connections and responsibilities within the site.

Appendix A – Project Manager’s Report number 33

Project Managers Report

Project : Life Centre
Reporting Period : 04/09/2010 to 06/10/2010
Report Nr : Thirty - Three

Progress Status = **Green**

Construction Milestone Schedule

Activity	Programme	Actual / Forecast
1. Officially Start on Site	08/03/2010	08/03/2010
2. Commence Piling	26/04/2010	26/04/2010
3. Commence reinforced concrete construction of 50m pool	07/06/2010	30/06/2010
4. Complete Retaining Walls to Bowls area	20/06/2010	16/07/2010
5. Commence assembly of structural steel box girder over the bowls area	21/06/2010	14/06/2010
6. Commence Pre-cast concrete planks over bowls	02/08/2010	19/07/2010
7. Commence reinforced concrete construction of diving pool	09/08/2010	03/07/2010
8. Complete Dive tower columns to 3m high	21/09/2010	15/11/2010
9. Complete Glulam beams to pool hall	02/11/2010	02/11/2010
10. Complete Steel Frame (Dry side south of box truss)	08/11/2010	08/11/2010
11. Complete Dive structure at 10m	11/11/2010	11/11/2010
12. Commence Fill and test pool	13/12/2010	15/11/2010
13. Complete Fill and test pool	13/02/2011	14/03/2011
14. Complete blockwork to external walls (sports hall)	21/02/2011	20/12/2010
15. Complete Roof membrane and top sheet	28/02/2011	28/02/2011
16. Complete External render	28/03/2011	28/03/2011
17. Commence Main Entrance Canopy	28/03/2011	28/03/2011
18. Complete Wall and Floor tiling to changing village	09/05/2011	09/05/2011
19. Complete tiling to pool surround	19/06/2011	18/07/2011
20. Power on	04/07/2011	04/04/2010
21. Complete post tiling pool testing	20/07/2011	16/08/2011
22. Submission of Operation & maintenance building manuals	01/08/2011	26/08/2011
23. Building Complete	12/09/2011	10/10/2011
24. Mayflower Centre & Swimming Pool demolition works complete	13/04/2012	13/04/2012

Changes in the Period :

Item 8 - Revised site management programme start date to allow priority to dive tank works
Item 12 - Re-assessed site management programme for the concrete works to the dive pool & adjacent interfaces

Scheduled Works Overview :

Planned Work to Date (01/10/10) 22.42%
Actual Work to Date (01/10/10) : 20.50%

Reason for Variance :

The contractor has confirmed that the delay to the South West Water diversion works has caused the current delay to the project. A four week extension of time has previously been granted for the relevant event, resulting in the revised Completion Date of 10th October 2011.

The Construction works for Section One are progressing on target for the revised Completion Date (10/10/11)

