



Warwick District Council

PUBLIC UPDATE REPORT FOR

ABBAY FIELDS SWIMMING POOLS PROJECT

September 2023

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Introduction

This report is provided to update the public on the current situation with the project to construct two new swimming pools in the Abbey Fields in Kenilworth.

Background

The project to replace the previous Abbey Fields Swimming Pools has been a key priority for the Council since the project began in 2018.

The previous swimming pool building has been demolished and minor construction works on the site had already started. These are currently halted.



What has happened to stop the scheme progressing on time?

The project at Abbey Fields has found significant medieval remains under the previous building. The Council is working closely with Historic England, the County Archaeologist and Archaeology Warwickshire to decide how best to preserve the key elements of these remains underneath the new building. The foundations of the new building are being carefully re-designed to avoid the remains as much as possible. The recording and mapping of these remains has been a slow and painstaking process, and this has delayed work on this project.

Constructing a building on this site will be more expensive and will take a longer time than was previously expected. This is because additional requirements will be placed on the construction team, in order to ensure that damage to the medieval remains from the construction process is limited as much as possible.

What is going to happen next?

In order to satisfy Historic England that the new building will not cause substantial harm to the medieval remains, it is proposed to raise the foundations of the building by 50cm, as well as moving from a ground-bearing slab to a suspended slab construction. This will raise the ridge of the building by 35cm as the rest of the increase in height can be absorbed by minor changes within the structure of the building. There will be some amendments to the construction process within the remainder of the building, but the general layout and design of the building will remain identical to the existing Planning Permission.

These changes will require the submission of an application for a Material Amendment to the existing Planning Permission under Section 73 of the Town and Country Planning Act 1990.

It is intended that the necessary information to support such an application will be submitted shortly. The application will then be processed by Development Services and submitted to the Planning Committee for consideration. It is necessary to submit this Section 73 application at this time to avoid holding up the project later, if it is decided to proceed with the works. It is hoped that a decision could be given in early 2024.

If permission was granted and the Council made the decision to proceed then work could begin as soon as the contractor could mobilise.

The Demolition Contractor has completed the removal of the 1980s foundations from amongst the medieval remains. Following the completion of the archaeological investigations, the next step on site will be to lay the 'cap' of inert material across the whole site to protect the medieval remains.

The Design Team has been progressing the conceptual work on the changes required to the foundations in order to reduce the impact on the medieval remains. Historic England has confirmed in writing that they are now content with the proposals that have been made. They have effectively reinstated our Scheduled Monument Consent and the Council can continue with the new design. The Design Team will now proceed with the detailed design of the revised foundations.

The work to analyse the medieval remains is now largely complete but the financial and time consequences for the project are not yet certain. There will be delays and additional costs caused by the archaeological works and also by the different construction process required. It is clear that costs and time will both be significant. Once the time and financial consequences are known a report will go to Cabinet (and if required to Council) in order that Warwick District Councillors can make a decision as to whether to proceed with the project. It is anticipated that this will be in the November cycle of Council meetings.

It should be noted that this report will only consider whether to proceed with the proposal to construct the building in accordance with the existing design, which obtained Planning Permission in 2021. The only changes to the design would be the raising of the foundation of the building to protect the medieval remains, and some consequent small changes to the structure of the building. The layout of the facilities and rooms within the building would remain the same.

What are the potential cost, risk and programme implications?

In reaching a decision on whether to proceed with the project, the Council will have to consider the cost, risk and programme implications of continuing at Abbey Fields.

Due to the submission and consideration of a Section 73 Material Amendment to the Planning Permission and the redesign of the foundations of the building, if the Planning Permission is granted, the start on site date will be delayed until early 2024.

Should the Council decide to continue with the scheme, there are a number of factors that will extend the construction period from the previous estimate of 74 weeks to a new estimate of 114 weeks. The relevant factors include restricted access routes across the site to preserve the medieval remains; a constant watching brief from Archaeology Warwickshire until all ground works are complete; the possibility of additional archaeological finds; more restrictive work practices in order to reduce hazards and use of smaller machines.

This gives a revised predicted completion date in the summer of 2026.

