

Extract from the draft minutes of the Cabinet meeting on 21 November 2018

308. Colchester Northern Gateway Sports Park – Appointment of Contractor

The Assistant Director Policy and Corporate submitted a report a copy of which had been circulated to each Member.

Councillor Barlow, Portfolio Holder for Commercial Services, stressed that these proposals were a key step in the delivery of this major project. It would deliver a 76 acre site and would cost in the region of £20million. It would contribute to a number of council priorities. He thanked officers and the previous portfolio holder, Annie Feltham, and it was a testament to their work that it had reached this stage major controversy. Work had begun onsite. The Council would retain control of the sports hub which would ensure the site was run for the benefit of the residents of Colchester.

RESOLVED that:-

- (a) The decision on part B of the agenda for this meeting paper to appoint the contractor to deliver the main sports park contract be noted.
- (b) The review of the scheme costs, revised funding decision and financial details of the scheme and associated decisions as set out in the Assistant Director's report and the report on part B of the agenda be noted.
- (c) The revised scheme cost be approved and to *RECOMMEND TO COUNCIL* its inclusion at this level in the capital programme.
- (d) The release of the Section 106 funds received as set out in Assistant Director's report be approved and that the remaining expected sums be used for this project.
- (e) The long term borrowing of this project of £2.827m be agreed and this sum be included within the Treasury Management Strategy and Prudential Indicators.
- (f) The potential revenue implications of this scheme arising from the borrowing and cashflow position be noted and these be reflected in the 2019/20 budget and Medium Term Financial Forecast.

REASONS

This is an important milestone in the delivery of the Northern Gateway Sports Hub and is a major step in creating a destination of regional significance for sport. The appointment of contractor and acceptance of the revised budget requirement and

funding package will enable the 76 acre sports hub project to progress and allow the buildings, civils and infrastructure elements of the project to commence.

The advance pitch works contract for the grass pitches was let ahead of the main contract to ensure they were completed and allowed enough growing time. These have now been completed three weeks ahead of schedule.

This contract will see the buildings, the civils, the cycle track and all remaining works to the site completed, as well as improvements to the highway.

To appoint a contractor who can deliver a high quality scheme within the defined programme.

As the scheme has progressed through the design stages and has achieved planning consent the budget requirement has increased, and the funding package has changed, these are set out in the financial section of the Assistant Director's report.

ALTERNATIVE OPTIONS

Not to appoint a contractor; however, this would mean the project could not be delivered within the required timeframe and the project would have to be re-tendered, meaning a delay of at least 6 months. By not appointing a contractor at this time the wider Northern Gateway project including moving the Rugby Club from Mill Road would be delayed and a number of other external funding opportunities and linked projects, including substantial forecast capital receipts could be put at risk.

Not to accept the revised budget requirement and funding package; however, this would also mean that the project as in its current form could not be delivered within the current programme. In addition a new scheme and a new funding strategy would have to be devised.