Risks				Status =	Amber	
A full risk assessment was undertaken on 27th February 2008, with a detailed Project Risk Register developed. Risk Refresh Workshops were undertaken on 5th November 2008, 17th March 2009, 24th June 2009, 29th September 2009 and 21st December 2009. Construction delivery specific Risk Workshops have been held by Balfour Beatty on 3rd March 2010 and 27th July 2010. PCC team Risk Refresh Workshops have been held on 14th April 2010 and 5th October 2010. The salient high level Risks facing the project at present include :						
Salient Risks						
Rating without Mitigation Measures in Place						
Risk				Probability	Impact	Rating
1. Balfour Beatty complete the Life Centre building (Section One) late of the programme date, claiming an Extension of Time and Loss & Expense				Red	Red	Red
2. Discharge of PCC Planning Conditions delays progress of activities on Site (& Completion)				Amber	Red	Red
3. Discharge of Main Contractor Planning Conditions delays progress of activities on Site (& Completion)				Amber	Red	Red
4. Client requested 'contract changes' compromise delivery of the Project to budget and programme				Red	Red	Red
5. Client does not respond within required time frame to contractor queries regarding final design issues				Red	Red	Red
6. The financial problems experienced by Archial (Architects) results in non performance by design sub-consultants fearful of payment issues / non payment. This could impact on the successful opening of the Life Centre on the anticipated date.				Amber	Red	Red
7. Potential changes to the colour of the dive tower rainscreen cladding result in delay and additional cost to the project.				Red	Red	Red
Rating with Mitigation Measures in Place						
Risk				Probability	Impact	Rating
1. Balfour Beatty complete the Life Centre building (Section One) late of the programme date, claiming an Extension of Time and Loss & Expense : MITIGATION - Proactive approach to addressing matters potentially impacting on the progress of the works. Detailed substantiation of any claims sought immediately and robustly tested by the team (in conjunction with BB)				Amber	Red	Red
2. Discharge of PCC Planning Conditions delays progress of activities on Site (& Completion) : MITIGATION - Monthly internal PCC Team meetings where PCC owned conditions are managed against a schedule, with owners and actions subject to ongoing review				Green	Red	Amber
3. Discharge of Main Contractor Planning Conditions delays progress of activities on Site (& Completion) : MITIGATION - BB have a detailed schedule of conditions and provide a status update at monthly progress meetings. Clear ownership of actions within the BB team, to be closely monitored.				Green	Red	Amber
4. Client requested 'contract changes' compromise delivery of the Project to budget and programme : MITIGATION - Change control procedure and process in place on the project, including Employers Request for Impact Advice (ERIA) process to enable PCC to make change decisions informed by impact advice provided by the Contractor				Amber	Red	Red
5. Client does not respond within required time frame to contractor queries regarding final design issues. MITIGATION - Introduction of Information Required Tracker identifying dates for action and responsibilities. Regular Internal PCC team meetings to monitor progress and resolve actions.				Green	Red	Amber
6. The financial problems experienced by Archial (Architects) results in non performance by design sub-consultants fearful of payment issues / non payment : MITIGATION - Balfour Beatty currently establishing extent of any payment issues, whilst also devising a draft contingency plan to ease any payment concerns of sub-consultants.				Green	Red	Amber
7. Potential changes to the colour of the dive tower rainscreen cladding result in delay and additional cost to the project : MITIGATION - Date for 'deadline' by which time a change will need to be instructed without impacting on project time or cost has been obtained from Balfour Beatty. Also, should an instruction to change the design not be issued by 15th October 2010, Balfour Beatty will continue as per the contractual requirements (ie the proposed colour).				Amber	Red	Amber
Risks are being closely managed on an ongoing basis, with detailed risk reviews being undertaken with the contractor and Plymouth City Council. An heuristic assessment of the costs associated with the items within the full risk register would suggest that the current contingency allowance is in line with the risk profile.						

Project Budget						Status =	Green
Agreed Project Budget		£ 44,000,000			Forecast Project Cost		£ 44,000,000
Agreed Increases in Budget					Variations		
- PCO No 1		£ 3,400,000			- PCO No 1		£ 3,400,000
- PCO No 2		(£ 900,000)			- PCO No 2		(£ 900,000)
Total Budget Available		£ 46,500,000			Total Forecast Cost		£ 46,500,000
Changes in the Period :							
- None							
The Project is on Budget, with the Quantity Surveyor proactively chasing detailed cost resolution on the Provisional Sum items. Changes are being closely managed, with confirmation of impacts sought prior to instructions being issued.							
Health & Safety						Status =	Green
The Contractors Construction Phase Health & Safety Plan has been issued by Balfour Beatty. Balfour Beatty continue works on site as the Principal Contractor							
Accidents :	To date :	In the period :					
Reportable :	Nil	Nil					
Non Reportable :	4	1 (back strain during tarmac activities)					
Balfour Beatty are operating a 'Red and Yellow Card' system on the site							
One number 'Red Card' has been issued to date relating to persistent breaking of the rules in connection with wearing goggles and gloves PPE - this individual has been excluded from site.							
A total of 465 site inductions have been undertaken to date.							
Sustainability						Status =	Green
BREEAM Target - In accordance with the clarification provided at Project Board Meeting No1, the project is targeting a BREEAM rating of <i>good</i> to <i>excellent</i> . The current forecast score is 60 - 62% which is within the 'Very Good' rating band (55% - 70%). The costs associated with this score are currently within the Construction Contract Sum. A meeting with the BREEAM Assessor was held during September 2010 which identified that the project is still on target to achieve the forecast scores.							
Sustainability Target - The building is to achieve all current Building Regulations & AAP requirements in terms of Sustainability & sustainable construction							
Decisions / Approvals currently awaited from the Programme Board							Green
- Decision as to whether or not the colour of the Dive Tower rainscreen cladding is to be changed. Balfour Beatty has confirmed that an instructed for any change would need to be issued by 15th October 2010 in order to avoid negative impacts on the project cost and/or programme. The risks associated with the potential change (eg Planning, etc) have been discussed under separate cover during the past two weeks.							
Work Planned in Next Reporting Period							
- Balfour Beatty continue roofing works							
- Balfour Beatty commence brickwork							
- Balfour Beatty continue casting 50m pool							
- Balfour Beatty continue installation of pool terrace seating units							
- PCC conclude Wayleave Agreement for Western Power							
Overall Project Health Check						Status =	Green