The main influences on the predicted increase in costs are prolongation of the works as shown above; re-tendering of all the works packages because the previous prices are all now out of date; waning interest from some sub-contractors due to the time delay; archaeological watching brief and inflation due to previous and future delays.

The contractor Kier has provided two scenarios for the increase in the costs – a 'lower assessment' and a 'higher assessment'. This is to provide an element of range in the figures, and to demonstrate that these are early indications which require substantially more detailed work before they can be finalised. These figures are therefore confidential as they represent one position in the negotiation between the contractor and the Council.

In addition to these potential increases, there will be additional sums for increases to demolition contract and site supervision, reinstatement of a project contingency at a rate of 5% of the Kier budget forecast (This is to cover currently unknown problems or opportunities during construction) and the increase in professional fees for Mace and other consultants that will be payable due to the prolongation of the project.

The total project cost at present is £14.7 million. Adding the Kier budget to other increases and the reinstatement of the project contingency gives a total project cost in the lower assessment of £20.4 million and in the higher assessment of £22.6 million.

This represents an increase of £5.7 million in the lower assessment and £7.9 million in the higher assessment.

It is intended that detailed negotiations on cost will be undertaken with Kier to establish a new and agreed contract price before any final decision to proceed can be made. In this way it will be possible to reinstate the existing balance of the risk between the Council and the contractor, as shown in the existing contract between the parties. There is a fine balance to be made in these negotiations on price. The Council needs to ensure that their cost consultants Mace are working hard with Kier to minimise the increase in cost, but it is also important that the agreed price is achievable as the Council does not want to be in a position of facing requests for further increases at a later date.

Comparison with theoretical alternatives

When the report is considered at the November meeting of the Cabinet (and if required Council), Councillors will need to decide whether to continue with the project at Abbey Fields. In making this decision, it is appropriate for the Council to compare the new projected costs and programme at Abbey Fields with theoretical alternative options and theoretical alternative sites, to establish whether or not it would be quicker and/or cheaper in theory to cancel the project at Abbey Fields and begin a new theoretical alternative project on a new theoretical site.

This theoretical comparison is intended at this stage to assist with the decision as to whether to proceed with the project at Abbey Fields. If it was decided not to proceed with the project at Abbey Fields, then the full options appraisal process would have to begin again, if it was decided to still seek to provide a swimming pool facility for Kenilworth. At that time other sites would be appraised, alternative designs considered and public consultation undertaken.

There are many variables that are hard to define with any certainty at this time in making a comparison between the option of continuing with the project at Abbey Fields and moving to a new site.

A new site might be less problematical for the construction process and it would cause less interim and permanent disturbance within the Abbey Fields.

However, the opportunity cost of any alternative site would be substantial since to avoid taking Green Belt existing housing sites would need to be used and they are very valuable. Other than sites that the Council owns it would not be possible to guarantee that land would be available for such a purpose. Using any development site would reduce the number of houses that can be built. Designing a new building on a new site and obtaining planning permission could take at least two years. Inflation in the construction industry will continue to rise during that time. The Council has already spent £3.27m on developing this design on this site and demolishing the previous building.

The Council would have to decide what to do with the existing site. Historic England has confirmed that it would require that the site was returned to amenity grassland or wildflower meadow to ensure the least damage to the remains. It could not, therefore, be opened as an attraction or educational resource. Construction on another site in Kenilworth would be likely to cause disruption to people living near to the site, both during construction and when the building was in use.

In planning terms, the District Local Plan says that "all town centre options should be thoroughly assessed before less central sites are considered. First preference should be given to town centre locations". Any Planning Application for a less central site than Abbey Fields would have to establish whether or not the increased cost and construction programme at Abbey Fields was sufficient reason to move to a less central site.

In programming terms, the project at Abbey Fields is predicting a start on site date in early 2024, with a 114-week construction period, giving an opening date in the summer of 2026. A project on a theoretical alternative site would need to go through the whole options, feasibility and design process, including several periods of public consultation. This would lead to a start on site date of at least September 2026. An anticipated 74-week construction period, (depending on site conditions and what may be found below ground) would lead to an earliest possible opening date in the Spring of 2028, which is approximately one and a half years after the Abbey Fields programme.

It should be noted that the programme for an alternative site contains substantially more risk than at Abbey Fields, as there are more steps required within the process. The current site at Abbey Fields is recognised as an extremely complex site with high levels of risk. However, the site does have an agreed design, Planning Permission (although a new Section 73 application will be required) and a contractor in contract (although price will have to be renegotiated). Many of the risks on this site are now known and allowance has been made within the costings calculated. A new design on a new site will be open to risks relating to site conditions, planning permission, procurement of a contractor and inflation in the intervening period.

Cost comparison with a theoretical alternative

This comparison is taken from this point forward. It is acknowledged that £3,270,000 has been spent to date on the Abbey Fields site on design, project management, demolition and managing the implications of the medieval remains. However, this has already been spent and so is not considered here.

ITEM	ABBAY FIELDS - LOWER £ ROUNDED TO 000	ABBAY FIELDS - HIGHER £ ROUNDED TO 000	ALTERNATIVE SITE £ ROUNDED TO 000
Loss of housing revenue	0	0	5,309,000
Cost of design	0	0	1,511,000
Cost of construction inc consultants and client direct costs	19,508,000	21,556,000	13,628,000
Inflation to 3Q 2027 @ 18.33%	0	0	2,342,000
Known Risk Contingency	937,000	1,036,000	894,000
Car park construct @£3,000 per space + inflation at 13.73%	0	0	641,000
Cost of cancelling contract with Kier	0	0	2,375,000
Total cost	20,445,000	22,592,000	26,700,000

The table assumes that a new swimming pool building on a new site would have the same construction cost as the expected cost of the pools at Abbey Fields before the discovery of the medieval remains, plus 1.8 percent, which is the predicted increase necessary to comply with the new Building Regulations, which would apply to a new facility. It is then necessary to add the loss of income to the Council from the houses that could not be built; inflation in the period before construction can start; the cost of a new design process from scratch and the cost of cancelling the current contract with Kier to this option. When these items are added it is predicted that a new swimming pool building on a theoretical new site would cost more than the project at Abbey Fields, even at the higher estimate for that project.

It should also be noted that there are more variables and thus greater risk for cost and programme in the proposal to build on a new site.

Option to cease the project

The final option would be to terminate the project to build a new swimming pool building for Kenilworth. This would provide a substantial saving on the capital budget and create less disturbance to local residents and users of Abbey Fields.

This option would mean that people in Kenilworth would have to travel to other towns to swim, leading to a substantial loss of amenity for local residents and increase in Carbon emissions. Sport England would confirm that the Council was not providing the necessary swimming facilities for local residents, contrary to the Council's own Local Plan and Sports Facility Strategy.

The cost of this option going forward could be estimated to be £2,375,402, as this is the predicted cost of cancelling the contract with Kier and returning the site at Abbey Fields to grassland. It should also be borne in mind that the Council has already spent £3,270,000 on developing the design for the Abbey Fields site and demolishing the previous building.

Conclusion

The discovery of medieval remains on the proposed construction site in Abbey Fields has generated a significant increase in the predicted cost and duration of the project to construct a new swimming pool building for Kenilworth and for the wider District.

The Cabinet (and if required Council) will be presented with a report in the November cycle of meetings that will ask them to decide whether to proceed with the project to construct a new swimming pool building in Abbey Fields.

Any decision to proceed would be conditional on negotiations with the contractor Kier reaching an agreed contract price early in 2024 which would be within a maximum to be agreed by the Councillors in November.

If the decision is taken not to proceed then the Council will have to consider the matter further in subsequent meetings. At that later time, it would be possible to cancel plans for a swimming pool building in Kenilworth or to begin an options appraisal to consider other sites within the town.

It is considered that any other site would cost even more than the Abbey Fields proposals at the higher current estimate and would take almost one and a half years longer to open to the public. As well as additional cost and time, the proposal to consider an alternative site would carry a higher risk in a number of factors than continuing at Abbey Fields.



MEDIEVAL REMAINS IN ABBEY FIELDS



ARTIST'S IMPRESSIONS OF THE PROPOSED NEW SWIMMING POOLS IN ABBEY FIELDS



Main pool and family pool



Family pool with lakeside terrace



Café for swimmers and park users



Warwick District Council
Riverside House
Milverton Hill
Royal Leamington Spa
CV32 5HZ