Appendix A - Client Changes								

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Client Changes						Status =	Green
Change Orders (Issued by PCC to EC Harris)							
Nr	Content	Status	Comments				
Project Change Order No 1	Increase width of 50m pool, increase size of Dance studio, provide 400m2 of PCT space	Issued	Issued by PCC on 13th October 2008				
Project Change Order No 2	Omit 400m2 PCT space instructed in PCO No 1	Issued	Issued by PCC on 6th February 2009				
Project Change Order No 3	Change to brief for water facilities and usage	Issued	Issued by PCC on 13th February 2009				
Project Change Order No 4	Change Dance studio brief previously instructed under PCO No 1	Issued	Issued by PCC on 29th April 2009				
Project Change Order No 5	Change to brief - events office and reception area	Issued	Issued by PCC on 16th July 2009				
Project Change Order No 6	Change to brief - separation of reception / climbing area and changes to Bowls Hall	Issued	Issued by PCC on 19th August 2009				
Project Change Order No 7	Additional of Provisional Sums for additional Highways and Asbestos removal works	Issued	Issued by PCC on 6th March 2010				
Project Change Order No 8	Realignment of site boundary to accommodate potential skatepark position	Issued	Issued by PCC on 9th March 2010				
Employers Agent Instructions (Issued by EC Harris to Balfour Beatty)							
EAI No 1	Realignment of site boundary to accommodate potential skatepark position	Issued	Project Change Order No 8, no cost or programme implication				
EAI No 2	Additional of Provisional Sums for additional Highways and Asbestos removal works	Issued	As per Tender Report. Project Change Order No 7.				
EAI No 3	Devin Consulting. Commencement of design.	Issued	Provisional Sum identified in Tender Report, instruction required to enable development of scope / interfaces				
EAI No 4	Omission of Transport Hub subject to BB providing requested 'alternative Hub' information by 30th June	Issued	Superseded by EAI No 8				
EAI No 5	Reconfiguration / handing of basement plant substation and surrounding areas.	Issued	No cost or programme impact. This was a Contractor Request for Change (CRC) requested by Balfour Beatty.				
EAI No 7	Devin Consulting development of detailed design.	Issued	Provisional Sum identified in Tender Report, instruction required to enable full integration of Devin Consulting				
EAI No 8	Transport Hub	Issued	Omission of existing hub and instruction of new Transport Hub proposal				
EAI No 9	Corridor Ceilings	Issued	Change from Plasterboard to Aluminium lay-in grid system. No cost or programme impact. This was a Contractor Request for Change (CRC) requested by Balfour Beatty.				
Employers Request for Impact Advice (Issued by EC Harris to Balfour Beatty)							
ERIA No 1	Realignment of site boundary to accommodate potential skatepark position	Advice Provided	BB have replied, advising of no impact on delivery. PCC have issued Project Change Order No 8. Employers Agent Instruction No 1 Issued				
ERIA No 2	Confirmation of latest date to instruct omission of Transport Hub and full contract saving for such.	Advice Provided	EAI No 4 refers				
ERIA No 3	Incorporation of Sport England Schedule 5 changes	Advice Provided	8 week delay to programme and £146,000 additional cost. PCC have confirmed that no further action is required.				
ERIA No 4	Potential Saving for reduced flume sizes	Awaiting BB Advice	Awaiting full response from BB.				
ERIA No 5	Revised Transport Hub proposals	Advice Provided	Incorporated into EAI No 8 above				
ERIA No 6	UXO Survey for Skateboard Park	Request Rescinded	PCC have determined alternative provision.				
ERIA No 7	Change colour of Dive Tower rainscreen cladding	Advice Provided	PCC to decide if change in colour is to be instructed. Instructed required by 15th October 2010 to avoid negative impact on project cost and/or programme.				
The number of changes instructed to date have been relatively minor in number. The change management & control process is promoting clarity on potential changes prior to any instruction for such.							

Appendix B – Project Risk Register (Part II paper only)